SECURITIES AND EXCHANGE COMMISSION

NEWS DIGEST

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

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VARITRON FILES FOR STOCK OFFERING. Varitron Corp., 397 Seventh Avenue, Brooklyn, N. Y., filed a registration statement (File 2-18556) with the SEC on July 25th seeking registration of 100,000 shares of common stock, to be offered for public sale at $2 per share. The offering will be made on a best efforts basis by Kenneth Kass, who will receive a 30¢ per share selling commission and a maximum of $10,000 for expenses. In addition, the underwriter has purchased 12,000 common shares at 1¢ per share.

The company was organized under Delaware law in June 1961 by its parent company, Vacudyne Associates, Inc. The company has commenced the business of manufacturing and selling various electronic items, including principally television ghost eliminators and special acoustical speakers for use in high fidelity radio receivers, and importing for sale, principally from Japan, transistor radios and transceivers. The $160,000 estimated net proceeds from the stock sale will be used for the acquisition of manufacturing equipment, financing of imports of merchandise, financing of accounts receivable and working capital.

The company has outstanding 120,000 shares of common stock, of which Vacudyne Associates owns 88-1/3% and the underwriter 10%. The parent received such shares for $15,000 in cash plus merchandise paid for by the parent in the amount of $7,500 plus the assignment of the parent's rights to a patent application then pending. The common stock had a June 30th book value of $.206 per share and, after the sale of new shares, will have a book value of $.74 per share. Paul O. Amsterdam is listed as company president and as organizer and secretary-treasurer of the parent. Moe J. Kammer is company secretary-treasurer and organizer, principal executive and principal shareholder of the parent.

BRADLEY INDUSTRIES FILES FOR STOCK OFFERING. Bradley Industries, Inc., 1650-1658 North Damen Avenue, Chicago, filed a registration statement (File 2-18557) with the SEC on July 25th seeking registration of 70,000 shares of common stock, to be offered for public sale at $5 per share. The offering will be made on an all or none basis by D. E. Liederman & Co., Inc., which will receive a 50¢ per share commission and $15,500 for expenses. The registration statement also includes 21,000 outstanding common shares which the company's principal stockholder sold to the underwriter for an aggregate of $14,000.

The company manufactures and sells rigid molded plastic boxes and containers in a variety of shapes and in diverse sizes which are made principally of clear polystyrene. They are sold to manufacturers which use them to package such products as toys, fountain pens, handkerchiefs and jewelry, and to industrial concerns which employ them for the storage and transportation of small parts. The net proceeds from the stock sale will be used to repay loans from Morris Nozette, president, and members of his family, incurred for working capital, to discharge indebtedness to Automatic Molded Plastics Co., Inc., to purchase additional molds, for acquisition of a new plant, and for working capital and general corporate purposes.

In addition to certain indebtedness, the company has outstanding 160,000 shares of common stock with an April 30th book value of $1.34 per share, of which Nozette owns 78.1%.

CHERMIL CAPITAL FILES FOR STOCK OFFERING. Chermil Capital Corporation, 32 Broadway, New York, filed a registration statement (File 2-18558) with the SEC on July 25th seeking registration of 250,000 shares of common stock, to be offered for public sale at $2 per share. The offering will be made on a best efforts basis by Edward H. Stern & Co., Inc., which will receive a 30¢ per share selling commission.

Organized under New York law in May 1961, the company is a closed end management investment company registered under the Investment Company Act of 1940. Its primary objective will be to invest in those companies which have substantial growth possibilities or in situations which otherwise appear to present potential for capital appreciation. The company has outstanding 170,001 shares of common stock, of which Richard Litt, president, owns 66.4%, Anne Estrig, vice president, 23.5%, and management officials as a group 98.8%. Litt and Herman Lubing, secretary, are the sole stockholders of the underwriter and own an aggregate of 72.3% of the outstanding stock of the company.

REAL PROPERTIES SHARES IN REGISTRATION. Real Properties Corporation of America, 1451 Broadway, New York, filed a registration statement (File 2-18559) with the SEC on July 25th seeking registration of 365,000 shares of Class A stock, to be offered for public sale at $10 per share. Such shares will be offered through underwriters headed by Stanley Heller & Co., which will receive a $1 per share commission. The underwriters also will purchase for $25, 4-year warrants to purchase an additional 25,000 Class A shares at $8 per share. The registration statement also includes (1) 337,965 Class A shares to be offered in exchange for outstanding interests of partners in certain limited partnerships, and (2) 120,000 Class B shares to be sold to certain persons in connection with said exchange.

The company was organized under Delaware law in June 1961 by Peter Gettinger, board chairman, and Theodore R. Sayers, president, to "take advantage of the opportunities which they believe are available to a company which is primarily engaged in investment in integrated ownership, operation and management of real property." The company proposes to acquire (1) all of the outstanding capital stock of the corporation owning the fee title to 72 Wall Street, New York City (2) fee title to the Jackson-Green Building, 221-237 South Green Street, Chicago, and (3) interests in four office buildings, one shopping center and one combination

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office and warehouse building, which properties are located in six different cities. The latter acquisition will be through exchange of the 337,965 Class A shares. Sayers and Gettinger are the general partners of and hold restricted capital interests in all of the partnerships involved in the exchange offer, except one in which Albert H. Sanders, treasurer, is also a general partner and holds capital interests. In July, 1961 the company sold 500 Class B shares each to Gettinger and Sayers for $1 per share. They each agreed to exchange all of the capital interests held by them in the partnerships and each has agreed with the company that at the same time he will purchase an additional 60,000 Class B shares at $1 per share, which 120,000 are included in the prospectus. The net proceeds from the company's sale of the 365,000 Class A and 120,000 Class B shares, estimated at $3,305,000, will be used as follows: $2,913,750 as a part of the acquisition cost of the capital stock of 72 Wall Street Corp. (the total purchase price being $4,075,000) and for certain other expenses in connection with such acquisitions; $265,000 as a part of the acquisition cost of the fee title to the Jackson-Green Building (the total purchase price being $1,000,000); and the balance for working capital.

AMERICAN MACHINE AND METALS FILES STOCK PLAN. American Machine and Metals, Inc., 233 Broadway, New York, filed a registration statement (File 2-18560) with the SEC on July 25th seeking registration of 80,000 shares of capital stock, to be offered pursuant to the company's Employees' Restricted Stock Option Plan.

INDUSTRIONICS CONTROLS FILES FOR STOCK OFFERING. Industrionics Controls, Inc., 20 Vandam Street, New York, filed a registration statement (File 2-18561 with the SEC on July 26th seeking registration of 84,000 shares of common stock, to be offered for public sale at $5 per share. The offering will be made on a best efforts "all or none basis" through Jacey Securities Company and two other firms which will receive a 75¢ per share commission and $10,500 for expenses. The registration statement also includes 10,000 outstanding shares sold by controlling stockholders at 5¢ per share to Jacey Securities, and 4,000 shares to its counsel.

The company is engaged in the business of designing, engineering, manufacturing and marketing electronic controls which automatically monitor machinery by detecting certain important malfunctions. It also manufactures and markets sound devices used in dolls and toys to simulate natural sounds. The net proceeds from the stock sale, estimated at $317,000, will be used to repay a bank loan ($40,000) used for general corporate purposes; to purchase raw materials for increasing inventory; for advertising, marketing, exhibitions, and a variety of printed publicity material; to establish a field engineering service organization; for acquisition of additional production machinery and equipment; for the financing of additional accounts receivable; and for general corporate purposes.

In addition to certain indebtedness, the company has outstanding 158,000 shares of common stock (after giving effect to a 263-1/3-for-1 stock split in July 1961), of which George Wintriss, president, owns 28.9%, and Bernard Offerman, treasurer, Seymour Offerman, a director, and the estate of Louis Offerman own 9.6% each. Management officials as a group own 59.3%. The present book value of the outstanding stock is $.89 per share and, after the sale of new shares will be $1.89 per share.

HOGAN FAXIMILE PROPOSES RIGHTS OFFERING. Hogan Faximile Corporation, 635 Greenwich Street, New York, filed a registration statement (File 2-18562) with the SEC on July 26th seeking registration of 300,000 shares of common stock. Such shares will be purchased by TELautograph Corporation, its parent and sole stockholder, and offered for subscription by common stockholders of TELautograph (at a rate to be supplied by amendment). William R. Staats & Co. heads the list of underwriters. The subscription price and underwriting terms also will be supplied by amendment.

The company is engaged in the development, manufacture and sale of electrolytic recording paper, facsimile equipment and related recording equipment. Such equipment is used for the transmission and remote reproduction on electrolytic recording paper of documents, pictures, computer data and other data. The consideration to be received by the company for the purchase by its parent of the 300,000 shares will be the cancellation of not exceeding $375,000 of the company's indebtedness to it and cash in the amount equal to the balance of the net proceeds of the sale of the stock by the parent. Such cash will be used as working capital, which will be used in the further development of commercial facsimile equipment.

In addition to said indebtedness, the company has outstanding 700,000 shares of common stock (after giving effect to a proposed 7-for-1 stock split in August), of which TELautograph owns 100%. Raymond E. Lee is listed as president of the company and board chairman and president of TELautograph. Management officials as a group own 5.4% of the outstanding common stock of TELautograph.

GENERAL PUBLIC SERVICE FILES FOR RIGHTS OFFERING. General Public Service Corporation, 90 Broad Street, New York, filed a registration statement (File 2-18563) with the SEC on July 26th seeking registration of 3,947,795 shares of common stock. It is proposed to offer such stock for subscription by common stockholders at the rate of one new share for each two shares held. Stone & Webster Securities Corp. heads the list of underwriters. The record date, subscription price and underwriting terms are to be supplied by amendment.

The company is a diversified closed-end investment company registered under the Investment Company Act of 1940. Net proceeds from the stock sale will be used by the company to add investments to its portfolio. It has outstanding 7,895,589 shares of common stock. Norman R. Steinmetz is listed as president.

TELEPHONES INC. FILES FOR OFFERING AND SECONDARY. Telephones, Inc., 135 South LaSalle St., Chicago, filed a registration statement (File 2-18564) with the SEC on July 26th seeking registration of 250,000 shares of common stock, of which 200,000 are to be offered for public sale by the company and 50,000, being outstanding stock, by the present holders thereof. The offering will be made on an all or none basis through Hayden, Stone & Co. and McCormick & Co.; and the offering price and underwriting terms are to be supplied by amendment.

Organized in July 1960, the company is primarily engaged in the business of acquiring and operating, as a holding company, controlling interests in telephone companies. Through eight operating subsidiaries it

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conducts telephone operations in Kentucky, Illinois and Iowa; and, in addition, it owns all the stock of a telephone management company and a company engaged in telephone directory activities. The company also has rights to acquire all or most of the stock of three telephone companies and all the assets of five other telephone companies in Illinois, Iowa and Kansas. Net proceeds of its sale of additional stock will be used as follows: $877,255 to acquire such stock and assets; $241,500 to advance funds to subsidiaries for the repayment of bank loans incurred for construction and other costs; and the balance for later use in connection with additional acquisitions.

The company now has outstanding 600,000 shares of common stock, of which management officials own 70%. Bertel T. Malmquist is board chairman, LeRoy T. Carlson co-chairman, and Perry D. Woodward president. The three selling stockholders are Harold B. Hixson (2,000 shares), Narian M. Peterson, as trustee for her children (29,803) and Frederick J. Roos (18,197).

LORTOGS FILES FOR OFFERING AND SECONDARY. Lortogs, Inc., 85 Tenth Ave., New York, filed a registration statement (File 2-18565) with the SEC on July 26th seeking registration of 200,000 shares of common stock, of which 150,000 are to be offered for sale by the company and 50,000, being outstanding stock, by the present holders thereof. The stock is to be offered for sale at $6.50 per share through underwriters headed by Teich & Co., which will receive a commission of 55¢ per share. Also included in the registration statement are an additional 32,500 shares underlying five-year warrants exercisable at $6.50 per share, as follows: 15,000 warrants to be sold to the underwriters for $1,500; 10,000 warrants to be issued to Jack Corham for $1,000 for advice and services rendered in arranging the offering; and 7,500 warrants to be issued to David S. Pollack, treasurer and director, for $750 in consideration of financial advice in the company's reorganization.

Organized in April 1961 as successor to several companies, Lortogs is engaged in the design, manufacture, sale and distribution of children's sportswear, principally for girls, and its products are known in the trade through the brand name "Lortogs, House of Botany." Net proceeds of its sale of additional stock will be used to pay current bank loans ($200,000) and to finance increased inventories and accounts receivable ($500,000); and the balance will be available for entering into the production and development of new and additional products, for use as working capital, and for other corporate purposes.

The company has outstanding 350,000 common shares, of which Benjamin Lord, president, owns 223,771 shares. He proposes to sell 36,000 shares; and Meyer Siegel, vice president, proposes to sell 14,000 of his holdings of 35,000 shares.

VALVE CORP. OF AMERICA FILES FOR OFFERING AND SECONDARY. Valve Corporation of America, 1720 Fairfield Ave., Bridgeport, Conn., filed a registration statement (File 2-18566) with the SEC on July 26th seeking registration of 160,000 shares of common stock, of which 75,000 shares are to be offered for public sale by the company and 70,000, being outstanding stock, by the present holders thereof. The stock is to be offered for sale at $7 per share on an all or none basis by underwriters headed by Lomasney, Loving & Co., which will receive a commission of 70¢ per share. Also included in the statement are an additional 10,000 shares underlying five-year warrants to be issued to the underwriters and exercisable initially at $7 per share, plus 15,000 shares to be sold to Broad Street Capital Corporation (an affiliate of the Lomasney firm) at $2 per share.

The company was organized on July 14th to succeed by merger to the business of V.C.A Incorporated, which has been engaged in the manufacture and sale of valves for aerosol products and the furnishing of related packaging services and products; and its principal business is the manufacture and sale of valves and accessories for aerosol containers. Of the net proceeds to the company from its sale of additional stock (estimated at $450,000), $32,000 will be used to pay notes and $50,000 to reduce bank borrowings, and the balance will be added to working capital (of which some $100,000 may be used for additional purchases of machinery).

Of the 375,000 outstanding common shares, management officials own 18%. The balance of the stock is owned by four other shareholders. Blocks of 20,000 shares are to be sold by Melrod Ritter and Freda Small (Saul Ritter and David Small are directors); 17,000 shares by Amsterdam Overseas Corp; 10,000 by Ruth Sagarin (Philip H. Sagarin is president); and 3,000 by a syndicate in which E.G. Ackerman, a director, has an interest.

ISRAEL INVESTORS PROPOSES OFFERING. Israel Investors Corporation, 350 Broadway, New York, filed a registration statement (File 2-18567) with the SEC on July 26th seeking registration of 100,000 shares of common stock, to be offered for public sale at $104 per share. The purchase price is payable either in cash or by transferring to the company certain Bonds issued by the State of Israel. No underwriting is involved. The company is a registered investment company organized in 1958 "for the primary purpose of investing in private industries located in the State of Israel." Proceeds of the stock sale will be invested in private investment opportunities in Israel in accordance with the company's investment policy. Samuel Rothberg of Peoria, Ill., is president and Louis H. Boyar of Beverly Hills, Cal., is board chairman.

MURRAY EDWARD WAGNER EMPLOYMENT CLEARED. The SEC has issued a decision under the Securities Exchange Act (Rel 34-6604) clearing the employment of Murray Edward Wagner by Planned Investing Corporation, of New York, an NASD member firm. In November the NASD expelled Edward Wagner & Co. from membership on findings that the firm had operated while insolvent and in violation of the Commission's net capital rule. Wagner, sole operating head of the firm, was named as a cause of the expulsion. He is to be employed by Planned Investing as a salesman under supervision by the firm's executive vice president; and he would have no duties relating to either the calculation or maintenance of net capital and all securities sold by him would have prior clearance by management. It was urged that the restrictions on Wagner's activities and the supervision

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under which he would operate will effectively prevent any repetition of the transgression which gave rise to the disability now imposed on him. It was also represented to the NASD in its consideration of this application that no losses resulted to customers or other broker-dealers from the activities of Edward Wagner & Co. In addition, it is observed that although the Commission obtained an injunction against Edward Wagner & Co., the firm was permitted to withdraw its broker-dealer registration and Wagner became registered with the Commission as an investment adviser in February 1959.

The Commission observed that, while the misconduct which led to the finding that Wagner was the cause of the expulsion of Edward Wagner & Co. from the NASD was serious, this fact need not constitute a permanent barrier to his employment in the limited capacity and under the conditions and restrictions now proposed. After a review of the record and upon consideration of all the circumstances and taking into account the favorable recommendation of the NASD, "we conclude," the Commission stated "that we may approved the application of the NASD in the public interest."

WALD RESEARCH FILES FOR STOCK OFFERING. Wald Research, Inc., 79 Franklin Turnpike, Mahwah, New Jersey, filed a registration (File 2-18568) with the SEC on July 26th seeking registration of 65,000 shares of common stock, to be offered for public sale at $5 per share. The offering will be made on an all-or-none, best efforts basis through Martinelli & Co., Inc. and E. R. Davenport & Co., which will receive a $.625 per share commission and $15,000 for expenses. The registration statement also includes (1) 37,500 shares which are to be issued upon conversion of $75,000 of 6% convertible notes previously sold to a limited group, including the underwriters, and (2) 12,000 shares sold to certain persons (including 6,000 to the principal underwriter) at 10¢ per share for services in connection with the offering.

The company is principally engaged in the design, development and manufacture of ground support equipment for the aircraft, missile and related industries. This equipment is utilized in the testing, transporting and servicing of both missiles and high speed aircraft, and is sold directly to the Government and to prime contractors engaged in defense work. According to the prospectus, for the year ended April 30, 1961, the company sustained a loss of $7,949, and as of the same date had a working capital deficit of $1,774. The net proceeds from the stock sale, estimated at $245,375, will be used to repay certain demand loans and an unsecured bank loan, for purchase of new production machinery and equipment, to finance required additional inventory and work-in-process to complete contracts now on hand, and for working capital and general corporate purposes.

In addition to certain indebtedness, the company has outstanding 124,500 shares of common stock (after giving effect to a 7.5-for-1 stock split in June 1961) which had an April 30th book value of $.75 per share. Of such stock, Bernard J. Wald, president, and Eloise C. Wald, secretary-treasurer, own 36.83% and 33.33%, respectively, and management officials as a group own 93.5%. After the sale of new stock, each share then outstanding will have a book value of about $1.62 per share.

PHOTO-ANIMATION FILES FOR STOCK OFFERING AND SECONDARY. Photo-Animation, Inc., 34 S. West Street, Mount Vernon, N. Y., filed a registration statement (File 2-18569) with the SEC on July 26th seeking registration of 150,000 shares of common stock, to be offered for public sale at $1.25 per share. The offering will be made on a best-efforts, all-or-none basis by First Philadelphia Corporation, which will receive a $.1875 per share commission. The registration statement also includes (1) 20,000 common shares which underlie 1-year warrants sold to the underwriter at 1¢ each and exercisable at $1.10 per share, (2) 30,000 shares which underlie like warrants sold to ten persons from whom the company borrowed $30,000, and (3) 5,000 shares issuable upon conversion of 6% convertible debentures due 1963. Such shares and warrants may be sold from time to time by the holders thereof in the over-the-counter market at prices related to the market price at the time of sale.

The company was organized under New York law in 1960 to acquire the business and assets of Warren Conrad Portman Co., a sole proprietorship owned by Warren C. Portman, president and principal stockholder of the company. The company designs, manufactures and sells machines, equipment and devices used principally for the creation of animated motion pictures. The major piece of equipment manufactured for such use by the company is the animation stand. According to the prospectus, for the fiscal year ended March 31, 1961, the company realized a loss from operations of $3,626 and as of May 31, 1961 showed a deficit of $9,547. The $135,000 estimated net proceeds from the stock sale will be used for development of new products and modification of manufacturing and sale operations, to repay loans, and as additional working capital to be used for general corporate purposes.

In addition to certain indebtedness, the company has outstanding 150,000 shares of stock (after giving effect to a 1,250-for-1 stock split in July 1961), which had a May 31, 1961 book value of 14¢ per share, which will increase to 52¢ per share upon sale of the 150,000 shares. Of such stock Portman and William H. Hernstadt, treasurer, own (before exercise of warrants or conversion of debentures) 48% each. After such conversion and exercise of warrants, Hernstadt proposes to sell 4,800 shares, the underwriter 20,000 shares, and Lomansney, Loving & Co. 10,000 shares. Nine others propose to sell from 200 to 5,000 shares.

SECURITIES ACT REGISTRATIONS. Effective July 26: Williams Brothers Company (File 2-18145). Effective July 27: W. A. Brown Manufacturing Co. (File 2-18285); Pickwick Organization, Inc. (File 2-18163); The Superstition Mountain Enterprises, Inc. (File 2-17552); United States Shell Homes, Inc. (File 2-18206).

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