

# 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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**FINGER LAKES RACING FILES FINANCING PROPOSAL.** Finger Lakes Racing Association, Inc., 142 Pierrepont St., Brooklyn, N. Y., filed a registration statement (File 2-15970) with the SEC on December 28, 1959, seeking registration of \$4,500,000 of Twenty-year 6% Subordinated Sinking Fund Debentures due 1980 and 450,000 shares of Class A stock (\$5 par). It is proposed to offer these securities for public sale only in units, each unit to consist of \$100 of debentures and 10 Class A shares. The offering price is to be \$155 per unit and the underwriting terms are to be supplied by amendment. Stroud & Company, Inc., is listed as the principal underwriter.

The Association was organized under New York law and proposes to conduct horse racing meetings, with pari-mutuel betting, commencing during the spring of 1961. It has options for the purchase of a 500-acre site in the Town of Farmington, County of Ontario, New York, seven miles north of Canandaigua, upon which it proposes to construct its racing plant. Net proceeds of this financing, plus other available funds, will be used for the purchase of the land and the cost of plant construction as well as other organization and miscellaneous expenses. The cost of the land is listed at \$349,250 and the plant at \$4,650,000. An additional \$62,750 is payable on the land in January 1962.

The company now has outstanding 10,000 shares of Class B stock, of which 6,200 shares are owned by John P. Maguire, Jr., a director and vice president. The balance of the Class B shares is held by Cyrus S. Jullien, president, and five other persons (including three directors) own the balance of the outstanding Class B stock. The 10,000 Class B shares were issued for \$50,000; and each share has 45 votes as against one vote for each Class A share, except that, with respect to the election of directors, the Class B stock as a class has the right to elect a majority of directors.

**ARCOA FILES FOR OFFERING.** Arcoa Inc., 4707 S. E. Hawthorne Blvd., Portland, Ore., filed a registration statement (File 2-15969) with the SEC on December 28, 1959, seeking registration of \$6,000,000 of U-Haul Fleet Owner Contracts and \$3,000,000 of Kar-Go Fleet Owner Contracts. The contracts provide for the operation of fleets of automobile-type rental trailers in the U-Haul Trailer Rental System or the Kar-Go Trailer Rental System. The trailers are marketed under the name "U-Haul" or "Kar-Go" and are leased to the public for local use and for one-way trips through out the United States. The fleet owner receives 35% of the gross rental income from his trailers and pays certain trailer operation expenses. Prior to the recovery of the initial cost of his trailers, payments to a fleet owner reflect a return of capital. The excess of income over expenses is computed and paid to the fleet owner each month by Arcoa, Inc. The fleet owner contracts the subject of this proposed offering are being issued to increase the number of trailers available for rent in the U-Haul System and in the Kar-Go System.

**INVESTORS STOCK FUND SHARES IN REGISTRATION.** Investors Stock Fund, Inc., Minneapolis investment company, filed an amendment on December 28, 1959, to its registration statement (File 2-11358), seeking registration of an additional 5,000,000 shares of stock.

**CITIDEL LIFE INS. VOTING TRUST FILES.** The Citidel Life Insurance Company of New York, 444 Madison Ave., New York, filed a registration statement (File 2-15971) with the SEC on December 28, 1959, seeking registration of voting trust certificates for 60,000 shares of its common stock. The seven voting trustees include Citidel's president, Moshe B. Pomrock.

**SECODE CORP. PROPOSES DEBENTURE OFFERING.** Secode Corporation, 555 Minnesota St., San Francisco, filed a registration statement (File 2-15972) with the SEC on December 28, 1959, seeking registration of \$1,500,000 of 6% Convertible Subordinated Debentures due July 1, 1965. The company proposes to offer \$300,000 of the debentures in exchange for its 6% convertible notes due July 30, 1962; \$587,000 in exchange for its demand notes totaling \$587,000; and the balance, or \$613,000, to the

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public for cash. No underwriting is involved; but the debentures offered for cash sale will be sold on a best efforts basis through dealers who will receive a 5% commission.

The company was organized in January 1956 and succeeded to the business carried on in the name of Electrical Communications, Inc. It is primarily engaged in the development, manufacture and sale of selective signaling equipment and accessories for commercial, industrial and military use. Proceeds of the sale of debentures for cash will be used to provide additional working capital, primarily to finance research and development and new product lines.

**BOWMAR INSTRUMENT PROPOSES STOCK OFFERING.** Bowmar Instrument Corporation, 8000 Bluffton Rd., Fort Wayne, Ind., filed a registration statement (File 2-15973) with the SEC on December 28, 1959, seeking registration of 27,000 shares of common stock. These shares are to be offered to holders of outstanding stock purchase warrants, which are attached to notes issued in January 1959 and are exercisable at \$2.50 per share.

**SUNAIR ELECTRONICS PROPOSES STOCK OFFERING.** Sunair Electronics, Inc., Broward County International Airport, Fort Lauderdale, Fla., filed a registration statement (File 2-15975) with the SEC on December 28, 1959, seeking registration of 200,000 shares of common stock, to be offered for public sale at \$3 per share through Northeastern Investors Corp., of New York. The underwriter is to receive a commission of 37½¢ per share; and the company also has agreed to sell the underwriter 30,000 common stock purchase warrants at one mill per warrant, each warrant entitling the holder to buy one common share at \$3 per share within two years. The underwriter has acquired 10,000 shares from Robert Uricho, Jr., company president at 50¢ per share. The underwriter is to pay Hyman Rosenblum of New York, as a finder's fee, 7,000 of the warrants and 1,500 shares of stock purchased from Uricho.

Organized in 1956, the company manufactures high-frequency, light-weight and compact radio transceivers for light executive aircraft, as well as toroid transformers and transistor power supply units for other manufacturing companies in the missile, communications and portable measuring equipment fields. Through subsidiaries it is engaged in the sale of new Cessna Airplanes, aircraft engines and parts, Collins radios, A.R.C. radios and other aircraft supplies and offers aircraft maintenance services, flight training and other services.

The company now has outstanding 510,000 shares of common stock and certain indebtedness. Of the net proceeds of its sale of additional stock, \$85,000 will be used to purchase additional electronic and aircraft service equipment, \$65,000 to increase inventories of Sunair and a subsidiary, \$75,000 to construct additional aircraft storage hangars, \$25,000 to increase ramp space, \$40,000 to construct a new shop for electronics operation and \$210,000 to increase working capital.

**LEVITT AND SONS FILES FOR SECONDARY.** Levitt and Sons, Incorporated, Levittown, N. J., filed a registration statement (File 2-15976) with the SEC on December 28, 1959, seeking registration of 600,000 outstanding shares of its capital stock. The said shares are owned by William J. Levitt, president, and are to be offered for public sale by him through an underwriting group headed by Ira Haupt & Co. The public offering price and underwriting terms are to be supplied by amendment.

The company is engaged in the management, operation and development of, and investment in, all types of real estate. It has outstanding 2,900,000 shares of stock in addition to certain indebtedness. William J. Levitt is listed as the owner of record and beneficially of 2,361,895 shares and to have a life interest in an additional 293,234 shares. Of his holdings, 1,136,281 shares are said to be pledged as security for two obligations; 100,000 are to be placed in escrow, and 30,000 will be subject to delivery upon exercise of warrants to be issued by him. Levitt's holdings, as listed, do not include shares which will be acquired as the result of a proposed merger into Levitt & Sons of Universal Supply Corp., in which Levitt has an interest.

**MORSE ELECTRO PRODUCTS PROPOSES STOCK OFFERING.** Morse Electro Products Corp., 122 West 26th St., New York, filed a registration statement (File 2-15974) with the SEC on December 28, 1959, seeking registration of 120,000 shares of common stock. The stock is to be offered for public sale at \$7 per share by an underwriting group headed by Standard Securities Corporation and Irving Weis & Co. on an all or nothing basis. The underwriters will receive a commission of \$0.875 per share plus \$20,000 for expenses. In addition, the underwriters will be entitled to purchase 25,000 stock purchase warrants at 1¢ per warrant, the warrants expiring in February 1963 and entitling the holder to purchase a like number of common shares at \$7 per share. Standard Securities previously acquired 10,000 common shares for several stockholders of the company for \$1,000 and may resell a portion thereof to other participating underwriters.

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Morse was organized in March 1957 to acquire the stocks of three corporations under common control, operating five retail stores engaged in the business of selling sewing machines. The company through these and four other subsidiaries now operates a chain of nine "Morse Sewing Centers," retail stores selling sewing machines and vacuum cleaners. The company now has outstanding 245,000 common shares in addition to certain indebtedness. Of the net proceeds of its sale of additional stock, the company intends to apply about \$120,000 for the opening of three additional retail stores. The company anticipates that it will require in addition about \$225,000 for working capital to operate these additional stores during the first year if outside financing of accounts receivable is available and considerably more if such outside financing is not available. The above funds and the balance of the proceeds of about \$335,500 will be added initially to working capital and used in the main to reduce borrowings.

**ESTATES INC. FILES FOR OFFERING.** Estates, Incorporated, 3636-16th St., N. W., Washington, D.C. filed a registration statement (File 2-15967) with the SEC on December 24, 1959, seeking registration of 200,000 shares of Class A common stock, to be offered for public sale at \$5 per share. The offering is to be made on a best efforts basis by Consolidated Securities Co. of Washington, which will receive a selling commission of 75¢ per share plus \$50,000 for expenses if all the stock is sold. Officers of the underwriter are also officers of the issuer. The company has granted the underwriter the right to purchase at 5¢ each, one warrant for each ten shares sold, each warrant entitling the holder to acquire one share at \$5 per share.

The registration statement also includes 4,000 Class A shares issued or to be issued to an attorney and certain directors for services; 97,500 Class B shares issued to promoters at 5¢ per share and 49,000 Class B shares issued to directors and private investors at \$2.25 per share; and 12,000 Class A shares issued to Kornegay Associates, Inc., for services.

The company was organized in August 1959 for the purpose of acquiring acreage land for development and investment, with emphasis upon the creation of man made lakes with boating facilities. The promoters are Ronald Egroff, vice president, Bernard Passman, president, and Neil Segal, secretary-treasurer, who acquired the 97,500 Class B shares. The company has contracted to purchase about 388 acres about 1.1 miles northwest of Rockville, Md. (17 miles from Washington). The purchase price is \$659,600, or \$1700 per acre, payable to Rockville Land Co., Inc., subject to mortgages in the sum of \$254,950. Four acres of adjoining property also are to be acquired for \$13,945. Net proceeds of the sale of its stock will be used by the company to purchase these properties, for development and subdivision thereof, and to meet operating expenses, fees, salaries and other costs, but principally for the purchase and development of large tracts of land. The Rockville properties are expected to be divided into about 600 lots.

The company also has contracted with Kornegay Associates, Inc., to provide subdivision engineering and development work. Kornegay has projected expenditures of \$1,480,000 in the development of streets, storm sewers and other improvements. Under the company's agreement with Kornegay for engineering and development work in the amount of \$120,000, one-half is payable in cash and one-half in Class A stock (12,000 shares).

**SOROBAN ENGINEERING PROPOSES STOCK OFFERING.** Soroban Engineering, Inc., 7725 New Haven Ave., Melbourne, Fla., today filed a registration statement (File 2-15977) with the SEC seeking registration of 100,000 shares of its Class A common stock, to be offered for public sale through an underwriting group headed by R. S. Dickson & Co., Inc. The public offering price and underwriting terms are to be supplied by amendment.

The company is engaged in the design, development and manufacture of automatic electronic computing, data processing and control equipment, and specializes in the manufacture of electro-mechanical components for automation and data processing applications. The principal components manufactured by the company are paper tape perforators, coding keyboards, perforated tape readers and electrically sequenced typewriters. Of the net proceeds of the proposed stock sale, \$150,000 will be used for acquisition of land and erecting an additional plant; \$200,000 for tooling and additional equipment; \$40,000 for fixtures and general furnishings for the new plant; and \$80,000 for reduction of bank indebtedness. The balance will be used for general corporate purposes.

Soroban now has outstanding 146,868 shares of Class A common stock and 287,484 shares of Class B common. Management officials own 16.43% of the Class A and 34.77% of the Class B shares. The Estate of Charles H. West owns 15,084 Class A and 60,336 Class B shares; and Charles F. West, company president, has a 20% interest in the trust estate. Atwill and Company, Inc., of Miami Beach, Fla., and Stephen D. Batchelor, of Melbourne, an officer, own 31,200 and 28,800 Class B shares, respectively.

AARONSON BROS. STORES FILES FOR STOCK OFFERING. Aaronson Bros. Stores Corporation, 526 East Overland Ave., El Paso, Texas, filed a registration statement (File 2-15978) with the SEC today seeking registration of 40,000 shares of 70 Cent Cumulative Convertible Preferred Stock, \$2.50 par, to be offered for public sale through an underwriting group headed by Eppler, Guerin & Turner, Inc., and Harold S. Stewart & Co. The public offering price and underwriting terms are to be supplied by amendment. The two named underwriters have purchased warrants from the company, exercisable after January 31, 1962, but not later than January 31, 1965, to purchase an additional 4,000 shares of the said preferred stock at the public offering price.

The company operates through subsidiaries a chain of 22 retail clothing stores in Texas, New Mexico, Arizona and California. It now has outstanding 97,036 shares of common stock. Net proceeds of the sale of the preferred stock will be used in part (\$205,000) to pay for opening, equipping and stocking three new stores in El Paso, San Luis, Arizona, and San Diego, Calif. The balance of the proceeds will be added to the company's general funds and used primarily to open, equip and stock additional stores that may be opened in the future. Principal owners of the outstanding common stock are Joseph Aaronson, president, 32.4%; Abraham Aaronson, vice president and treasurer, 28.3%; and Meyer Aaronson, vice president, 32.4%.

CONSULTANTS BUREAU FILES FOR OFFERING AND SECONDARY. Consultants Bureau Enterprises, Inc., 227-239 West 17th St., New York, today filed a registration statement (File 2-15979) with the SEC seeking registration of 147,000 shares of Class A common stock. Of this stock, 104,000 shares are to be offered for public sale for the account of the issuing company and 43,000 shares, representing outstanding stock, by the present holders thereof. The offering is to be made at \$3 per share by William David & Co., Inc., on a best efforts basis, the underwriter to receive a selling commission of 60¢ per share, plus 14¢ per share for expenses. A finder's fee of 5½¢ per share is payable to Domenick L. Natale. The registration also includes an additional 26,900 Class A shares purchased by the underwriter and two of its officers from the selling stockholders at a cost of \$.001 per share; and the company has agreed to issue three-year warrants at \$.001 each to the underwriter and the two officers for the purchase of 20,000 Class A shares at prices ranging from \$3.50 to \$5 per share.

The company's major business is the translation and publishing of Russian scientific magazines, books and reports. These are published by the company in the form of magazines which are sold by contract or on subscription, books which are sold through bookstores or by mail, or reports which are sold individually on a mail-order basis. Net proceeds to the company of its sale of additional stock, estimated at \$210,000 will be used as follows: \$100,000 allocated to translating and publishing additional new books; \$25,000 to acquire and equip additional needed space for the company operations; and the balance to acquire additional machinery and equipment for cold-type composition.

The company was formed by Earl Coleman, president, and his wife, Frances Coleman, secretary-treasurer. It has outstanding 107,400 shares of Class A and 10,000 shares of Class B stock. The Colemans own 80,500 Class A and all of the Class B shares.

RIGHTS OFFERING BY GENERAL PUBLIC UTILITIES CLEARED. The SEC has issued an order under the Holding Company Act (Release 35-14125) authorizing General Public Utilities Corporation, New York holding company, to offer an additional 1,087,071 shares of its common stock for subscription by common stockholders of record December 30, 1959 (or the effective date of GPU's registration statement, whichever is later), on the basis of one new share for each 20 shares then held. The subscription price will be not more than the closing price of GPU common on the New York Stock Exchange on the date preceding the record date and not less than 85% thereof. Net proceeds of the stock sale will be used to repay \$4,500,000 of bank loans and to make additional investments in domestic subsidiaries to carry out their construction programs.

SALE OF NARRAGANSETT GAS PROPERTIES APPROVED. The SEC has issued an order under the Holding Company Act (Release 35-14126) authorizing The Narragansett Electric Company, subsidiary of New England Electric System, Boston holding company, to sell to Bristol and Warren Gas Company all of Narragansett's gas properties in the Towns of Warren and Bristol, Rhode Island, for a base price of \$460,000. Bristol's outstanding stock is owned by R. A. Sullivan.