

NEWS DIGEST

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



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MURRAY MAGNETICS FILES FOR STOCK OFFERING. Murray Magnetics Corporation, 230 Fifth Avenue, New York, filed a registration statement (File 2-18686) with the SEC on August 15th seeking registration of 150,000 shares of common stock, to be offered for public sale at \$6 per share. The offering will be made through underwriters headed by Amos Treat & Co., Inc., which will receive a 75¢ per share commission and \$13,500 for expenses. The registration statement also includes (1) 10,000 shares sold to Amos Treat and 2,500 each to Earl J. Wofsey, underwriter's counsel, and John C. Legg, as a finder's fee, all at 10¢ per share, and (2) 23,000 shares issued in connection with a prior offering and upon organization of the company.

The company was organized under New York law in August 1960 for the purpose of financing the exploitation and sale of a new line of electric kitchen and household appliances magnetically driven from a common power source. The company, which proposes to market its product under a license to use certain patents to be known as the "Magic Hand," is presently in the development stage. Under a license agreement, a royalty of 1% of net sales and one-half of all amounts received for sublicenses is payable to Jerome L. Murray, a director and promoter. The estimated \$747,500 net proceeds from the stock sale will be applied to purchase product inventory (\$200,000), sales promotion and advertising (\$300,000), and working capital (\$247,500).

In addition to certain indebtedness, the company has outstanding 296,900 shares of common stock (after giving effect to a 310-for-1 stock split in January 1961), of which Murray and Stanley Z. Bronner, president, own 52.1% and 16.8%, respectively. If all the shares are sold, the purchasers will have acquired 32.7% of the equity for which they will have paid \$900,000, and other stockholders will have paid \$1,500 in cash, will have granted the exclusive license to the patents and made sundry expenditures on behalf of the company and will have rendered services for what will constitute about 67.3% of the equity.

REGAL HOMES FILES FOR STOCK OFFERING. Regal Homes, Inc., Hopkinsville, Ky., filed a registration statement (File 2-18687) with the SEC on August 15th seeking registration of 51,000 shares of capital stock (with attached four-year warrants), to be offered for public sale at \$12 per share. The offering will be made on a best efforts basis by J.J.B. Hilliard & Son, which will receive a 50¢ per share commission. The company will issue one warrant with each five shares sold, such warrants to be exercisable at \$15 per share. The registration statement also includes 6,000 shares underlying six-year warrants to be sold to the underwriter at 50¢ per warrant, exercisable at \$18 per share.

Organized under Kentucky law in May 1961, the company is engaged in the construction and sale of "shell" homes and providing mortgage financing therefor to the purchaser. Net proceeds from the stock sale will be added to working capital and used in connection with the construction, financing and sale of such homes and the opening of branch offices. The company has outstanding 6,250 capital shares acquired by organizers and promoters at \$12 per share, of which Harvey O. White, president, W. Irvin Munday, Jr., secretary-treasurer, Watson B. Dabney, and Samuel G. Miller, H. Dean Burgiss, directors, own 10.4%, 16%, 16%, and 20% and 10.4% respectively.

AMERICAN AUTOMATIC VENDING FILES FOR STOCK OFFERING. American Automatic Vending Corporation, 7501 Carnegie Avenue, Cleveland, Ohio, filed a registration statement (File 2-18688) with the SEC on August 15th seeking registration of 270,000 shares of common stock, to be offered for public sale on an all or none basis through underwriters headed by McDonald & Company. The public offering price and underwriting terms are to be supplied by amendment.

The company is engaged in the sale by means of vending machines of cigarettes, coffee, cold drinks, candy and other food items in the Cleveland, Columbus, Cincinnati, Toledo and Hamilton-Middletown, Ohio, areas. The company is also a wholesaler of tobacco, cigarettes, candies, cigars, sundries and related items in the Cleveland and Cincinnati, Ohio, areas. Of the net proceeds from the stock sale, \$1,145,500 will be used to pay the Short Term Non-Interest Bearing Notes, and \$300,000 may be used to pay the 5½% Note Payable to Bank due December 19, 1961. The balance will be used to finance further acquisitions. Since February 1961 the company has acquired numerous companies in the automatic merchandising business.

In addition to certain indebtedness, the company has outstanding 1,004,149 shares of common stock, of which Louis B. Golden, president, and Miriam G. Golden, his wife, own 21.04% each, and David J. Golden, treasurer, and Silvia Kay Reitman own 10.52% each.

KULICKE AND SOFFA MFG. FILES FOR OFFERING AND SECONDARY. Kulicke and Soffa Manufacturing Company, 401 N. Broad Street, Philadelphia, filed a registration statement (File 2-18689) with the SEC on August 15th seeking registration of 122,980 shares of common stock, of which 100,000 shares are to be offered for public sale by the company and 22,980 shares, being outstanding stock, by the holders thereof. The offering will be made on an all or none basis through underwriters headed by Marron, Sloss & Co., Inc. The public offering price and underwriting terms are to be supplied by amendment. The registration statement also includes (1) 20,020 outstanding shares sold in August 1961 by Albert Soffa, president, and Frederick W. Kulicke, Jr., treasurer, to management officials, employees and others having business connections with the principal underwriter, and (2) 14,300 shares which underlie three-year warrants to be sold to the underwriters, exercisable

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at the offering price. Such shares and warrants may be sold from time to time by the holders thereof in the over-the-counter market at prevailing prices at the time of sale.

The company designs and manufactures a number of different types of machinery but presently concentrates the major portion of its efforts on the manufacture of precision capital equipment for the production of transistors and other semi-conductor devices. Of the net proceeds from its sale of additional stock, the company contemplates allocating \$150,000 to pay an anticipated Federal Income Tax liability in that amount in December; \$200,000 for research and development of new products; \$110,000 for a downpayment on property and a new plant; and the balance for general corporate purposes.

The company has outstanding 541,359 shares of common stock, (after giving effect to a 91-for-1 stock split in August 1961), of which Soffa, Kulicke and John Hohenadel own 30.4%, 30.4% and 11.9%, respectively. Book value of such shares on a consolidated basis at May 31, 1961 was about 61¢ per share.

GENERAL FOAM FILES FINANCING PLAN. General Foam Corporation, 640 West 134 Street, New York, filed a registration statement (File 2-18690) with the SEC on August 15th seeking registration of \$4,000,000 of 6% convertible subordinated debentures due 1981, to be offered for public sale at 100% of principal amount through underwriters headed by Brand, Grumet & Seigel, Inc. The underwriting terms are to be supplied by amendment. The registration statement also includes (1) 40,000 shares of common stock which underlie six-year warrants sold to the underwriters for \$400, exercisable at a price to be supplied by amendment, (2) 50,000 shares issuable pursuant to a restricted non-transferable stock option plan adopted in August 1961, (3) 5,250 shares sold privately to an unaffiliated corporation in March 1961, and (4) 23,100 shares owned by Willy and Bertha Schwab, successors to W.S. Realty Corp. which, before its liquidation, received such shares in payment of an obligation.

The company is engaged in the business of manufacturing, processing and distributing urethane foam and, to a smaller extent, foam rubber products. Of the net proceeds from the debenture sale, the company plans to allocate \$500,000 to retire present short-term bank loans; and the balance will be added to general funds to be used for general corporate purposes to permit the company to carry larger inventories and receivables. This will include modernization and improvement at the New York and Hazelton, Pa. plants.

In addition to certain indebtedness, the company has outstanding 376,714 shares of common stock (after giving effect to a 5% stock dividend in August 1961), of which Alfred Schoen, president, owns 21.3%, and management officials as a group 45.3%.

AVEMCO FINANCE FILES FOR STOCK OFFERING. Avemco Finance Corporation, 8645 Colesville Road, Silver Spring, Md., filed a registration statement (File 2-18691) with the SEC on August 15th seeking registration of 300,000 shares of common stock, to be offered for public sale through underwriters headed by Sterling, Grace & Co. and Rouse, Brewer, Becker & Bryant, Inc. The public offering price and underwriting terms are to be supplied by amendment. The registration statement also includes 10,000 shares which underlie 2-year options to be sold to the underwriters for \$1,000 exercisable at a price to be supplied by amendment.

The company (formerly Aviation Employees Finance Company) was organized under Delaware law in January 1960. It is engaged in the retail financing of time sales to the ultimate consumer and in the financing at wholesale for dealers of business and pleasure aircraft and related equipment. In June 1961, the company acquired in exchange for 75,000 common shares and an option to purchase an additional 10,000 shares initially at \$9.50 per share, the financing business and related assets of Aviation Employees Corporation, together with the exclusive right to use the name AVEMCO in connection with its business. Of the net proceeds from the stock sale, \$165,000 will be applied to payment of a note payable due the parent, and \$103,000 to payment of bank loans, all of which indebtedness was incurred by the parent. In addition, \$194,000 will be used for the purchase from Aviation Growth Investments, Inc., another subsidiary of the parent, of \$247,000 of notes receivable, and the balance will be added to working capital and used for financing and leasing activities.

In addition to certain indebtedness, the company has outstanding the 75,000 shares issued to the parent, Aviation Employees Corp. Samuel J. Solomon is listed as president of the company and of the parent.

CORRECTION. The August 7th News Digest incorrectly reported withdrawal of a registration statement filed by Goddard, Inc. (File 2-16078), whereas the withdrawal merely related to an amendment to said statement.

HAWAIIAN TELEPHONE PROPOSES RIGHTS OFFERING. Hawaiian Telephone Company, 1130 Alakea Street, Honolulu, filed a registration statement (File 2-18692) with the SEC on August 15th seeking registration of 782,144 shares of common stock. It is proposed to offer 711,040 of such shares for subscription by common stockholders at the rate of one new share for each six shares held. Kidder, Peabody & Co. heads the list of underwriters. The record date, subscription price and underwriting terms are to be supplied by amendment. The remaining 71,104 shares are to be offered to employees at the subscription price. Net proceeds from the stock sale will become part of the general funds and will be applied toward the cost of the company's capital expenditure program, including payment of short-term bank loans now outstanding or hereafter obtained for such program. The planned expenditure for the program for the five-year period 1961-65 is estimated at \$90,000,000, of which \$21,000,000 is estimated for 1961. In addition to various indebtedness and preferred stock, the company has outstanding 4,244,746 shares of common stock. J. B. Atherton is listed as president.

SECURITIES ACT REGISTRATIONS. Effective August 15: A.G.E. Funds, Inc. (File 2-18442); Fairmount Chemical Co., Inc. (File 2-18388); General Life Insurance Corporation of Wisconsin (File 2-18308); Morgan Guaranty Trust Company of New York, ADR's of Photo Products Gevaert S.A. (File 2-18574); Philadelphia Laboratories, Inc. (File 2-18203); Stratoflex, Inc. (File 2-18265). Effective August 16: CMC Finance Group, Inc. (File 2-18044); Dallas Airmotive, Inc. (File 2-18189); Edo Corp. (File 2-18301); Federal Factors, Inc. (File 2-18082); International Parts Corp. (File 2-18331); Mill Factors Corp. (File 2-18227); Nationwide Homes, Inc. (File 2-18284); The North American Coal Corp. (File 2-18291); Warner Brothers Pictures, Inc. (File 2-17953).