

SECURITIES AND EXCHANGE COMMISSION

NEWS DIGEST

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



Washington 25, D.C.

(For ordering full text of Releases from Publications Unit, cite number)

Issue No. 64-1-19)

FOR RELEASE January 30, 1964

SEC ORDER CITES EDWARD J. MOSCHETTI. The SEC has ordered administrative proceedings under the Investment Advisers Act of 1940 involving Edward J. Moschetti, of 1429 Hawthorne Street, Pittsburgh, who applied to the Commission on December 31, 1963, for registration as an investment adviser.

The proceedings are based upon staff charges that Moschetti (1) pleaded guilty and was convicted of all fraud charges in the Federal court in Pittsburgh on June 5, 1963, and (2) falsified his registration application by disclaiming such conviction.

A hearing will be held on February 19, 1964, in the Commission's Washington Office to take evidence on the staff charges for the purpose of determining whether such charges are true and, if so, whether Moschetti's application for registration as an investment adviser should be denied.

McCLANE & CO. REHEARING DENIED. The SEC today announced the issuance of a decision (Release 34-7227) denying rehearing upon its order of November 1, 1963, revoking the broker-dealer registration of McClane & Co., Inc., of 26 Broadway, New York. In the earlier order, the Commission found that the McClane firm, aided and abetted by or together with Walter McClane, its president, wilfully violated the registration, anti-fraud and net capital provisions of the Federal securities laws, and that McClane was a cause of the revocation order. The Commission found the rehearing petition to be both untimely and without merit.

MANAGEMENT INVESTMENT EXEMPTED. The SEC has issued an order under the Investment Company Act (Release IC-3907) declaring that Management Investment Corporation, Atlanta, has ceased to be an investment company under said Act.

GULF-S.W. CAPITAL ORDER. The SEC has issued an exemption order under the Investment Company Act, requested by Gulf-Southwest Capital Corporation, of Houston, with respect to a change in the expiration dates of warrants issued by The Narda Microwave Corporation and held by Gulf-Southwest so that each warrant will remain valid until April 1, 1967. (Release IC-3908)

DU PONT ORDER. The SEC has issued an exemption order under the Investment Company Act (Release IC-3909) permitting the sale by E. I. du Pont de Nemours and Company, of Wilmington (and 29% owned by Christiana Securities Company), of its 50% interest in Old Hickory Chemical Co. to Stauffer Chemical Company, and the purchase by du Pont from Stauffer or Old Hickory of a 66-acre and a 47-acre tract of land.

PENSION PLANS FUND SEEKS ORDER. Pension Plans Fund, Inc., 20 Broad St., New York, has applied to the SEC for an exemption order under the Investment Company Act so that the Fund will have an additional 90-day period within which to raise the initial net worth of \$100,000 required by Section 14 of the Act; and the Commission has issued an order giving interested persons until February 14th to request a hearing thereon. The Fund previously filed a Securities Act registration statement, which became effective August 5, 1963, proposing the offering of 500,000 common shares to pension trusts created as a result of collective bargaining pursuant to the Federal Labor-Management Act or local law, and which are qualified under Section 401 of the Internal Revenue Code. It undertook to obtain the \$100,000 from not more than 25 responsible persons and to repay any proceeds received in the event the total net proceeds received within 90 days of the effective date of the statement did not amount to at least \$100,000. It now seeks an additional 90 days to raise the \$100,000 before making a public offering of its stock. (Release IC-3910)

HENRY SIEGEL CO. FILES FOR OFFERING AND SECONDARY. Henry I. Siegel Co., Inc., 16 East 34th St., New York, filed a registration statement (File 2-22041) with the SEC on January 29 seeking registration of 250,000 shares of Class A stock. Of this stock, 150,000 shares are to be offered for public sale by the company and 100,000, being outstanding stock, by the holders thereof. The public offering price (\$20 per share maximum*) and underwriting terms are to be supplied by amendment. Shearson, Hammill & Co., of 14 Wall St., New York, is listed as the principal underwriter.

Siegel's is a manufacturer and distributor of men's and boys' slacks and sports coats, and also manufactures suits, men's sport shirts and varied items of sportswear, in the popular price field. Recently it entered the field of manufacturing and merchandising women's slacks. Net proceeds of the company's sale of additional stock will be used, as follows: in part to reduce bank borrowings used to carry accounts receivables and inventories; \$525,000 to prepay notes held by principal stockholders and related interests and \$300,000 for equipping a new plant to be constructed in Eloy, Ariz.; and the balance for working capital and general corporate purposes. In addition to certain indebtedness, the company has outstanding 729,000 shares of Class A and 486,000 shares of Class B stock. Management officials own all of the Class B and 328,600 of the Class A shares. Jesse S. Siegel, president, proposes to sell 51,000 of his holdings of 166,240 Class A shares (he also owns 247,860 Class B shares); George Siegel, a director, proposes to sell 39,000 of his holdings of 125,560 Class A shares (he also owns 189,540 Class B shares); and Sam Siegel, vice president, proposes to sell 10,000 of his holdings of 33,000 Class A shares (he also owns 48,600 Class B shares).

OVER

FRAZER-WALKER AIRCRAFT PROPOSES OFFERING. Frazer-Walker Aircraft Corporation, 10 East 52nd St., New York, filed a registration statement (File 2-22042) with the SEC on January 29 seeking registration of 400,000 shares of common stock. The company proposes to offer this stock for public sale (without underwriting) through its officials and employees, and at an offering price to be supplied by amendment (\$5 per share maximum*). Funds received in payment for shares subscribed for will be held in escrow; and unless 320,000 shares are sold within 90 days of the commencement of the offering, the offering will be terminated and all funds returned to the subscribers.

The company was organized under Delaware law in December 1961; and in February 1962 Channelair, Inc., a New York corporation organized in 1959, was merged into it. The company proposes, with the assistance of Handley Page Limited of London, to develop, produce and market a four-place gyroplane designated as the "Gyrojet." However, the company is in the promotional and developmental stage and has not completed the design of the Gyrojet or begun to build a prototype. Its experience in the development of aircraft is said to be extremely limited and it has had no experience in the production of aircraft - and it will be largely dependent upon Handley Page for assistance in its proposed activities. Of the net proceeds of the stock sale (assuming the required minimum is obtained), some \$1,210,000 will be used for the design, development, construction and certification of three prototype Gyrojets. The balance will be used for general administrative expenses and to pay existing overdue accounts payable of \$100,000, including back salaries.

The company now has outstanding 412,895 common shares, of which Peter A. Rubel, a director (and partner of Rusch & Co.) owns 48.7% and management officials as a group 65.9%. Rubel, Joseph W. Frazer, board chairman, and Michael P. Walker, president, are promoters of the company. According to the prospectus, 203,484 common shares were issued in connection with the merger for the outstanding stock of Channelair. In addition 116,003 shares have been issued for cash and to retire notes issued for cash and 93,408 shares have been issued for services rendered.

PAN-ALASKA FISHERIES FILES FINANCING PROPOSAL. Pan-Alaska Fisheries, Inc., 1800 Westlake North, Seattle, filed a registration statement (File 2-22043) with the SEC on January 29 seeking registration of \$600,000 of 6-3/4% Convertible Subordinated Debentures due 1979. The company proposes to offer the debentures for subscription by holders of its common stock. The record date, subscription price and underwriting terms are to be supplied by amendment. Robert L. Ferman & Co., Inc., of 7630 Biscayne Blvd., Miami, is listed as the principal underwriter. Robert L. Ferman, a director of the company, is a controlling shareholder in said firm. The underwriters will receive a 10% commission plus expenses of \$19,500. The company also will sell to the Ferman firm, at 1¢ per warrant, an unspecified amount of five-year warrants, exercisable at the debenture conversion price.

The company since its organization in 1958 has been engaged in the processing and sale of Alaska king crab. Net proceeds of the debenture sale will be used as follows: \$116,000 to purchase a fourth "factory ship," now under lease and option, and \$250,000 to outfit the vessel as a factory ship. The balance will be used for additions to working capital. In addition to certain indebtedness, the company has outstanding 270,750 common shares; and it is currently making a Regulation A offering of an additional 104,584 shares. William A. Ritter, president, owns 22.3% of the outstanding stock.

GERIATRIC RESEARCH FILES FOR SECONDARY. Geriatric Research, Inc., 179 North Michigan Ave., Chicago, filed a registration statement (File 2-22044) with the SEC on January 29 seeking registration of 150,000 outstanding shares of common stock, to be offered for public sale by the holders thereof through Bacon, Whipple & Co., of 135 S. LaSalle St., Chicago and Freehling & Co., of 120 S. LaSalle St., Chicago. The public offering price (\$7 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is chiefly engaged in the business of selling vitamin-mineral products direct by mail to customers principally over 50 years of age, and through subsidiaries provides mailing lists and mailing services to others interested in the older age market. In addition it does market research with respect to the older age market and the sale of its and non-competitors' products in that market. In addition to certain indebtedness, the company has outstanding 459,550 common shares, of which Fred M. Friedlob, president, owns 187,750 shares and Maurice H. Bronner, executive vice president, 198,950 shares. These two propose to sell 67,225 shares each; and seven other individuals propose to sell amounts ranging from 800 to 3,000 shares.

ECONOMICS LABORATORY FILES STOCK PLAN. Economics Laboratory, Inc., St. Paul, Minn., filed a registration statement (File 2-22045) with the SEC on January 29 seeking registration of 16,000 common shares, to be offered pursuant to its Employees Stock Purchase Plan.

HERMAN J. KELLER SENTENCED. The SEC Boston Regional Office announced January 27 (LR-2830) that Herman J. Keller, of Newton, Mass., former officer of Keller Brothers Securities Co., of Chestnut Hill, Mass., received a six-month sentence following his plea of guilty to an indictment charging violations of the anti-fraud provisions of the Federal securities laws. Keller Brothers received a fine of one dollar on its plea of guilty.

SECURITIES ACT REGISTRATIONS. Effective January 29: Ampal-American Israel Corp. (File 2-21798); General Motors Corp. (File 2-22008). Effective January 30: Data Control Systems, Inc. (File 2-21978); Dempster Mill Mfg. Co. (File 2-21965); Greater Miami Industrial Park, Inc. (File 2-21102). Withdrawn January 24: Homestead Packers Inc. (File 2-21151). Withdrawn January 29: Community Health Association, Inc. (File 2-21329).

*As estimated for purposes of computing the registration fee.

---000000---