SECURITIES AND EXCHANGE COMM'S ON

NEWS DIGEST

A brief summary of financial proposals filed with and actions by the S.E.C.

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U. S. CROWN CORP. FILES FOR OFFERING AND SECONDARY. United States Crown Corporation, 437 Boulevard, East Paterson, N. J., filed a registration statement (File 2-18729) with the SEC on August 22nd seeking registration of 150,000 shares of common stock, to be offered for public sale at $8 per share. The offering will be made through underwriters headed by Adams & Peck, which will receive an 80¢ per share commission. The registration also includes 100,000 shares of common stock issuable upon the conversion of $250,000 principal amount of the company's 6% convertible notes due April 15, 1961, and 40,000 shares of common stock issuable upon the conversion of $100,000 principal amount of the company's ten year subordinated convertible debentures due May 15, 1971, including $37,500 principal amount sold as of July 3, 1961 by Grace Management Corp., the principal stockholder of the company to Adams & Peck, the representative of the underwriters. These 140,000 shares may be sold from time to time in the over-the-counter market or otherwise, at prices not in excess of those prevailing in the market at the time of such sale.

Organized under Delaware law in February 1960, the company owns the exclusive world-wide license to manufacture and sell a manually removable crown cap (the "Flip-Top Crown") for bottled beer, soft drinks and other beverages and liquids. The only activities in which the company has engaged to date have been (1) granting of sub-licenses to manufacture and sell the Flip-Top Crown in certain foreign countries, and (2) participation in the design and development of the machinery necessary to manufacture and produce the Flip-Top Crown and to adapt existing bottling equipment to handle this crown. The company intends upon the completion of this public offering to commence the manufacture and distribution in the United States of the Flip-Top Crown. Of the net proceeds from the company's sale of additional stock, $500,000 will be used to complete the purchase and installation of machinery necessary to engage in commercial production of the Flip-Top Crown, and the balance will be added to working capital and used for general corporate purposes.

In addition to certain indebtedness, the company has outstanding 200,000 shares of common stock, of which Grace Management Corp. (of which George E. Roberts, company president, is sole stockholder) owns 165,000 shares and Robert J. Freedman, treasurer, owns 25,000 shares. The prospectus lists 21 selling stockholders who propose to sell amounts ranging from 1,000 to 16,000 shares, including Roberts, who proposes to sell 5,000 shares.

RED ROPE STATIONERY INDUSTRIES FILES FOR STOCK OFFERING. Red Rope Stationery Industries, Inc., 70 Washington Street, Brooklyn, N. Y., filed a registration statement (File 2-18731) with the SEC on August 23rd seeking registration of 160,000 shares of common stock, to be offered for public sale at $3.50 per share. The offering will be made through underwriters headed by George, O'Neill & Co., Inc., which will receive a 35¢ per share commission and $25,000 for expenses. The registration statement also includes 15,000 outstanding common shares which underlie five-year warrants sold to the principal underwriter at $.001 per warrant by Joseph Wexelbaum, president, and Samuel Porcelain, secretary-treasurer, exercisable at $3.50 per share.

The company is engaged in the manufacture and sale of stationery, school and office supplies and filing systems, which it distributes nationally under the trademarks "Accordian Brand," "Redskin" and others. In July 1961 the company and Jayem Manufacturing Corp. formed Visable File Corporation (50% owned by each) which will sell cabinet and book-type visible filing systems. The $455,000 estimated net proceeds from the stock sale will be used for additional working capital, to purchase additional equipment and paper stock to expand the present line of school supply products, setting up of additional manufacturing facilities in other areas, and to pay certain notes.

In addition to certain indebtedness, the company has outstanding 240,000 shares of common stock, of which Wexelbaum and Porcelain own 83.33% and 16.67%, respectively.

KEYSTONE STEEL & WIRE PROPOSES DEBENTURE OFFERING. Keystone Steel & Wire Company, 7000 South Adams St., Peoria, Ill., filed a registration statement (File 2-18732) with the SEC on August 23rd seeking registration of $20,000,000 of convertible subordinated debentures due 1981, to be offered for public sale through underwriters headed by Hornblower & Weeks and Eastman Dillon, Union Securities & Co. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

The company produces steel by the open hearth process. Its principal broad products groups are semi-finished steel, including ingots, billets and rods; industrial wire; merchant trade products; and building and constructing materials. Of the net proceeds from the debenture sale, $6,500,000 will be used to retire short-term bank debt, $4,400,000 for a loan to National Lock Co., a subsidiary, to retire short-term debt and for additional working capital, $3,550,000 for a loan to Mid-States Steel & Wire Co., another subsidiary, for similar purposes, and $1,400,000 for additional working capital for the company.

In addition to certain indebtedness, the company has outstanding 1,875,000 shares of common stock, of which management officials as a group own 5.22%. Reuben E. Sommer is listed as president, general manager and chairman of the executive committee.

STAR INDUSTRIES FILES FOR OFFERING AND SECONDARY. Star Industries, Inc., 31-10 48th Avenue, Long Island City, N. Y., filed a registration statement (File 2-18733) with the SEC on August 23rd seeking registration

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of 415,576 shares of Class A stock, of which 103,894 shares are to be offered for public sale by the company and 311,682 shares, being outstanding stock, by the present holders thereof. Lee Higginson Corporation and H. Hentz & Co. head the list of underwriters. The public offering price and underwriting terms are to be supplied by amendment. Of such stock, 40,000 shares will be offered initially by the company to employees and certain other persons (any of such shares not sold to be offered to the public through the underwriters), and the underwriters have agreed to reserve 100,000 of the remaining 375,576 shares to be offered initially at the public offering price to such persons as may be designated by the company and selling stockholders, including their friends and associates.

The company (formerly Star Liquor Dealers, Inc.) is a wholesale distributor of a diversified line of bottled alcoholic beverages in the New York City metropolitan area. In addition, the company owns substantial stock interests in The Paddington Corp. and Carillon Importers, Ltd., New York corporations engaged in the business of importing into and selling throughout the United States bottled alcoholic beverages. Of the net proceeds from the company's sale of additional stock, $500,000 will be used to repay all outstanding bank loans, incurred for working capital, and the remainder will be added to working capital and will be used to reduce future reliance on bank loans.

In addition to certain indebtedness and preferred stock, the company has outstanding 341,682 Class A and 605,760 Class B shares, of which 33-1/3% of each class is owned by Abraham Rosenberg, president, Samuel Jacobs, executive vice president, and Louis Silver, secretary-treasurer, respectively. Each proposes to sell 103,894 Class A shares.

FIRST WESTERN FINANCIAL FILES FOR OFFERING AND SECONDARY. First Western Financial Corporation, 118 Las Vegas Boulevard South, Las Vegas, Nevada, filed a reg.statement (File 2-18734) with the SEC on August 23rd seeking registration of 450,000 shares of common stock, of which 100,000 shares are to be offered for public sale by the company and 350,000 shares, being outstanding stock, by the holders thereof. The offering will be made on an all or none basis through underwriters headed by A. C. Allyn and Company. The public offering price and underwriting terms are to be supplied by amendment.

The company owns all of the outstanding permanent capital stock of First Western Savings and Loan Association, a Nevada savings and loan association; operates an insurance agency, a general real estate agency, an escrow agency, an appraisal service and a construction inspection and payout service; and acts as trustee under deeds of trust to the Association. Of the net proceeds from the company's sale of additional stock, $600,000 will be used to repay a bank loan and the balance will be added to general funds and be available for general corporate purposes.

In addition to certain indebtedness, the company has outstanding 1,000,000 shares of common stock, of which Robert C. Finkelstein, president, Edward J. Hellmer (beneficially or as trustee for certain persons), Alfons Landa, board chairman, and Southwest Development Co. own 112,104, 102,420, 135,834 and 247,580 shares, respectively. They propose to sell 47,541, 35,830, 47,541 and 86,670 shares, respectively. The prospectus lists 19 other selling stockholders who propose to sell amounts ranging from 1,750 to 21,000 shares.

SEC ORDER CITES S.P. LEVINE & CO. AND M. GAIL & CO. The SEC has ordered proceedings under the Securities Exchange Act of 1934 to determine whether S. P. Levine & Co., Inc., of 68 William Street, New York City, and certain individuals made fraudulent representations in the offering and sale of Class A common stock of Superior Commercial Corporation and if so, (a) whether that company's broker-dealer registration should be revoked and (b) whether an application for broker-dealer registration filed by Michael Gail & Co., Inc., of 4211 Avenue K, Brooklyn, N. Y., should be denied. The proceedings with respect to Levine & Co. also involve the question whether it should be suspended or expelled from membership in the National Association of Securities Dealers, Inc.

According to the Commission's order, Levine & Co. has been registered as a broker-dealer since April 25, 1960, and Stanley P. Levine as president and owner of more than 10% of its outstanding stock. Gail & Co. filed its registration application on June 7, 1961, and lists Fred Weiss as president and sole stockholder. The order further states that during the period November 1960 to June 1961, Weiss and four others served as salesmen for Levine & Co., namely, Michael M. Skolnick, Donald J. Bloom, Herman Weinstein, and Phil Sacks.

The order for proceedings provides an opportunity for hearing on the question whether, in the offer and sale of Superior stock during the stated period, Levine & Co., Levine, Weiss, Skolnick, Bloom, Weinstein and Sacks "engaged in acts, practices and a course of business which operated as a fraud and deceit" upon the purchasers of the stock, by making false and misleading statements with respect to (1) the expected rise in the price of Superior stock within a short time; (2) the doubling and tripling of the price of Superior shares within the year; (3) the payment of dividends by Superior; (4) the financial stability and earning power of Superior; (5) the listing of Superior stock on a stock exchange; and (6) the superiority of Superior shares as an investment over those of Atlas Credit Corporation or First Charter Financial Corporation.

An initial hearing will be held in the Commission's New York Regional Office on August 29, 1961, for the purpose of determining whether it is in the public interest to postpone the effective date of Gail & Co. registration pending final determination of the question whether registration should be denied.

COSMETICALLY YOURS FILES FOR STOCK OFFERING. Cosmetically Yours, Inc., 15 Clinton Street, Yonkers, N.Y., filed a registration statement (File 2-18735) with the SEC on August 23rd seeking registration of 42,500 shares of common stock, to be offered for public sale at $4 per share. The offering will be made on a best efforts basis by I. J. Gruber & Co., Inc., which will receive a 60¢ per share selling commission and $10,000 for expenses. The registration statement also includes (1) 7,000 common shares to be sold to the underwriter at par (10¢ per share), (2) 8,000 shares which underlie five-year warrants to be sold to the underwriter at 1¢ each, exercisable at $4.40 per share, (3) 1,000 shares to be sold to McMahon, Lichtenfeld & Co. at 10¢ per share as a finder's fee, and (4) 1,000 outstanding shares transferred to Imperial Associates by the holders thereof in consideration of a $25,000 loan to the company.

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Organized in 1958 as Tiara Cosmetics, Inc., the company has specialized in the development and distribution of eye cosmetics which are sold under the registered trade name "Cosmetically Yours." A subsidiary, Manhattan Specialty Company, Incorporated, manufactures and distributes a line of cosmetics and eye cosmetic containers under private label. The estimated $134,500 net proceeds from the stock sale will be used for repayment of a loan, advertising, new equipment, inventory, research and development and working capital.

In addition to certain indebtedness, the company has outstanding 53,000 shares of common stock (after giving effect to a recapitalization in July 1961 whereby the 370 common shares then outstanding were exchanged for the 53,000 shares), of which Leonard Bindler, president, Stanley Acker, vice president, and Neal Henschel, secretary-treasurer, own 32.7% each. The May 31st book value of the outstanding shares was 86¢ per share and after the sale of new shares will be increased to $2.09 per share.

SUPERVISIED SHARES FILES FOR STOCK OFFERING. Supervised Shares, Inc., 300 Empire Bldg., Des Moines, Iowa, filed a registration statement (File 2-18736) with the SEC on August 23rd seeking registration of 250,000 shares of capital stock, to be offered for public sale at their net asset value through T. C. Henderson & Co., Inc., the Fund's distributor.

EMPIRE STATE BLDG. ASSOCIATES FILES FOR OFFERING. Empire State Building Associates, 60 East 42nd St., New York, today filed a registration statement (File 2-18741) seeking registration of $39,000,000 Participations in General Partnership Interests in Associates, a partnership consisting of Lawrence A. Wien, Henry W. Klein and Peter L. Malkin. The Participations will be offered for public sale in $10,000 units.

Associates has contracted to purchase the Empire State Building in New York and the ground lease of the land underlying the building. The contract price is $65,000,000, and a $4,000,000 deposit has been made thereunder. The contract is scheduled for closing on December 27, 1961. Various other expenses and disbursements, including legal and realty brokerage fees and the expenses of this offering, will increase the acquisition cost to $68,000,000. Associates proposes to obtain the $68,000,000 as follows: $29,000,000, by causing the building to be conveyed to The Prudential Life Insurance Company of America (Prudential already owns the land and is the lessor under the existing ground lease, having purchased the land in 1951 for $17,000,000. Upon acquiring the building, Prudential will execute a Master Lease of the land and building to Associates); $13,000,000 by a Leasehold Mortgage; and ($26,000,000 through the sale to the public of that amount of participations being offered. However, the mortgage may be a smaller amount or there may be no mortgage at all. In the latter event, the maximum amount of $39,000,000 of Participations will be sold hereunder. Each partner in Associates will sell Participations in his partnership interest equal to one-third of the amount required.

When the above transactions are closed, Associates will own the Master Lease on the property. Its contribution to the total cost of acquisition (including disbursements) will be $39,000,000, which will be derived either from the proceeds of the sale of Participations and a Leasehold Mortgage, or from the sale of Participations alone. The Master Lease will be a net lease of the entire premises which, with renewal privileges, will run for 114 years to 2075. It will provide for the payment by Associates of an annual rent.

Associates will not operate the property. Simultaneously with the purchase, it will execute a net sublease of the entire premises to Empire State Building Company, with the same term and renewal privileges as the Master Lease. Empire State Building Company is a joint venture composed of Wien, Harry B. Helmsley, and two corporations owned by others. Associates proposes to obtain the Leasehold Mortgage from Real Estate Investing Associates, Inc., 56% of whose stock is owned by Wien and Helmsley.

BRONZINI FILES FOR STOCK OFFERING. Bronzini, Ltd. 720 Fifth Avenue, New York City, filed a registration statement (File 2-18737) with the SEC on August 23rd seeking registration of 125,000 shares of common stock, to be offered for public sale at $6 per share. The offering will be made on a best efforts basis by A. J. Gabriel Co., Inc., which will receive a 72¢ per share selling commission and $15,000 for expenses. The registration statement includes 25,000 shares to be sold to the underwriter at 1¢ per share.

The company is engaged in the business of designing, producing and distributing at wholesale a "high-priced line" of men's ties, shirts and toilet accessories. The estimated $617,500 net proceeds from the stock sale will be used to redeem the entire issue of 10% cumulative preferred stock outstanding ($200,000 plus dividends of $15,000), to repay a bank loan of $78,796, to expand the distribution of the line of toilet accessories, to add a line of men's cabana sets and men's jewelry, to expand the existing line of men's shirts, to add additional shipping and warehouse facilities, and for working capital to be used for general corporate purposes. Of the 2,000 outstanding shares of preferred stock management officials own 1,025 shares and the balance is held by a group of stockholders who now own (or will own) an aggregate of 73,125 Class A shares.

Pursuant to a proposed recapitalization, the presently outstanding 240 Class B shares will be changed into 150,000 common shares, and the presently outstanding 120 Class A shares will be changed into 75,000 Class A shares. The holders of such Class A shares will have the right, upon redemption of the preferred stock, to convert their shares into a like number of common shares. In addition to certain indebtedness, the company will have outstanding after said recapitalization, 75,000 Class A and 150,000 common shares, of which latter stock W. Donald Blackwell, a vice president, Edward Dahut, president, Nathaniel L. Hooper, a vice president, and Martin Penn, treasurer, will own 33-1/3%, 25%, 16-2/3% and 25%, respectively. None owns any of the outstanding Class A shares. Dahut & Penn (and their wives) hold an aggregate of 15,000 Class A shares as custodians for their children. The May 31, 1961 book value of outstanding shares was 4¢ per share and, on a pro forma basis giving effect to the completion of this offering, the book value will be $1.67 per share.

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VOTING TRUSTEES FOR BRONZINI FILE. Edward Dahut and Martin Fenn, Voting Trustees under a proposed Voting Trust Agreement for the deposit of common shares of Bronzini, Ltd. (see Pg. 3) also filed a registration statement (File 2-18738) with the SEC on August 23rd, seeking registration of Voting Trust Certificates covering 375,000 common shares (to be outstanding after the company's sale of new stock and proposed recapitalization). The prospectus states that the holders of the outstanding 150,000 common shares have heretofore deposited said shares in the Voting Trust.

CERRO FILES FOR STOCK OFFERING. Cerro Corporation, 300 Park Avenue, New York, today filed a registration statement (File 2-18740) with the SEC seeking registration of 350,000 shares of common stock, to be offered for public sale through underwriters headed by Morgan Stanley & Co. and Smith, Barney & Co. The public offering price and underwriting terms are to be supplied by amendment.

The company is engaged principally in the production and sale of refined copper, lead, zinc and zinc concentrates, refined silver, gold, bismuth and cadmium, and the processing and sale of copper and brass rod and tube, copper wire and cable, and aluminum sheet and coil. Net proceeds from the stock sale will be added to the general funds of the corporation and will be available for general corporate purposes including reimbursement of working capital for expenditures already made. The corporation's capital expenditures made or already authorized for 1961 aggregate approximately $25,000,000.

In addition to certain indebtedness, the company has outstanding 3,025,908 shares of common stock, of which management officials as a group own 3.2%. Frank F. Russell is listed as board chairman and Robert P. Koenig as president.

PHOTON PROPOSES DEBENTURE RIGHTS OFFERING. Photon, Inc., 58 Charles Street, Cambridge, Mass., today filed a registration statement (File 2-18739) with the SEC seeking registration of $1,785,000 of 5% convertible subordinated income debentures due 1971. It is proposed to offer such debentures for subscription at 100% of principal amount by common stockholders at the rate of $100 of debentures for each 40 shares held. The record date is to be supplied by amendment. The company will also issue debentures in exchange for its outstanding 5% convertible notes due 1969 aggregating $535,000 and its 6% convertible demand notes aggregating $100,000 on the basis of $100 principal amount of such notes for $100 principal amount of debentures. The company is also offering $150,000 of debentures in exchange for an existing $150,000 note held by Arthur E. Spellissy, a director. The company has no commitment for purchase of unsubscribed debentures.

The company is engaged in the manufacture and sale (under exclusive license from the inventors) of a recently developed machine for photographic type composition which eliminates the use of conventional typesetting methods and equipment. In the ten years since 1950 when the company commenced to assemble the necessary engineering and production staff for manufacture of the Photon machine, the company has incurred heavy engineering and development expenses. In addition, sales to date have not enabled the company to operate at a profitable rate due, in part, according to the prospectus, to the length of time required to obtain acceptance by the printing industry of its new process. As a result, it had an accumulated deficit of $5,574,548 as of May 31st. It proposes to secure additional working capital in order to undertake an aggressive marketing program to increase the sales of its product. Of the net proceeds from the debenture sale, $139,602 will be used to retire a bank loan and the balance for general working capital to finance sales promotion, develop new products and increase production.

In addition to certain indebtedness, the company has outstanding 396,675 shares of common stock, of which management officials as a group own 4.3%. Kurtz M. Hanson is listed as president.

HUGHES HOMES INC. ET AL ENJOINED. The SEC Seattle Regional Office announced July 28th (LR-2087) the entry of a Federal court order (USDC, Butte, Montana) permanently enjoining Hughes Homes Acceptance Corporation and Hughes Homes, Inc., of Butte, from further sales of debentures of Hughes Homes Acceptance Corporation, in violation of the anti-fraud provisions of the Securities Act. The court also appointed a temporary receiver to act as a conservator of the assets of the two defendant corporations, as well as a receiver for three other subsidiaries of Hughes Homes, Inc., namely, Hughes Homes Acceptance Corporations of Idaho, Washington and Wyoming.

FRANCIS BRENEK & CO. INC. ENJOINED. The SEC Seattle Regional Office announced August 15th (LR-2088) the entry of a Federal court order (USDC-WD Wash.) permanently enjoining Francis J. Brenek and Co., Inc., Francis J. Brenek, its president, and Clinton F. Crow, all of Seattle, from further offering and sale of stock of Brenek and Co. in violation of the anti-fraud provisions of the Federal securities laws and the SEC net capital and bookkeeping rules.

SEC MOTION SEEKS RECEIVER FOR COLORADO FIRMS. The SEC Denver Regional Office announced August 14th (LR-2089) that in connection with its injunction action (USDC Colo.) against Colorado Trust Deed Funds, Inc., Mortgage Underwriting Corporation and others (which resulted in a final judgment on July 13th), the Commission had moved the court for the appointment of a receiver for the two defendant corporations and for an order preventing further disbursement of their funds and assets. Temporary restraining order and show cause order issued by court.

SECURITIES ACT REGISTRATIONS. Effective August 24: Advanced Scientific Instruments, Inc. (File 2-18144); Data-Control Systems, Inc. (File 2-18292); Frontier Airlines, Inc. (File 2-17738); Marsan Industries, Inc. (File 2-18255); Moderncraft Towel Dispenser Co. Inc. (File 2-17874); Ore-Ida Foods, Inc. (File 2-18427); U. S. Fiberglass Products Co. (File 2-18023); U. S. Home & Development Corporation (File 2-18096); Vinco Corp. (File 2-18150).

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