

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

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

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



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ELDON INDUSTRIES PROPOSES STOCK OFFERING. Eldon Industries, Inc., 1010 East 62nd St., Los Angeles, Calif., filed a registration statement (File 2-16121) with the SEC on February 15, 1960, seeking registration of 150,000 shares of common stock, to be offered for public sale through a group of underwriters headed by Shearson, Hammill & Co. and Stern, Frank, Meyer & Fox. The offering price and underwriting terms are to be supplied by amendment.

The company is engaged in the design, manufacture and sale of plastic toys and soldering tools and in fiberglass fabrication and custom molding. Proceeds from the sale of the stock will be used to repay \$250,000 of borrowings used to purchase tooling for the manufacture of newly-developed toys; \$300,000 to purchase additional tooling for the manufacture of new products; \$200,000 to repay borrowings obtained to fund the purchase of Astral Electric Company Limited; \$200,000 to defray the cost of leasehold improvements and in moving expenses in connection with the occupancy of its new plant at Hawthorne, Calif.; \$150,000 for the purchase of additional injection molding equipment; and the remaining proceeds to be applied against outstanding bank loans or added to working capital.

In addition to certain indebtedness the company has outstanding 3,555 shares of \$100 par value preferred stock and 300,000 shares of Class B common stock. The latter stock is convertible into common stock on a share for share basis. Officers and directors of the company and their families own 244,886 shares of Class B common (81.6%). Of this amount Anna and Davis Factor, Sr. (Director) hold an aggregate of 169,748 shares (56.5%), Robert Silverstein and his wife hold 75,138 shares (25.1%), and Davis Factor, Jr. holds 16,718 (5.6%). According to the prospectus at the conclusion of the sale of the new stock Robert Silverstein, Davis Factor, Sr., and Davis Factor, Jr. and members of their immediate families will own an aggregate of 67% of the then outstanding voting securities of the company.

BOBBIE BROOKS FILES FOR STOCK OFFERING AND SECONDARY. Bobbie Brooks, Inc., 3830 Kelley Ave., Cleveland, Ohio, filed a registration statement (File 2-16122) with the SEC on February 15, 1960, seeking registration of 200,000 shares of capital stock of which 100,000 shares are to be offered for public sale by the company and 100,000 shares are outstanding and will be sold by certain stockholders. The offering will be made through a group of underwriters headed by Bache & Co. The public offering price and underwriting terms will be supplied by amendment.

The company is engaged in the manufacture of fashion apparel for girls and women. Proceeds from the sale of the additional stock will be added to working capital and will be used in part to finance the company's expansion and equipment program.

In addition to certain indebtedness the company has outstanding 1,219,328 shares of capital stock (as adjusted to reflect the two-for-one stock split to become effective February 26). The selling stockholders include Shirmar Real Estate Corporation, 88,000 shares, and The Saltzman Foundation, 12,000 shares. Maurice Saltzman, president of the company, and his wife are the sole shareholders of Shirmar Real Estate and are two of the three trustees of the Saltzman Foundation. After the sale of the new stock the Euclid Richmond Real Estate Corp. and the Lorain Real Estate Corp., of which Mr. and Mrs. Saltzman are the sole shareholders, will own an aggregate of 566,000 shares (42.9%).

KRATTER CORP. FILES FINANCING PROPOSAL. The Kratter Corporation, 521 Fifth Ave., New York, filed a registration statement (File 2-16123) with the SEC on February 15, 1960, seeking registration of 1,300,000 shares of \$1.20 Cumulative Convertible Preferred Stock, \$1 par, to be offered for subscription at \$20 per share by holders of outstanding Class A and Class B common at the rate of one share of preferred for each three common shares held. Shares not purchased by stockholders may be offered for public sale or in exchange for properties. The record date is to be supplied by amendment. The registration statement also includes 130,000 preferred shares and 130,000 Class A common shares which may be acquired by the company in stabilizing transactions during the offering of the preferred and an indeterminate number of rights which may be so acquired, which securities would thereafter be resold by the company from time to time on the American Stock Exchange.

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For further details, call ST. 3-7600, ext. 5526

The company was organized in February 1959 under Delaware law by Marvin Kratter, of Riverdale, N. Y., for the purpose of engaging primarily in various phases of the real estate business. Various properties and interests are now owned by the company, acquired in exchange for stock and/or cash. Net proceeds of the preferred stock sale are to be used in the amount of \$8,000,000 to acquire the Americana Hotel, Bal Harbour, Fla., and in the amount of \$3,000,000 for repayment of unsecured bank loans. The company also intends to use \$2,587,500 for the exercise of the right of a subsidiary to acquire the interests of certain venturers in and to leases and mortgage pertaining to the Kratter Building and 112-122 W. 34th St., in New York; \$2,500,000 for the development of its Ebetts Field housing project in Brooklyn; and \$800,000 for the prepayment of certain mortgages. Any excess will be added to general funds of the company to be used from time to time for general corporate purposes.

The prospectus lists Kratter as president and board chairman. A number of the property interests now held were acquired from Kratter and/or partnerships or other interests held or formed by him. The present shareholdings of Kratter and other management officials are to be supplied by amendment.

AN-SON PETROLEUM PROPOSES OIL OFFERING. An-Son Petroleum Corporation, 3814 North Santa Fe Ave., Oklahoma City, Okla., filed a registration statement (File 2-16124) with the SEC on February 15, 1960, seeking registration of 50 participation units in the An-Son 1960 Fund, to be offered in units of \$20,000. The Fund will consist of an undetermined number of oil and gas leases on lands located within or off-shore from the Continental limits of the United States. The Fund will acquire 75% of all An-Son's interest in each project offered as part of the Fund, except as to the drill-site location on each project, in which the Fund will acquire 100% of An-Son's working interest, subject to the reservation by An-Son of 25% of the net profits derived in the operations on the drill-site location.

Solicitations will be made by An-Son on a best efforts basis and unless a minimum of 25 units (\$500,000) are subscribed on or before May 1, 1960, all subscriptions will be cancelled.

Proceeds from the sale of the participation units will be deposited in one or more segregated bank accounts established by An-Son for such purpose, and will be held, managed and expended in accordance with the Participation Agreement between An-Son and the respective subscribers.

NATIONAL-STANDARD FILES STOCK PLAN. National-Standard Company, Niles, Mich., filed a registration statement (File 2-16125) with the SEC on February 15, 1960, seeking registration of 94,442 shares of its common stock, issuable pursuant to the company's Amended Incentive Stock Option Plan for Officers and Employees.

BURNELL & CO. PROPOSES STOCK OFFERING. Burnell & Co., Inc., 10 Pelham Parkway, Pelham Manor, N. Y., filed a registration statement (File 2-16126) with the SEC on February 15, 1960, seeking registration of 200,000 shares of common stock, to be offered for public sale at \$3 per share through an underwriting group headed by Milton D. Blauner & Co., Inc. The underwriters will receive a commission of \$.36 per share. In addition, 15,000 shares have been purchased from controlling stockholders by Milton D. Blauner at \$1 per share. An additional 10,000 shares are being registered for offering pursuant to the company's restricted stock option plan.

The company is in the business of designing, manufacturing and selling electronic components known as filters or filter networks and conductors or coils. It now has outstanding 470,000 common shares and a \$100,000 bank loan. Of the net proceeds of the sale of additional stock, the bank loan is to be paid off; \$100,000 will be expended in the manufacture of magnetic amplifiers and \$100,000 for establishment of a new crystal filter division; \$75,000 will be used for the purchase of new automatic winding and testing and production equipment; and the balance will be added to working capital. Of the outstanding stock, 220,675 shares each are held by Norman Burnell and Lewis G. Burnell, president and executive vice-president, respectively.

MASON MORTGAGE & INVESTMENT FILES FOR OFFERING. Mason Mortgage & Investment Corp., 729 15th St., N.W., Washington, D. C., filed a registration statement (File 2-16127) with the SEC on February 15, 1960, seeking registration of \$6,000,000 of Investment Contracts (including warranty and repurchase agreements), together with 5,000 shares of Cumulative Preferred Stock, 6% Dividend Series, \$200 par. The investment contracts are to be offered "only in connection with sales of whole second mortgage notes and have no stated offering price apart from the price of the whole mortgage notes to which they relate. The offering price of the mortgage notes will normally range between \$2,000 and \$4,000." The \$6,000,000 proposed maximum aggregate offering price equals the aggregate offering price of the mortgage notes. The preferred shares to be offered include not only authorized and unissued shares but also reacquired shares held in the company's treasury. On each sale of a mortgage note a commission of 7% will be paid to an affiliate, Mason Investment Services, Inc.; and the latter will receive the preferred shares without charge.

The principal business of the company is the purchase for resale of whole second mortgage notes secured by mortgages on improved real estate. Net proceeds of the sale of mortgage notes will be added to its general funds and used principally for the purchase of additional mortgage notes for resale to the public. Proceeds of the sale of the preferred stock will be used primarily to acquire second mortgages to be held in the company's investment portfolio. The company now has outstanding 1,233 shares each of Class A Nonvoting and B Voting common of which Edward Mason, president, owns 903 shares of each class. He also owns about 88% of the outstanding common shares of two affiliated companies, Mason Acceptance Corp. and Mason Investment Services, Inc., each of which in turn owns 100 shares of the Class A and B common stocks of the company.

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TENAX FILES FOR STOCK OFFERING. Tenax, Inc., 375 Park Ave., New York, today filed a registration statement (File 2-16128) with the SEC seeking registration of 150,000 shares of common stock to be offered for public sale at \$4 per share through Myron A. Lomasney & Co. The underwriter will accept the offering on an all-or-none basis and the commission will be 60¢ per share. The company will issue 20,000 stock purchase warrants to the underwriter at an aggregate price of \$200. The warrants will entitle the holder to purchase an equal number of shares of common stock at \$4 per share at any time before March, 1965. In addition the underwriter has purchased 10,000 shares of common stock at \$1 per share. The prospectus also seeks registration of 30,400 shares of common stock sold to Max Fabrikant at \$.66 per share as a "finder's fee."

The company and its subsidiaries are engaged in the business of selling freezers, supplying specified foods to the freezer-owner and financing time payments by the purchaser of the freezers. Of the proceeds of the stock sale \$258,178 will be added to working capital to restore the company's cash position which was impaired by a substantial deposit with financial institutions to enable the company to expand the scope of its business; \$200,000 to provide additional capital and enable the company to obtain bank credit and to discount certain retail installment sales contracts; \$25,592 will be used to discharge short-term indebtedness.

The company has 210,400 shares of common stock outstanding, all of which, with the exception of the 10,000 shares purchased by the underwriter, are owned by the promoters, directors, and officers of the company. Leon C. Hirsch, president, owns 165,000 shares (78%) and Max Fabrikant owns 30,400 shares (14%). After completion of the sale of the new shares the present stockholders will have an equity of \$409,163 as opposed to an equity of \$217,097 prior to the offering. The public will have an equity of \$291,704 for an aggregate investment of \$600,000.

GMAC PROPOSES DEBENTURE OFFERING. General Motors Acceptance Corporation, 1775 Broadway, New York, filed a registration statement (File 2-16129) with the SEC today seeking registration of \$100,000,000 of Twenty-one Year Debentures, due 1981, to be offered for public sale through an underwriting group headed by Morgan Stanley & Co. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

Net proceeds of the sale of the debentures will be added to the general funds of the company and will be available for maturing debt or for the purchase of receivables.

MOTION DENIED IN CENPUC CASE. The SEC has issued an order under the Holding Company Act (Release 35-1416) denying a motion of Wade H. Cooper to set aside the Commission's order of February 3, 1960 (Release 35-14157) which denied Cooper's petition for modification of a 1952 plan for recapitalization of Central Public Utility Corporation.

NARRAGANSETT ELECTRIC ACQUISITION APPROVED. The SEC has issued an order under the Holding Company Act (Release 35-14164) authorizing The Narragansett Electric Company to acquire 100 units of securities of Business Development Company of Rhode Island, each unit consisting of \$500 principal amount of debentures and 5 shares of \$1 par common stock (cost, \$55,000).

DELAWARE POWER STOCK SPLIT APPROVED. The SEC has issued an order under the Holding Company Act (Release 35-14165) authorizing Delaware Power & Light to reclassify its 3,000,000 authorized shares of \$13.50 par common stock by changing each share into two shares of \$6.75 par common. As a result of this stock split, the 2,092,680 outstanding shares will be changed into 4,185,360 shares of \$6.75 par common (and the 907,320 authorized but unissued shares will be changed into 1,814,640 shares of \$6.75 par common). Shareholders will vote on the reclassification at the April 19, 1960, stockholders meeting.

WEST TEXAS UTILITIES PROPOSES BANK BORROWINGS. West Texas Utilities Company, Abilene, Tex., has applied to the SEC for an order under the Holding Company Act authorizing bank borrowings aggregating \$6,000,000; and the Commission has issued an order (Release 35-14166) giving interested persons until March 2, 1960, to request a hearing thereon. The funds will be used to pay \$3,000,000 of outstanding notes and to finance a portion of the company's construction expenditures, estimated at \$8,200,000 for 1960 and \$2,600,000 for the first quarter of 1961.

PHOENIX SECURITIES ENJOINED. The SEC New York Regional Office announced February 11, 1960, entry of a Federal court order (USDC, SDNY) permanently enjoining Phoenix Securities Corporation from further violation of the Securities Act registration requirement in the offering and sale of American Dryer Corp. stock. (Lit. Release 1582)

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