

**NEWS DIGEST**

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

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**FIRST NATIONAL TV DISTRIBUTING FILES FOR STOCK OFFERING.** First National Television Distributing Corp., 505 Park Avenue, New York, filed a registration statement (File 2-19721) with the SEC on January 29th seeking registration of 200,000 shares of Class A capital stock, to be offered for public sale at \$2 per share. The offering will be made on an all or none basis by International Services Corp., which will receive a 30¢ per share commission and \$20,000 for expenses. The statement also includes 20,000 outstanding Class A shares sold to certain officers of the underwriter by the principal stockholder at 1¢ per share.

The company is engaged in the production, distribution, and sale of motion pictures and tapes for presentation on television stations. It owns all television rights to 13 feature length motion pictures and has exclusive foreign distribution rights to over 278 half hour TV series and certain international sporting events. The \$300,000 estimated net proceeds from the stock sale will be used to repay an obligation of \$87,658.57 due to Walter E. Heller & Co., secured by pledging certain accounts receivable, and accrued officer's salaries of \$20,000. The balance will be used for working capital and other general corporate purposes.

In addition to certain indebtedness, the company has outstanding 20,000 Class A and 200,000 Class B shares (after giving effect to a recent recapitalization whereby such shares were issued in exchange for the 903 capital shares then outstanding), acquired by present stockholders for an aggregate cash investment of \$5,000. Sale of stock to the public at \$2 per share will result in an increase in the book value of stock now outstanding from 32¢ to 88¢ per share and a corresponding dilution of \$1.12 per share in the book equity of stock purchased by the public. Bernard L. Schubert is president and principal stockholder.

**HARWYN PUBLISHING FILES FOR STOCK OFFERING.** Harwyn Publishing Corporation, 170 Varick Street, New York, filed a registration statement (File 2-19722) with the SEC on January 29th seeking registration of 300,000 shares of Class A common stock, to be offered for public sale on an all or none basis through underwriters headed by Van Alstyne, Noel & Co. The public offering price and underwriting terms are to be supplied by amendment. The statement also includes 25,000 Class A shares underlying 5-year options to be sold to the underwriter for \$1,250, exercisable at the public offering price.

The company is engaged in the business of publishing and distributing illustrated encyclopedic works exclusively for children and also, through a subsidiary, Regal Advertising Associates Corp., operates an advertising agency specializing in the sale of television and radio advertising spot time. The company has published three works, "Art Linkletter's Encyclopedia for Boys & Girls," "The Every-Child's Picture Encyclopedia" and the "Harwyn Picture Encyclopedia," and is presently engaged in the editing and publishing for marketing in mid-1962 of a fourth encyclopedic work in the Spanish language entitled "Enciclopedia Infantil Ilustrada." The net proceeds from the stock sale will initially be used as working capital for general corporate purposes and may be used in part to acquire or create from time to time new literary properties in the publishing field designed primarily for children. In addition, \$250,000 will be required as working capital in connection with the operation of Regal Advertising Associates.

The company has outstanding 240,000 Class A common shares and 130,000 Class B capital shares. Exquisite Form Brassiere, Inc. (of which Garson Reiner, a company director, is board chairman, president and principal stockholder) owns 31.25% of the Class A shares and Reiner 10.42%. Exquisite received such shares in September 1961 in exchange for all of the outstanding stock of Regal Advertising Corp. and certain spot television and radio time. Of the outstanding Class B stock, Harvey R. Siegel, president, owns 85.77%.

**SPENCER GIFTS FILES FOR OFFERING AND SECONDARY.** Spencer Gifts, Inc., 1601 Albany Blvd., Atlantic City, N. J., filed a registration statement (File 2-19723) with the SEC on January 29th seeking registration of 135,000 shares of common stock, of which 15,000 shares are to be offered for public sale by the company and 120,000 shares, being outstanding stock, by Max Adler, president, board chairman and sole stockholder. The offering will be made on an all or none basis through underwriters headed by Carter, Berlind, Potoma & Weill. The public offering price and underwriting terms are to be supplied by amendment. The statement also includes 15,000 shares underlying 5-year warrants sold to the underwriter for \$15,000, exercisable at a price to be supplied by amendment.

The company operates a retail mail order business distributing selected general merchandise to customers located throughout the United States. The net proceeds from the company's sale of additional stock will be used to prepay a 5½% bank loan (\$115,000) and for working capital. In addition to certain indebtedness, the company has outstanding 285,000 shares of common stock, (after giving effect to a recent 540-for-1 stock split), all of which (except for qualifying shares) are owned by Adler. As indicated, he proposes to sell 120,000 shares.

**VOLT TECHNICAL CORP. FILES FOR SECONDARY.** Volt Technical Corporation, 241 Church Street, New York, filed a registration statement (File 2-19724) with the SEC on January 29th seeking registration of 190,000 outstanding shares of Class A stock, to be offered for public sale by the holders thereof at \$10.25 per share. The offering will be made on an all or none basis by Andresen & Co., which will receive a 75¢ per share commission and \$12,000 for expenses. The prospectus indicates that 15,000 shares will initially be offered by the underwriters to company employees without discount and 20,000 to designees of the company. The statement also includes 15,000 shares underlying 3-year warrants to be sold to the underwriter for \$150, exercisable at \$10.25 per share.



of common stock or 2% of the annual outstanding and paid for common stock whichever figure is the lesser. The company issued 526 of its shares under the contract for the fiscal year ended April 30, 1961. The companies receiving the 2% advisory services fee are to use the same exclusively for the purpose of compensating the officers and directors on a basis of 50 per cent to Theodore G. Lambron, who will act as chief executive officer of the company (president and board chairman) and 50 per cent to all 9 members of the board of directors of the company.

The company has outstanding 49,086 shares of common stock, of which 48,500 shares were sold for cash at \$8.75 per share. Management officials as a group own 4.17% of the outstanding stock. They also own 18.5% and 31% respectively, of the outstanding stock of Helix Land and T. G. Lambron & Associates.

**JAAP PENRAAT ASSOCIATES FILES FOR STOCK OFFERING.** Jaap Penraat Associates, Inc., 315 Central Park West, New York, filed a registration statement (File 2-19728) with the SEC on January 30th seeking registration of 100,000 shares of common stock, to be offered for public sale at \$3 per share. The offering will be made on a best efforts basis by R. F. Dowd & Company, Inc., which will receive a 45¢ per share selling commission and \$15,000 for expenses. The statement also includes (1) 25,000 shares underlying 5-year warrants to be sold to the underwriter at 1¢ each (at the rate of one warrant for each four shares sold), exercisable at \$3 per share, (2) 15,000 outstanding shares recently purchased by Corporate Funding Corp for \$15,000, and (3) 1,548 outstanding shares recently purchased by certain friends of management for \$3,850.

The company was organized under New York law in May 1961 and is engaged in the business of interior and industrial design previously conducted by Jaap Penraat, its president. A subsidiary, Visual Programming, Inc. was recently organized to engage in the business of developing, designing, producing and marketing self-instructional educational courses geared to school students, adult education, and industrial, commercial and military personnel. The \$217,500 estimated net proceeds from the stock sale will be used to develop and produce basic programs and refinement of teaching machines for the subsidiary, for organization of a sales force and sales program to promote the sale of teaching machines and programs, for an intensified sales campaign to increase billings of the company, for acquisition of new facilities, and for working capital.

In addition to certain indebtedness, the company has outstanding 122,000 shares of common stock (after giving effect to a recent 2-for-1 stock split), of which Penraat, and Wallace C. Vogt, vice president, own 54.9% and 31.4%, respectively. Penraat obtained his shares in exchange for assets, less liabilities, in the net amount of \$3,352, and Vogt obtained his shares in exchange for assuming a \$1,000 liability of the company and for giving the company his promissory note in the amount of \$921. Sale of new stock at \$3 per share will result in an increase in the book value of stock now outstanding from 8¢ to \$1.02 per share and a corresponding dilution of \$1.98 per share in the book equity of stock purchased by the public.

**SWIFT FILES SAVINGS PLAN.** Swift & Company, 115 West Jackson Blvd., Chicago, filed a registration statement (File 2-19730) with the SEC on January 30th seeking registration of \$2,246,400 of participations in its Savings and Security Plan, and 10,000 shares of common stock which may be acquired pursuant thereto.

**ADR'S FOR ROGOSIN INDUSTRIES FILED.** Bankers Trust Company, of New York, filed a registration statement (File 2-19733) with the SEC on January 30th seeking registration of American Depositary Receipts for 1,377,860 ordinary shares of Rogosin Industries of Israel, Ltd.

**SEC REPORTS ON WINDERMERE HOTEL REORGANIZATION.** The SEC today filed a report with the U. S. District Court in Chicago on the fairness and feasibility of two plans for reorganization of Windermere Hotel Company, which owns and operates the Windermere East Hotel in Chicago (Release CR-162). One plan, proposed by the Trustee and sponsored by Richard Goodman, a bondholder, provides for the issuance of \$1,598,000 of new 5% 20-year debentures and 31,960 shares of common stock by the reorganized company, all to holders of the \$3,196,000 of presently outstanding bonds (stockholders would not participate under either plan). The new debentures and common stock would be distributed on the basis of \$50 of debentures and one share for each \$100 bond; and the new debentures would be junior in rank to a new first mortgage of \$1,000,000 the proceeds of which would be used for capital improvements. As an alternative, the bondholders (other than Goodman) may elect to receive from Goodman \$70 in cash for each \$100 bond (in lieu of the \$50 debenture and one share). The other plan, proposed by Max Shlensky, another bondholder, provides that present bondholders would receive for each \$100 bond either (i) \$70 in cash or (ii) \$20 in cash plus a new \$50 bond of the reorganized company.

The Commission concluded that both plans were fair, equitable and feasible in their provision for an identical all-cash payment to present bondholders of \$70 in cash and the exclusion of present stockholders from participation. However, the Commission contended that, for various stated reasons, the alternative proposals in each plan are not feasible. The Commission also urged that the indebtedness of the reorganized company should not exceed \$1,600,000.

**FOUR STOCKS ACCORDED UNLISTED TRADING.** The SEC has issued orders under the Securities Exchange Act (Release 34-6723) granting applications (1) of the Boston Stock Exchange for unlisted trading privileges in the common stocks of Laboratory for Electronics and Pan American Sulphur; and (2) of the Philadelphia-Baltimore Stock Exchange for such privileges in the common stocks of Litton Industries and San Diego Imperial.

**GILCHRIST SEEKS ORDER.** The SEC has issued an order (Release 34-6723) giving interested persons until February 16th to request a hearing on an application of Gilchrist Company to withdraw its common stock from listing on the Boston Stock Exchange (the stock remains listed on the American Stock Exchange).

**U.S. DIVERSIFIED INDUSTRIES DELISTED.** The SEC has granted an application of the Pittsburgh Stock Exchange to delist the common stock of United States Diversified Industries, effective close of business February 16th, because its 1960 annual report is incomplete and unacceptable (Release 34-6723).

**WEST PENN POWER PROPOSES BOND SALE.** The SEC has issued an order under the Holding Company Act (Release 35-14570) giving interested persons until February 20th to request a hearing upon the proposal of West Penn

**UNITED CORP. SEEKS ORDER.** The United Corporation, New York investment company, has applied to the SEC for an exemption order under the Investment Company Act with respect to its proposed purchase from Charles B. McDonald, of Cleveland, of 20,000 shares of common stock of True Temper Corporation; and the Commission has issued an order (Release IC-3416) giving interested persons until February 15th to request a hearing thereon. United owns 389,154 shares (36.6%) of True Temper common. It proposed to purchase the 20,000 share block from McDonald, a director of True Temper, at a price related to the market for the stock on the American Stock Exchange.

**K-S FUNDS FILES FOR OFFERING.** K-S Funds, Inc., 200 South Michigan Avenue, Chicago, filed a registration statement (File 2-19734) with the SEC on January 31st seeking registration of \$7,000,000 of commitments to its gas and oil exploration and development program. The offering will be made in maximum basic commitments of \$4,000 and with an estimated maximum assessment thereon of \$3,000 for the costs of completing and equipping initial wells which are believed to have encountered commercial production. No underwriting is involved.

The company is a wholly-owned subsidiary of King-Stevenson Gas and Oil Company, a Nevada corporation. K-S funds will offer to selected persons (Co-owners) to enter into or maintain in effect Exploration and Development Agreements under which King-Stevenson will engage on behalf of such persons in the exploration for gas and oil on a continuing basis, using funds supplied pursuant to co-owners' commitments under such Agreements. The exploration program shall be operated and managed by King-Stevenson, which shall receive for its services: (a) an amount equal to 6% of the quarterly advances and the costs of completing and equipping exploratory wells believed to have encountered commercial production; (b) an overriding royalty interest in each lease which shall bear the same relationship to 6.25% of the total production from such lease as the co-owners' working interest bears to the total working interest in such lease; (c) after the co-owners have recovered all expenditures relating to a lease, 25% of the co-owners' net profits arising from that lease. King-Stevenson shall also be reimbursed for all direct costs incurred on behalf of the co-owners. Paul D. Bagwell is president of both K-S Funds and King-Stevenson.

**ADR'S FOR UNILEVER LTD. FILED.** Irving Trust Company, of New York, filed a registration statement (File 2-19736) with the SEC on February 1st seeking registration of American Depositary Receipts for 5,000,000 American shares (representing ordinary shares) of Unilever Limited.

**HOLIDAY MOBILE HOME RESORTS FILES FOR STOCK OFFERING.** Holiday Mobile Home Resorts, Inc., 4344 East Indian School Road, Phoenix, Ariz., filed a registration statement (File 2-19735) with the SEC on January 31st seeking registration of 3,500,000 shares of common stock and five-year warrants to purchase an additional 700,000 shares at \$10 per share, to be offered for public sale in units consisting of 5 shares and one warrant. The offering will be made at \$50 per unit by management officials, licensed securities dealers which may be employed by the company or by registered broker-dealers; and a commission of \$5 per unit will be paid for such sales. The statement also includes an additional 700,000 shares underlying like warrants to be issued to original stockholders of the company in proportion to their holdings.

The company was organized under Arizona law in August 1961 for the purpose of developing and operating mobile home resorts and related businesses throughout the United States primarily through subsidiary corporations. Construction is virtually complete and operations are just beginning at two mobile home resorts located in Phoenix and in Moab, Utah. Land is said to be under contract throughout the country in or near urban areas for the development of such resorts by subsidiary companies yet to be formed, the plans for which are in various stages of development along with related production and service businesses adjacent to the resorts. The two resorts which are beginning operations were constructed with funds received under Federal Housing Administration insured mortgages. The net proceeds from the stock sale (and exercise of warrants) will be used as follows: \$10,000,000 to retire as it falls due existing indebtedness from past operations, on bank loans and on contracts for the purchase of real property already entered into; \$15,000,000 to develop and construct resort facilities on real property already under contract; \$6,000,000 for additional working capital; \$1,650,000 to purchase additional real estate for resort development; and \$5,500,000 to develop and construct resort facilities on additional real estate which may be purchased.

In addition to certain indebtedness, the company has outstanding 181,460 shares of common stock, of which Royden Brown, president, and Lomond L. Jolley, a vice president, own 63.22% and 15.43%, respectively, and management officials as a group 95.45%. Of the 700,000 warrants to be issued to original stockholders, Brown and Jolley will receive 442,505 and 49,185 respectively. Sale of the units to the public at \$50 per unit will result in an increase in the book value of stock now outstanding from \$2.07 to \$8.47 per share and a corresponding dilution in the book equity of stock purchased by the public.

**CONSOLIDATED NATURAL GAS PROPOSES DEBENTURE OFFERING.** Consolidated Natural Gas Company, 30 Rockefeller Plaza, New York, filed a registration statement (File 2-19737) with the SEC on February 1st seeking registration of \$25,000,000 of debentures due 1987, to be offered for public sale at competitive bidding. The net proceeds from the debenture sale will be added to treasury funds and will be used to finance in part the 1962 construction program of the company's system. The system expects to make plant expenditures in 1962 of about \$69,600,000.

**SECURITIES ACT REGISTRATIONS.** Effective February 1: The Quaker Oats Company (File 2-19435); John Rogers Company (File 2-19189); Shatterproof Glass Corp. (File 2-19213); Silo Discount Centers, Inc. (File 2-19301). Effective February 2: Philippine Oil Development Company, Inc. (File 2-18961). Withdrawn February 1: Austin Continental Industries, Inc. (File 2-19293).