

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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UNITED INDUSTRIAL SHARES IN REGISTRATION. United Industrial Corporation, 5221 West 102nd St., Los Angeles, filed a registration statement (File 2-16281) with the SEC on March 21, 1960, seeking registration of 88,017 shares of Series A convertible Preferred Stock, 614,130 shares of common stock, and 16,500 common stock purchase warrants.

The company was organized as Topp Industries Corporation in Delaware in September 1959 and in October 1959 acquired the business and assets and assumed the liabilities of Topp Industries, Inc. On December 31, 1959, the merger of United Industrial Corporation, a Michigan corporation, into the company became effective and the name of the company was changed from Topp Industries Corporation to United Industrial Corporation. The company is now, as it was prior to the merger, engaged in developing, engineering, manufacturing and selling a variety of electro-mechanical products, communications equipment, automation controls, and electronic systems and products for use in aircraft, missile and general industrial fields. On March 1, 1960, the company purchased for \$4,450,000 in cash all the outstanding stock of Southern Pacific Milling Company, engaged in the rock, sand, readymix concrete and asphalt business in Ventura, San Luis and Santa Barbara Counties, California. It also has entered into agreements to purchase the assets, subject to the liabilities, of Perry Rubber Company and Products Land Company. The Rubber company is engaged principally in the manufacture and sale of disposable rubber gloves used in hospitals; and the Land Company owns the real property on which facilities of the Rubber Company are located.

According to the prospectus, 88,017 shares of preferred and 88,017 shares of common may be offered for sale by the present holders thereof, namely, 34,978 preferred and common shares by Bernard Fein, a director, and 53,039 preferred and common shares by B.S.F. Company, 13% of whose stock is owned by Maurice Goodman, a director. 16,500 warrants and 16,500 common shares are issuable to H. L. Federman and Herman Yaras in payment of a finder's fee incurred in connection with the merger. The Company now has outstanding some 2,100,000 common shares (in addition to preferred stock and indebtedness). Stock purchase warrants were distributed prior to the merger on the basis of one warrant for each share of the company's common stock to stockholders of record October 28, 1959; each warrant now evidences the right to purchase $\frac{1}{2}$ share of common at \$17 per share, and 509,613 shares are reserved for issuance upon exercise of these warrants. Additional common shares are issuable upon conversion of debentures and preferred stock and under a stock option plan.

BEACON LIFE FILES FOR OFFERING. The Beacon Life Insurance Company, 601 Garrett Building, Baltimore, filed a registration statement (File 2-16282) with the SEC on March 21, 1960, seeking registration of 240,000 shares of common stock, to be offered for public sale at \$5 per share. The offering is to be made on a best efforts basis by G. J. Mitchell Jr., Co., of Washington, D. C., for which a selling commission of 75¢ per share is to be paid. The company has agreed to grant five-year options to the underwriter covering 40,000 common shares, exercisable at \$5 per share. An additional 20,000 shares under ten-year option to officers at \$5.50 also are included in the registration statement.

Organized in 1955, the company is engaged in the business of underwriting and selling policies of life, accident and health insurance in Maryland. It now has outstanding 120,761 common shares. Net proceeds of the sale of additional stock will be used in the conduct of its insurance business.

The prospectus lists Harry L. Landay as president and owner of 20.4% of the outstanding stock. Officers and directors own an aggregate of 42.9%.

TELECTRO INDUSTRIES FILES FINANCING PROPOSAL. Telectro Industries Corp., 35-16 37th St., Long Island City, N. Y., filed a registration statement (File 2-16283) with the SEC on March 21, 1960, seeking registration of \$1,000,000 of 6 $\frac{1}{2}$ % Convertible Subordinated Debentures, due 1970, to be offered for public sale at 100% of principal amount through an underwriting group headed by Milton D. Blauner & Co., Inc., which will receive a commission of 10%. Milton D. Blauner is a director of the company. The registration statement also includes 25,000 common shares issuable under the company's restricted stock option plan for key employees, and 30,000 shares held by two officers (but not being offered at this time).

The company is primarily engaged in the development and manufacture and sale of magnetic tape recorders for instrumentation and audio applications, as well as other electronic equipment for both Government and commercial application. It has outstanding 600,000 common shares and certain indebtedness. Net proceeds of the sale

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of additional stock will be used to eliminate an outstanding bank loan of \$700,000 and to provide additional working capital, to be used in part to reduce outstanding accounts payable.

According to the prospectus, 31.5% of the outstanding stock is owned by Harry Sussman, president, and a like amount by Stanley Rosenberg, secretary.

HYDRA-POWER FILES FOR DEBENTURE OFFERING. Hydra-Power Corporation, 10 Pine Court, New Rochelle, N. Y., filed a registration statement (File 2-16284) with the SEC on March 21, 1960, seeking registration of \$600,000 of 6½% Subordinated Debentures, due 1970 (with warrants to purchase 150,000 common shares for each \$1,000 debenture), to be offered for public sale at 100% of the principal amount of the debentures through an underwriting group headed by Aetna Securities Corp. and D. Gleich Company. The underwriting commission is to be 9%. The registration statement also includes 30,000 common shares owned by four officers of the company (but not now being offered) and 14,500 shares reserved for possible conversion of options.

Organized in 1941, the company is engaged primarily in the manufacture of hydraulic, pneumatic and fuel valves, brake controls, as well as servo control actuators and other related products for guided missiles, rocket engines, and aircraft (including helicopters). It now has outstanding 244,760 shares of common stock and certain indebtedness. Net proceeds of about \$521,500 from the sale of the debentures will be applied as follows: \$175,000 for capital equipment, raw material and to finance work-in-process and finished products for Power-tronics Systems, Inc., a subsidiary engaged in research and development of a new line of products such as voltage regulators and regulated power supplies; \$225,000 to be used for similar purposes with respect to the operations of Electro Powerpacs, Inc., a subsidiary engaged in the design and production of photographic and emergency lighting equipment; \$100,000 for reduction of a portion of a \$200,000 bank loan; and the balance for general corporate purposes.

According to the prospectus, management officials own 126,734 shares (51.8%) of the outstanding stock, of which 49,138 shares each are owned by Milton R. Cohen and Harry S. Schwartz, president and executive vice president, respectively.

GREATER WASHINGTON INDUSTRIAL INVESTMENTS FILES. Greater Washington Industrial Investments, Inc., 1625 Eye St., N. W., Washington, D. C., filed a registration statement (File 2-16285) with the SEC on March 21, 1960, seeking registration of 300,000 shares of common stock, to be offered for public sale at \$10 per share through an underwriting group headed by Johnston, Lemon & Co. and Auchincloss, Parker & Redpath. The underwriting commission is \$1 per share.

Greater Washington is a registered investment company and is a Federal licensee under the Small Business Investment Act of 1958. The proceeds of this issue will be added to other general funds of the company and will be used to finance the company's principal small business investment company activities of providing equity capital, long-term funds, and management services to scientific and industrial small business concerns in the greater Washington area.

The company's prospectus lists Arch Scurlock, a co-founder of Atlantic Research Corporation, as president. The principal stockholders are Atlantic Research Corporation (10.52%), First and Citizens National Bank, Alexandria (10.52%), Riggs National Bank of Washington (7.52%), Auchincloss, Parker & Redpath (6.39%), Scurlock (5.62%), Johnston, Lemon & Co. (4.60%), and American Security and Trust Co. (4.60%).

MASTER FUND SHARES IN REGISTRATION. Master Fund, Inc., Sacramento mutual fund, filed a registration statement (File 2-16286) with the SEC on March 21, 1960, seeking registration of 58,025 additional shares of capital stock.

DAYTON POWER AND LIGHT FILES STOCK PLAN. The Dayton Power and Light Company, 25 North Main St., Dayton, filed a registration statement (File 2-16287) with the SEC on March 21, 1960, seeking registration of 50,000 common shares, to be offered pursuant to the company's Employees' Stock Plan.

HAMILTON MANAGEMENT FILES FOR SECONDARY. Hamilton Management Corporation, 777 Grant St., Denver, filed a registration statement (File 2-16288) with the SEC on March 21, 1960, seeking registration of 320,000 shares of Class A common stock, to be offered for public sale through a group of underwriters headed by Kidder, Peabody & Co. The public offering price and underwriting terms are to be supplied by amendment.

Hamilton Management is the exclusive distributor of and investment adviser to Hamilton Funds, Inc., a diversified open-end mutual fund. It has outstanding 779,974 shares of Class A and 87,448 shares of Class B common stock in addition to \$133,000 of 5% debentures. Harold Huber, president, and other management officials own 49.26% of the Class A and 82.89% of the Class B stock. The prospectus lists six selling stockholders (including Huber and four other officers), whose holdings aggregate 517,674 Class A and 80,648 Class B shares. The three largest blocks of Class A shares are being sold by Huber (60,000 of 103,417 shares held); Louis L. Coover, vice president (80,000 of 103,268), and Walter N. George, board chairman (80,000 of 92,348). James E. Stockes, who owns 136,523 Class A shares, proposes to sell 50,000 shares. The other two officers, Anthony R. Tyrone and David J. Sikes, are selling 37,000 and 13,000 shares respectively, of their holdings of 63,014 and 18,104 shares.

SEEBURG CORP. FILES STOCK PLAN. The Seeburg Corporation, 1500 North Dayton St., Chicago, filed a registration statement (File 2-16289) with the SEC on March 21, 1960, seeking registration of 120,000 shares of its common stock, which may be offered to employees who have been or may hereafter be granted options under the company's Stock Option Plan.

WISCONSIN ELECTRIC FILES FOR RIGHTS OFFERING. Wisconsin Electric Power Company, 231 West Michigan St., Milwaukee, Wis., today filed a registration statement (File 2-16290) with the SEC seeking registration of 561,005 shares of common stock to be offered to holders of its outstanding common stock on the basis of one share for each ten shares held. The offering price and record date will be supplied by amendment. No underwriting is involved. Unsubscribed shares will be offered first to employees of the company and its subsidiaries and second to stockholders who exercise their subscription rights.

Net proceeds from the sale of the stock will be used to pay \$12,000,000 of short-term bank loans incurred in connection with the company's construction and improvement program, and for further construction expenditures. The construction program for 1960 and 1961 is expected to cost approximately \$80,000,000. According to the prospectus, the company may finance a part of this program by the sale of \$30,000,000 of additional first mortgage bonds in the latter half of 1960.

CINCINNATI GAS FILES FOR BOND OFFERING. The Cincinnati Gas & Electric Company, Fourth and Main Sts., Cincinnati, today filed a registration statement (File 2-16291) with the SEC seeking registration of \$30,000,000 of first mortgage bonds, series due 1990, to be offered for public sale at competitive bidding.

Net proceeds from the sale of the bonds will be used to finance a portion of the company's construction program, to repay \$4,000,000 of bank notes, and for other corporate purposes. The company estimates it will spend \$29.1 million for construction during the last eight months of 1960. The 1961 construction program is expected to cost \$43.5 million.

MONARCH TILE MFG. FILES FOR OFFERING AND SECONDARY. Monarch Tile Manufacturing, Inc., Oakes Street at Avenue B, San Angelo, Texas, today filed a registration statement (File 2-16292) with the SEC seeking registration of 58,337 shares of common stock, of which 30,000 shares are to be offered for public sale in behalf of the issuing company. The remaining 28,337 shares are now outstanding and are to be offered by the present holders thereof. The prospectus lists Rauscher, Pierce & Co., Inc., as underwriter; and the public offering price and underwriting terms are to be supplied by amendment.

Organized in 1946, the company is engaged in the manufacturing and sale of ceramic tile used in the construction of schools, hospitals, office buildings, industrial plants and homes. It now has outstanding 87,420 shares of common stock, 1,000 shares of \$100 par 7% preferred stock, and certain indebtedness. Net proceeds of the sale of additional stock will be used in the repayment of bank loans in the present amount of \$248,000 and for general corporate purposes. Part of the proceeds of the bank loans as well as about \$100,000 received on sale of a 6% note, together with other available funds, were used in plant expansion and new construction costing about \$275,000 at the San Angelo plant.

According to the prospectus, 43.7% of the outstanding common stock is owned by R. C. Crabb, board chairman, and 31.4% by H. E. McCulloch, executive vice president.

TRADING SUSPENDED IN CONSOLIDATED DEVELOPMENT STOCK. The SEC today announced the issuance of an order pursuant to Section 19(a)(4) of the Securities Exchange Act of 1934 temporarily suspending trading in the common stock of Consolidated Development Corporation (formerly Consolidated Cuban Petroleum Corporation), of Havana, Cuba, for a further ten-day period March 23 to April 1, 1960, inclusive. The suspension applies to trading on the American Stock Exchange and in the over-the-counter market.

Trading in Consolidated's stock on the American Stock Exchange was suspended by action of that Exchange on December 14, 1959, coincident with the Commission's authorization of "stop order" proceedings under the Securities Act of 1933 which challenge the accuracy and adequacy of various informational disclosures contained in a registration statement filed by said company proposing the public offering of an additional 448,000 common shares, which proceedings are still in progress. In view of the serious nature of the alleged deficiencies in the registration statement, the Commission is of the view that an informed analysis and evaluation of the worth of Consolidated's stock is not possible upon the basis of published information concerning the company.

MIDDLE SOUTH UTILITIES STOCK OFFERING. The SEC has issued an order (Release 35-14197) giving interested persons until April 6, 1960, to request a hearing upon the common stock financing proposal of Middle South Utilities, Inc., 2 Broadway, N.Y. As previously reported (SEC News Digest, March 11, 1960), Middle South proposes to issue and sell 650,000 additional common shares at competitive bidding. The proceeds will be used in part to prepay in full \$6,000,000 of 4% bank notes. \$7,500,000 will be invested during 1960 in additional shares of Arkansas Power & Light Company common (which will be the subject of a future filing), and the balance will be held in Middle South's treasury for further investments in operating subsidiaries and for other corporate purposes.