

NEWS DIGEST

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



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ENGLANDER RECEIVES PROMOTION. Chairman William L. Cary of the SEC today announced the promotion of Ellwood L. Englander to the position of Assistant General Counsel in the Office of the General Counsel. Mr. Englander joined the staff of that Office in April 1943 and has since served in progressively more responsible positions, becoming Special Counsel in 1957. He has engaged principally in the preparation of briefs and presentation of arguments in court litigation under the Federal securities laws, including appeals from the Commission's administrative decisions and court actions to enjoin violations of those laws. Born in Philadelphia on January 25, 1906, Mr. Englander received his law degree from the University of Pennsylvania Law School in 1929. Before coming to the Commission he was engaged in the private practice of law, served with the U. S. Treasury Department and the Pennsylvania Liquor Control Board, and served as counsel to two Pennsylvania Legislative Commissions.

TRADING IN APEX MINERALS SUSPENDED. The SEC has issued an order under the Securities Exchange Act suspending trading in the common stock of Apex Minerals Corporation on the San Francisco Mining Exchange and over-the-counter market for a further ten-day period October 28 to November 6, 1961, inclusive.

TWO STOCKS DELISTED. The SEC has issued orders under the Securities Exchange Act (Release 34-6660) granting applications of the New York Stock Exchange to delist the common stocks of Coca-Cola International Corporation and of Vertientes-Camaguey Sugar Company of Cuba, effective at the close of business November 10, 1961.

UNLISTED TRADING GRANTED. The SEC has issued orders under the Securities Exchange Act (Release 34-6660) granting applications (1) of the Boston Stock Exchange for unlisted trading privileges in the common stocks of California Packing Corp., Stokely-Van Camp, Inc., and Texas Eastern Transmission Corp.; and (2) of the Chicago Stock Exchange for such privileges in the common stocks of Associated Dry Goods Co., El Paso Natural Gas Co., Royal Dutch Petroleum Company (Fl.20), and Texas Gulf Sulphur Co.

INPAK SYSTEMS FILES FOR STOCK OFFERING. Inpak Systems, Inc., 441 Lexington Avenue, New York, filed a registration statement (File 2-19200) with the SEC on October 25th seeking registration of 90,000 shares of common stock, to be offered for public sale at \$4.25 per share. The offering will be made by Stearns & Co. and Joseph Nadler & Co., Inc., which will receive a \$.425 per share commission and \$15,000 for expenses. The registration statement also includes 11,000 outstanding shares sold to the underwriters by the previous holders thereof at \$1 per share, and 9,000 shares underlying five-year warrants to be sold by the company to the underwriters for 1¢ per warrant, exercisable initially at \$4.50 per share.

The company is primarily engaged in the business of designing, developing, selling and leasing automatic packaging and other machines and furnishing consulting services to materials suppliers, manufacturers of consumer products, contract packers, and inventors in the packaging field. The \$304,250 estimated net proceeds from the stock sale will be used for research and development, for repayment of short term loan to Joseph Nadler & Co., Inc. and Herman Sinnet, a general partner in Stearns & Co. (aggregating \$75,000), for advertising and development, for a royalty payment pursuant to a patent licensing agreement between the company and William B. Crane, Jr., senior vice president, for repayment of a short term loan from Nathan M. Shippee, president (\$15,000), and for general corporate purposes.

The company has outstanding 362,250 shares of common stock (after giving effect to a 20 for 1 split pursuant to recent recapitalization) and 40,250 shares are reserved for sale under certain purchase agreements. Of the outstanding stock, Edward Thiele, board chairman, and Lee Sterman, treasurer, own 16.2% and 10.8%, respectively, and Shippee, Crane and Edward J. Willey, vice president, own 19.8% each. After the sale of new shares, present book value of \$.0448 per share will be increased to about 71¢ per share.

MARKITE FILES FOR STOCK OFFERING. Markite Corporation, 155 Waverly Place, New York, filed a registration statement (File 2-19201) with the SEC on October 26th seeking registration of 100,000 shares of common stock, to be offered for public sale on an all or none basis through underwriters headed by C. E. Unterberg, Towbin Co. The public offering price and underwriting terms are to be supplied by amendment. The statement also includes 14,000 outstanding shares sold by Myron A. Coler, president and principal stockholder, to J. Leon Kahn, a director, and 10,000 shares to certain partners and associates of the principal underwriter, all at \$7.50 per share.

The company is engaged in the development, design, manufacture and sale of precision electromechanical devices. Its principal products are a wide variety of conductive plastic precision potentiometers. The company also manufactures and sells precision instrumentation switches. These devices are used in electronic circuitry for military, industrial and scientific uses. The net proceeds from the stock sale will be used to pay a short-term bank loan of \$150,000 incurred to finance increased receivables, for the development and promotion of new products and the improvement of equipment in the company's production facilities (\$200,000),

to augment the sales promotion program, including possible establishment of new field service facilities (\$200,000), and for working capital.

In addition to certain indebtedness, the company will have outstanding 400,000 shares of common stock (after giving effect to a proposed 4-for-1 stock split), of which Coler will own 79% and management officials as a group 97.5%.

PACIFIC BIG WHEEL FILES FOR STOCK OFFERING. Pacific Big Wheel, 6125 El Cajon Blvd., San Diego, Calif., filed a registration statement (File 2-19202) with the SEC on October 26th seeking registration of 100,000 shares of common stock, to be offered for public sale by N. C. Roberts & Co., Inc. The public offering price and underwriting terms are to be supplied by amendment. The statement also includes 10,013 outstanding shares owned by Norman C. Roberts, president of the underwriter, which shares he received in exchange for 323 shares of Le Ronde Corporation stock which he previously purchased from George Swerdlow, president and board chairman of the company (and Dorothe Swerdlow), sole stockholders of Le Ronde, for \$25,032.50.

The company was organized under California law in June 1961 to provide a single corporate organization to acquire all of the outstanding capital stock of five companies, all organized and owned by the company's principal stockholders. The company (with its subsidiaries) is principally engaged in the business of selling and installing automobile mufflers and exhaust systems, tires and tubes, brakes and brake parts, seat covers, automobile safety glass, shock absorbers, convertible tops, batteries, floor mats, and other parts and accessories. It is also engaged in the distribution of automobile parts and accessories and has a finance subsidiary. The outstanding shares of the five predecessor companies were or will be transferred to the company in exchange for 200,000 company shares. Of the net proceeds from the sale of additional stock, \$50,000 will be used to establish the company's fifth automobile service center, to be located in San Diego, \$150,000 may be used to establish three additional centers, and the balance will be added to working capital. The Swerdlows own or will own 87.8% of the company's outstanding stock, and management officials as a group 96%.

MEDICAL FUND FILES FOR STOCK OFFERING. Medical Fund, Inc., New York City, filed a registration statement (File 2-19203) with the SEC on October 26th seeking registration of 2,000,000 shares of capital stock, to be offered for public sale at \$10 per share with a minimum purchase of \$250. The offering will be made by Fleetwood Securities Corporation of America, which will receive a sales charge of up to 8½%.

The Fund was organized under Delaware law in August 1961. It is now a closed-end diversified investment company, but will become an open-end company after delivery of the shares being offered. According to the prospectus, the Fund is designed to enable the investor to share in the potential growth of companies serving modern medicine, with capital growth as its major objective. Medical Funds Management Company, Inc. is listed as the Fund's Investment Adviser. Dr. Harry I. Greenfield is president of both the Fund and the Adviser.

MAXAM FILES FOR OFFERING AND SECONDARY. Maxam, Inc., 525 Hyde Park Ave., Roslindale, Mass., filed a registration statement (File 2-19204) with the SEC on October 26th seeking registration of 200,000 shares of common stock, of which 100,000 shares are to be offered for public sale by the company and 100,000 shares, being outstanding stock, by the present holders thereof. The offering will be made on an all or none basis through underwriters headed by McDonnell & Co. The public offering price and underwriting terms are to be supplied by amendment.

The company was organized under Delaware law in 1961 to acquire the business of Max Dichter Inc., a Massachusetts company engaged in the operation of self-service discount department stores. It issued 400,000 shares in exchange for all the outstanding capital shares of Max Dichter Inc. The company presently operates eight such stores under the name "Maxam" or "Forest Hills Factory Outlet." Of the net proceeds from the company's sale of additional stock, \$417,000 will be used either to repay bank indebtedness, or to replenish working capital to the extent that such indebtedness is repaid prior to the consummation of this financing, and the balance will be used to provide additional working capital most of which will be used to purchase inventory for future stores.

In addition to certain indebtedness, the company has outstanding the 400,000 common shares, of which Paul D. Dichter, president, owns 384,000 shares and proposes to sell 84,000 shares; and trustees for three trusts for the benefit of Dichter's wife and two children hold an aggregate of 16,000 shares and propose to sell all such shares.

ECON-O-PAY FILES FOR STOCK OFFERING. Econ-O-Pay, Inc., 164 East Main Street, Valley City, North Dakota, filed a registration statement (File 2-19205) with the SEC on October 26th seeking registration of 1,000,000 shares of common stock, to be offered for public sale at \$3 per share. The offering will be made on an agency basis by Reserve Funds, Inc., which will receive a 30¢ per share selling commission. The statement also includes 112,500 shares underlying five-year options issued to management officials and promoters at no cash cost, exercisable at from \$3 to \$4 per share, and 10,000 shares underlying a five-year option to be granted to the underwriter, exercisable at from \$3 to \$4 per share at the rate of 1,000 optioned shares for each 100,000 shares sold.

The company was organized under North Dakota law in August 1961 and proposes to engage in a dealer recourse finance business, including the making of loans to dealers upon the security of, and purchasing or otherwise dealing in, commercial paper arising in connection with retail sales contracts, installment and other purchases by consumers. Of the \$2,679,063.75 estimated net proceeds from the stock sale, \$2,655,363.75 will be used as loan capital to be used as needed in the company's proposed finance business, and the balance for salaries of the company's manager and executive vice president for one year and for other general overhead and administrative expenses of office operation.

The company has outstanding 13,500 shares of common stock (sold to management officials and promoters for \$3 per share), of which Fred Fiechtner, board chairman, owns 11.1% and management officials as a group 37.2%. Fiechtner also holds options covering an additional 12,500 shares.

STANLEY INDUSTRIES FILES FOR STOCK OFFERING. Stanley Industries Corporation, 454 Livonia Avenue, Brooklyn, N. Y., filed a registration statement (File 2-19206) with the SEC on October 26th seeking registration of 80,000 shares of common stock, to be offered for public sale at \$4 per share. The offering will be made on an all or none basis through underwriters headed by Edwards & Hanly, which will receive a 40¢ per share commission and up to \$15,000 for expenses. The statement also includes 20,000 shares underlying five-year warrants sold to the principal underwriter for \$200, exercisable at \$4 per share, and 2,000 outstanding shares sold to Meyer Weiss, the finder, by the previous holders thereof for \$200.

The company (formerly Stanley Equipment Corp.) is engaged primarily in the design, manufacture and sale of heavy-duty stainless steel equipment which includes research and school laboratory equipment, food service and kitchen equipment, hospital equipment and photo processing equipment. The \$258,000 estimated net proceeds from the stock sale will be used to reduce an outstanding short-term and certain other bank loans, for development of new products, sales and promotion, to purchase additional automatic machinery and equipment, to increase inventories of certain finished products, to pay trade creditors holding company notes, and for working capital and general corporate purposes.

The company has outstanding 100,000 shares of common stock, of which Stuart P. Konecky, board chairman, Meyer Stanley, president, and Louis A. Stanley, treasurer, own 49%, 38.1% and 10.9%, respectively. On October 19, 1961, the company issued an aggregate of 10,936 shares to Konecky and Meyer Stanley in exchange for their 100% stock interests in Hospilab Equipment Corp. and Stainless Equipment Fabricators, Inc., now operated as subsidiaries.

VIRGINIA DARE STORES FILES FOR OFFERING AND SECONDARY. Virginia Dare Stores Corporation, 111 Eighth Ave., New York, today filed a registration statement (File 2-19207) with the SEC seeking registration of 154,000 shares of common stock, of which 100,000 shares are to be offered for public sale by the company and 54,000 shares, being outstanding stock, by the present holders thereof. Lehman Brothers heads the list of underwriters. The public offering price and underwriting terms are to be supplied by amendment.

The company operates 55 stores of which 28 are self-service discount department stores operating under the name "Atlantic Mills Thrift Center," and the remaining 27 are specialty stores operating under the name "Virginia Dare" which sell women's, misses, and children's wearing apparel at popular prices. The net proceeds from the company's sale of additional stock will be added to working capital to finance current and presently contemplated expansion of business. The company proposes to enter into leases for six additional stores and estimates that such new stores will require additional working capital of about \$2,500,000.

The company will have outstanding 1,337,223 shares of common stock (after giving effect to a proposed 3-for-1 stock split in November), of which William I. Nathan, board chairman, and Ralph Applebaum, president, will own 233,685 and 137,847 shares, respectively, and propose to sell 27,000 shares each.

HOUSE OF WESTMORE FILES FOR SECONDARY. House of Westmore, Inc., 120 East 16th Street, New York, today filed a registration statement (File 2-19208) with the SEC seeking registration of 150,000 outstanding shares of common stock, to be offered for public sale by the holders thereof at \$4 per share. The offering will be made on an all or none basis by Brand, Grumet & Seigel, Inc. and Kesselman & Co., Inc., which will receive a 32¢ per share commission and \$10,000 for expenses. The statement also includes 20,000 outstanding shares previously sold to the underwriters by the selling stockholders for \$30,000.

The company is engaged in the sale and distribution of cosmetic products under the name of House of Westmore. A wholly-owned subsidiary, The Kurlash Company, Inc., manufactures and sells tweezers, curlers and other such products, and another subsidiary, Orlin Laboratories, Inc. manufactures cosmetics and beauty preparations for the company and other cosmetic firms. The company recently acquired the remaining 55% of the stock of Kurlash (it had held 45% since 1957) in exchange for 179,925 shares, and acquired 100% ownership of Orlin in exchange for 124,000 shares. Pursuant to a recent recapitalization, the 1,112 preferred shares (\$100 par) then outstanding were exchanged for 46,704 new common shares, and the 13,507 outstanding common shares were exchanged for 544,280 new common shares. Thus, giving effect to said acquisitions and recapitalization, the company now has outstanding 894,909 shares of common stock, of which Melvin Finkelstein, president, and The Glemby Company, Inc. (wholly owned by Nathan G. and Emanuel Finkelstein, vice presidents, Seymour Finkelstein, secretary, and members of their families) own 308,062 and 179,925 shares, respectively, and propose to sell 55,780 and 50,100 shares, respectively. In addition, the latter three Finkelsteins each owns 93,006 shares and proposes to sell 10,000 shares, and Zelda Scher owns 80,120 shares and proposes to sell 14,120 shares.

DUFFY-MOTT FILES FOR OFFERING AND SECONDARY. Duffy-Mott Company, Inc., 370 Lexington Avenue, New York, today filed a registration statement (File 2-19209) with the SEC seeking registration of 200,000 shares of common stock, of which 154,000 shares are to be offered for public sale by the company and 46,000 shares, being outstanding stock, by holders thereof. The offering will be made on an all or none basis through underwriters headed by Kidder, Peabody & Co. The public offering price and underwriting terms are to be supplied by amendment.

The company is a diversified food processor, packer, canner and distributor. It produces apple products sold at retail including apple sauce and apple juice sold under the "Mott's" name and prune juice sold under the "Sunsweet" name. It also produces "Clapp's" baby foods. Net proceeds from the company's sale of additional stock will be added to working capital to carry the increased inventories and receivables (or to repay bank loans incurred for such purposes), which resulted from the company's acquisition in 1960 of Pratt-Low Preserving Corporation and from the general growth of business and may result from the addition of the Mott's line of low-calorie foods.

In addition to certain indebtedness, the company has outstanding 728,105 shares of common stock, of which H. E. Meinhold, president, owns 48,600 shares and proposes to sell 15,000 shares (not including 17,550 shares held in a trust of which he is a co-trustee and the primary beneficiary, which trust also proposes to sell 5,000 shares). In addition, Meinhold and certain other persons as trustees of certain other trusts hold an aggregate of 35,100 shares and propose to sell 10,000 shares, Eileen McGirr owns 25,000 shares and proposes to sell 10,000 shares, and Donald M. Klock, a vice president, owns 17,775 shares and proposes to sell 6,000 shares.

CLARIFICATION RE C. H. ABRAHAM & CO. INC. In the SEC News Digest of October 11th, reference was made to an order of the Commission revoking the broker-dealer registration of C. H. Abraham & Co., Inc., New York, and naming Carl Henry Abraham as a cause of such revocation. The respondent company had a New York mailing address at Box 2272 Grand Central Station. It is not to be confused with Abraham & Co., a New York Stock Exchange member firm with offices at 120 Broadway, New York.

FRASER & COMPANY INC. ENJOINED. The SEC Washington Regional Office announced October 25th (Lit 2129) the entry of a Federal court order (USDC, Philadelphia) permanently enjoining Fraser & Company, Inc., of Philadelphia, Gilbert Golden, president, and Harold Diamond, secretary-treasurer, from further violation of the net capital and anti-fraud rules under the Securities Exchange Act. Joseph Stratos, Jr., was appointed receiver for the respondent company, the Commission's moving papers having alleged insolvency.

SECURITIES ACT REGISTRATIONS. Effective October 26: Anderson New England Capital Corp. (File 2-18534). Effective October 27: American Can Co. (File 2-18820); Hogan Faximile Corp. (File 2-18562); Motor Coils Manufacturing Co. (File 2-18583); Piedmont Natural Gas Co., Inc. (File 2-18889); The Platt Corp. (File 2-18211); Richardson-Merrell, Inc. (File 2-19111); Stauffer Chemical Co. (File 2-18878).

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