

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST



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

Washington, D.C. 20549

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

(Issue No. 67-89)

FOR RELEASE May 10, 1967

SEC ORDER CITES J. C. ROBERTS & CO. The SEC has ordered administrative proceedings under the Securities Exchange Act of 1934 involving the broker-dealer firm of J. C. Roberts & Co., Inc., of North Miami, Fla. Also named as respondents in the proceedings are Seymour Vigman, president and controlling stockholder, as well as Allen Rosmarin, a director. The Roberts firm has been registered with the Commission as a broker-dealer since August 1962; and it also is a member of the National Association of Securities Dealers, Inc.

The proceedings are based upon staff charges that the Roberts firm and the two individual respondents engaged in activities during the period July 1964 to April 1965, involving transactions in stock of Franklin Balmar Corporation, which violated the anti-fraud provisions of the Federal securities laws. A hearing will be held pursuant to further order to take evidence on the staff charges and afford the respondents an opportunity to offer any defenses thereto, for the purpose of determining whether the alleged violations in fact occurred and, if so, whether any administrative action of a remedial nature is appropriate in the public interest.

DELISTING APPROVED. The SEC has issued an order under the Securities Exchange Act (Release 34-8075) granting an application of Northern Railroad to withdraw its capital stock from listing and registration on the Boston Stock Exchange, effective at Noon May 8.

UNLISTED TRADING APPROVED. The SEC has issued orders under the Securities Exchange Act (Release 34-8075) granting an application of the Boston Stock Exchange for unlisted trading privileges in the common stock of Northeast Utilities, and granting an application of the Philadelphia-Baltimore-Washington Stock Exchange for such privileges in the common stocks of AMP, Inc., and The Welch Scientific Co.

AMCAP FUND PROPOSES OFFERING. AMCAP Fund, Inc., 900 Wilshire Blvd., Los Angeles, Calif. 90017, filed a registration statement (File 2-26516) with the SEC on May 8 seeking registration of 3,500,000 shares of common stock, to be offered for public sale through underwriters headed by American Funds Distributors, Inc., 900 Wilshire Blvd., Los Angeles, Calif. The shares are to be offered at net asset value plus a sales charge of 8-1/2% on purchases under \$5,000 (the estimated offering price is \$5.46 per share maximum*).

The company, now an open-end, diversified, management investment company, was organized under Delaware law on October 10, 1966 as a closed-end investment company to provide long-term growth of capital for its shareholders. Capital Research and Management Company is investment adviser to the fund and James D. Fullerton is president.

TRAID CORP. FILES FOR OFFERING AND SECONDARY. Traid Corporation, 777 Flower St., Glendale, Calif. 91201, filed a registration statement (File 2-26517) with the SEC on May 8 seeking registration of 130,000 shares of common stock. Of this stock, 64,000 shares are to be offered for public sale by the company and 66,000, being outstanding stock, by the present holders thereof. The offering is to be made through underwriters headed by E. F. Hutton & Company Inc., 61 Broadway, New York 10006; and the public offering price (\$55.00 per share maximum*) and underwriting terms are to be supplied by amendment.

The company's principal business is the sale directly to consumers of a photographic package containing the Fotron camera, an electrically powered, automatic, magazine loaded, still camera with a self-contained stroboscopic flash, designed for ease and simplicity of operation. The company loads, sells and processes color film magazine for the Fotron camera. Net proceeds of the company's sale will be used to reduce short-term bank borrowings which were incurred for working capital. In addition to indebtedness the company has outstanding 484,347 common shares, of which management officials own 23.4%. The prospectus lists 5 selling stockholders. First Small Business Investment Company of California proposes to sell 22,057 of 36,832 common shares held; Capital Southwest Corporation, Convertible Securities Fund, Inc., and The Patriot Life Insurance Company, all of their holdings of 14,000, 21,000 and 3,030 shares, respectively; and Kenneth M. Harden, president and board chairman, 5,913 of 85,913 shares held.

AMERICAN NATIONAL IN REGISTRATION. American National Realty Corp., 58 East Gay St., Columbus, Ohio, filed a registration statement (File 2-25619) with the SEC on May 8 seeking registration of \$100,000 of 10-year 7% subordinated debentures, to be offered for public sale at \$1,000 per debenture, and 5,000 shares of cumulative no-par preferred stock, to be offered for public sale at \$10 per share. The offering is to be made by The First Columbus Corporation, 52 E. Gay Street, Columbus, Ohio; and the underwriting terms are to be supplied by amendment.

The company was organized under Delaware law on February 16, 1967 and is engaged in the business of holding real estate for investment. The net proceeds to be received from this offering, together with the proceeds of a first mortgage loan, will be used principally for the purpose of financing the recently completed purchase of a grocery supermarket site located at Hammonton, New Jersey. The balance of the proceeds will be used for working capital purposes. In addition to indebtedness, the company has outstanding 500 common shares. Ned K. Barthelmas, president, owns 37.50% of the outstanding common stock and management officials 61.15%.

OVER

AMERICAN SAFETY PROPOSES OFFERING. American Safety Equipment Corporation, 99 Park Ave., New York 10016, filed a registration statement (File 2-26515) with the SEC on May 8 seeking registration of \$2,000,000 of convertible subordinated debentures, due 1979, to be offered for public sale at 100% of principal amount. The offering is to be made by underwriters headed by Charles Plohn & Co., 200 Park Ave., New York, which will receive a 9% sales commission. The company has agreed to sell to the underwriter 5-year warrants for the purchase of 50,000 common shares (exercisable initially at \$16.00 per share maximum*).

The company is engaged primarily in the manufacture and sale of three product lines: automobile seat belts and related equipment, plastic protective helmets and motorcycle accessories, and trouser belts and accessories for men and boys. Of the net proceeds to be received by the company from the sale of debentures, \$400,000 will be applied to reduce short term bank debt incurred in January 1967 to defray the final payment upon the cash purchase price of the Cummings & Sander division acquired in May 1966; \$155,000 will be applied toward full prepayment of a long term note to an insurance company assumed by the company upon the merger of Krasnow Industries, Inc.; approximately \$500,000 will be applied to the reduction of accounts payable; and the balance, estimated at \$630,000, will be added to the general funds of the company and will be available as working capital for general corporate purposes.

In addition to indebtedness, the company has outstanding 1,572,277 shares of common stock of which Kenneth Krasnow, president, owns 211,231 shares or 13.4%, Mr. Jesse Rossman, Malverne, N. Y., 214,045 shares or 13.5%, F. Dean Johnson, 157,249 or 10%, and management officials 424,088 shares or 27%.

UNION TANK CAR PROPOSES OFFERING. Union Tank Car Company, 111 West Jackson Blvd., Chicago, Ill. 60604, filed a registration statement (File 2-26520) with the SEC on May 9 seeking registration of \$30,000,000 of equipment trust certificates, due 1987 (Series 2), to be offered for public sale through underwriters headed by Salomon Brothers & Hutzler, 60 Wall St., New York 10005. The interest rate, offering price and underwriting terms are to be supplied by amendment.

The company's business consists of leasing railroad tank cars owned and maintained by it to shippers of liquid products in bulk. Net proceeds of this financing will be used to retire some \$29 million of indebtedness outstanding under Series B equipment trust notes; and the balance will be used toward reimbursing the company's treasury for costs incurred in building railroad cars. The company contemplates for 1967 the expenditure of a minimum of \$40,000,000 for additions to its fleet of railroad cars. In addition to indebtedness, the company has outstanding 3,538,000 shares of capital stock. J. W. Van Gorkom is president.

OKONITE PROPOSES OFFERING. The Okonite Company, 220 Passaic St., Passaic, N. J. 07055, filed a registration statement (File 2-26522) with the SEC on May 9 seeking registration of \$30,000,000 of convertible subordinated debentures due 1992, to be offered for public sale through underwriters headed by Lehman Brothers, 1 William St., New York 10004. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

The company is engaged in the manufacture and sale of wire and cable products ranging from bare copper wire to high and extra-high voltage rubber, paper and plastic insulated cable and specialty cable for power distribution, control, signal and telephone uses. Net proceeds of this financing will be used to repay its \$5,000,000 note held by Ling-Temco-Vought, Inc., the proceeds of which were used to purchase the business and properties of the company and some \$9 or \$10 million of notes to banks the proceeds of which were added to working capital. The balance of the proceeds will be added to working capital and will be available to finance construction of the company's Santa Maria plant. In addition to indebtedness and preferred stock, the company has outstanding 537,555 shares of common stock and 2,400,000 shares of Class B common. Ling, Temco-Vought owns all of the Class B shares. Paul Dashine is president.

HARVEY ALUMINUM FILES FOR SECONDARY. Harvey Aluminum (Incorporated), 19200 South Western Ave., Torrance, Calif. 90509, filed a registration statement (File 2-26529) with the SEC on May 9 seeking registration of 1,312,666 outstanding shares of A common stock. The shares are to be offered for public sale by the holder thereof through underwriters headed by Kuhn, Loeb & Co., 40 Wall St., New York 10005, and Tucker, Anthony & R. L. Day, 120 Broadway, New York; and the public offering price (\$45 per share maximum*) are to be supplied by amendment.

The company is principally engaged in the business of producing primary aluminum and aluminum mill products. In addition to indebtedness, it has outstanding 3,072,397 A common shares (as adjusted to reflect the conversion by the selling stockholder of 1,312,666 shares of B common into a like number of A common shares) and 2,687,334 shares of B common stock (as so adjusted). Leo M. Harvey is board chairman, Lawrence A. Harvey is president, and Home M. Harvey is executive vice president. They own 32.8%, 33.3% and 33.3%, respectively, of the 4,000,000 presently outstanding B common shares; and management officials as a group own 99.4%. Leo M. Harvey proposes to convert his holdings of 1,312,666 shares of B common into 1,312,666 shares of A common, the subject of this proposed offering.

SOLA BASIC IND. PROPOSES OFFERING. Sola Basic Industries, Inc., Marine Plaza, Milwaukee, Wisc. 53202, filed a registration statement (File 2-26521) with the SEC on May 9 seeking registration of \$10,000,000 of convertible subordinated debentures, to be offered for public sale through underwriters headed by Lehman Brothers, 1 William St., New York 10004, and Loewi & Co., Inc., 225 E. Mason St., Milwaukee, Wisc. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

The company is engaged exclusively in the design, manufacture and sale of highly technical electrical, electronic, industrial heat processing and related equipment. Net proceeds of this financing will be used for general corporate purposes, including expansion of plant facilities, investment in foreign operations and additional working capital. Some \$4,000,000 of the proceeds will be used to construct and equip two new plant and office facilities in Goldsboro and Whiteville, N. C., and two new plants in Mexico City. The

remainder of the proceeds will be added to working capital and used for general corporate purposes (some \$500,000 is expected to be used to retire short-term bank debt incurred for working capital purposes). In addition to indebtedness and preferred stock, the company has outstanding 1,459,519 common shares, of which Froedtert Enterprises, Inc., of Milwaukee owns 35.57%. Frank H. Roby is president and board chairman.

WICKES CORP. PROPOSES OFFERING. The Wickes Corporation, 515 North Washington Ave., Saginaw, Mich. 48605, filed a registration statement (File 2-26524) with the SEC on May 9 seeking registration of \$15,000,000 of debentures due 1992, to be offered for public sale through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith, Inc., 70 Pine St., New York 10005. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

Wickes is engaged in the business of merchandising at retail of building materials and related products, the purchase, processing, storage and sale of beans, grains and other agricultural products, and the production of graphite, powder metallurgy and carbon products, crankshaft lathes, die casting machines and powder metal compacting presses for industrial customers. Net proceeds of this financing will be used to retire \$10,000,000 of long-term debt from banks; the remainder will be used to retire part of short term debt of about \$9,000,000.

EUROPEAN INVESTMENT PROPOSES OFFERING. European Investment Bank, 85, Boulevard de Waterloo, Brussels 1, Belgium, filed a registration statement (File 2-26526) with the SEC on May 9 seeking registration of \$25,000,000 of Dollar Bonds, due 1987, to be offered for public sale through nine underwriters headed by Kuhn, Loeb & Co., 40 Wall St., New York 10005. The interest rate, offering price and underwriting terms are to be supplied by amendment.

The Bank was created by the Treaty establishing the European Economic Community signed in Rome on March 25, 1957 among the Kingdom of Belgium, the Federal Republic of Germany, the French Republic, the Italian Republic, the Grand Duchy of Luxembourg and the Kingdom of the Netherlands. The purpose of the Bank is to contribute to the balanced and orderly development of a common market among EEC member states by granting loans and guarantees (on a non-profit-making basis) for (a) projects to develop less developed regions; (b) projects for modernizing or converting enterprises or creating new activities which are called for by the progressive establishment of the common market and which, because of their size or nature, cannot be entirely financed by the resources available in the individual member states; and (c) projects of common interest to several member states which cannot be entirely financed by the resources available. The net proceeds to the bank from the sale of the bonds will be used in the general operations of the Bank.

C.I.T. FINANCIAL PROPOSES OFFERING. C.I.T. Financial Corporation, 650 Madison Ave., New York 10022, filed a registration statement (File 2-26527) with the SEC on May 9 seeking registration of \$75,000,000 of debentures due 1986, to be offered for public sale through underwriters headed by Dillon, Read & Co. Inc., 46 William St., New York 10005 and Kuhn, Loeb & Co., 40 Wall St., New York 10005. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

The company engages in consumer, industrial, factoring and commercial financing, automobile insurance, life and health insurance, commercial banking, and manufacturing and merchandising. The net proceeds from its debenture sale will provide additional working funds for the company and its subsidiaries, to be used initially to reduce short-term borrowings which were incurred for the purpose of purchasing receivables in the ordinary course of business. In addition to indebtedness and preference stock, the company now has outstanding 19,138,278 common shares, of which management officials own 1.9%. Henry Ittleton, Jr. is board chairman and L. Walter Lundell, president.

STOCK PLANS FILED. Form S-8 registration statements have been filed with the SEC proposing the offering of securities under employee savings, stock option and other plans, as follows:

Skelly Oil Company, Tulsa, Okla. 74102 (File 2-26512) - \$1,500,000 of participations in Employees' Thrift Plan and 30,000 common shares which may be purchased under the Plan
Williams Brothers Company, Tulsa, Okla. 74130 (File 2-26523) - \$480,000 of participations in employees' stock purchase plan

SECURITIES ACT REGISTRATIONS. Effective May 9: American Medical Assoc., 2-26395 (40 days); American Technical Machinery Corp., 2-26243 (90 days); Cemetery Care Investment Fund, Inc., 2-26479; The Connecticut Light and Power Co., 2-26196; Cutler-Hammer Inc., 2-26397; The Flying Tiger Line Inc., 2-26028 (June 18); Honeywell Inc., 2-26416; International Basic Economy Corp., 2-26421; Schering Corp., 2-26391.
Effective May 10: Marsh & McLennan, Inc., 2-26423; Mayflower Life Insurance Co. of America, 2-26193 (90 days); Home Beneficial Life Insurance Co., 2-26172 (Aug 10); Saturn Industries, Inc., 2-26098 (Aug 9); G. P. Putnam's Sons, 2-26339 (Aug 8).

NOTE TO DEALERS. The period of time dealers are required to use the prospectus in trading transactions is shown above in parentheses after the name of the issuer.

*As estimated for purposes of computing the registration fee.