

# 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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**COLUMBIA GAS SEEKS ORDER.** The Columbia Gas System, Inc., New York, and 16 of its wholly-owned subsidiaries have applied to the SEC for an order under the Holding Company Act authorizing certain financing transactions; and the Commission has issued an order (Release 35-15432) giving interested persons until April 11 to request a hearing thereon. According to the application, the parent company proposes to acquire from the subsidiaries by March 31, 1967, installment notes aggregating \$65,875,000 and \$10,500,000 par value of common stock, and to make open-account advances to certain of the subsidiaries, from time to time during 1966, in the aggregate amount of \$75,000,000. The subsidiaries will use the proceeds of the sale of notes and common stock to finance a portion of their respective construction programs (estimated at \$108,066,100 for 1966). The proceeds of the open-account advances will be used by the subsidiaries to purchase natural gas for inventory.

**BARNETT NATIONAL SECURITIES RECEIVES ORDER.** The SEC has issued an order under the Investment Company Act (Release IC-4553) authorizing an exchange of shares of common stock of Barnett National Securities Corporation (a bank holding company) for shares of common stock of Barnett First National Bank of Jacksonville, both of Jacksonville, Fla. According to the application, the holding company has offered to exchange up to 675,000 of its common shares for outstanding Bank shares at the exchange ratio of 2.25 of the holding company shares for each Bank share. Consolidated Financial Corporation, a registered investment company, is affiliated with the holding company and the Bank by virtue of its ownership of 23.51% of the outstanding common stock of each.

**ELECTRO-METIC STEEL PROPOSES OFFERING.** Electro-Metic Steel, Inc., 9535 River St., Schiller Park, Ill., filed a registration statement (File 2-24705) with the SEC on March 21 seeking registration of 200,000 shares of common stock. The stock is to be offered for public sale at \$6 per share through company officials.

Organized under Illinois law in 1960, the company manufactures and sells steel, alloy and metallic laminations used by the electrical and electronics industries. Net proceeds of its stock sale will be added to working capital. The company has outstanding 578,000 common shares, of which management officials own approximately 37%. Gary Wang is president.

**ANTHONY FOREST PRODUCTS PROPOSES OFFERING.** Anthony Forest Products Company, P. O. Box 766, El Dorado, Ark., filed a registration statement (File 2-24707) with the SEC on March 24 seeking registration of 270,000 shares of common stock. The stock is to be offered for public sale at \$6.50 per share through underwriters headed by Van Alstyne, Noel & Co., 40 Wall St., New York 10005, which will receive a \$.54-per-share commission. The company has also agreed to deliver the Van Alstyne, Noel & Co., upon the completion of this financing, five-year warrants to purchase 20,000 common shares, exercisable at from \$6.96 to \$7.42 per share.

Organized under Delaware law in December 1965, the company succeeded to the business of Urbana Manufacturing Co., Inc. (which owns and operates a lumber mill in Urbana, Ark.), the properties and assets of another lumber mill located at Springhill, La., and 22,000 acres of timberland. Of the net proceeds of its stock sale, approximately \$257,865 will be used to retire certain indebtedness; \$2,450,000 will be expended to construct and equip a new plant at Plain Dealing, La., for the manufacture of plywood; and the balance will be added to working capital. In addition to indebtedness, the company has outstanding 730,000 common shares, of which management officials own 74.12%. Frank Anthony is board chairman and Bruce Anthony is president.

**WACKENHUT CORP. FILES FOR OFFERING AND SECONDARY.** The Wackenhut Corporation, 3280 Ponce de Leon Blvd., Coral Gables, Fla., filed a registration statement (File 2-24709) with the SEC on March 25 seeking registration of 247,300 shares of common stock. Of such stock, 135,000 shares are to be offered for public sale by the company and 112,300 shares (being outstanding stock) by the present holders thereof. The offering is to be made through underwriters headed by Francis I. duPont, A. C. Allyn, Inc., One Wall St., New York 10005. The public offering price (\$14 per share maximum\*) and underwriting terms are to be supplied by amendment. (13,800 shares are to be offered initially to company employees and directors at the public offering price less underwriting discounts).

The company is engaged principally in the business of furnishing uniformed guards and other personnel to protect government, industrial and business facilities against theft, fire, violations of security regulations and accidents. In addition to indebtedness, the company has outstanding 139,300 common and 646,700 Class B shares, of which management officials own 99.24%. The selling stockholders are George R. Wackenhut (board chairman and president) and his wife, offering all of their common holdings under joint ownership. They will continue to own jointly all of the outstanding Class B shares and Wackenhut, individually, will own 12,300 common shares.

**CORONET INDUSTRIES FILES FOR SECONDARY.** Coronet Industries, Inc., P. O. Box 1248, Dalton, Ga., filed a registration statement (File 2-24708) with the SEC on March 24 seeking registration of 320,000 outstanding shares of common stock, to be offered for public sale by the present holders thereof. The principal underwriter is Hornblower & Weeks-Hemphill, Noyes, 8 Hanover St., New York 10004. The public offering price (\$20 per share maximum\*) and underwriting terms are to be supplied by amendment.

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The company is primarily engaged in the manufacture and sale of tufted carpets and rugs under the trade names "Coronet Carpet Mills", "Coronet Rug Company" and "Heritage Carpet Mills". In addition to indebtedness, the company has outstanding 1,167,782 common and 1,115,448 Class A shares, of which management officials own 56.22% and 95.61%, respectively. The prospectus lists three selling stockholders, as follows: Martin Bud Seretean (president), offering 179,200 of 373,172 common shares held; Burl Jackson Bandy (executive vice president), 110,400 of 226,110; and Frank Guy Henley, Jr. (vice president), 30,400 of 50,412 common shares.

**CENTRAL ILLINOIS LIGHT FILES STOCK PLAN.** Central Illinois Light Company, 300 Liberty St., Peoria, Ill. 61602, filed a registration statement (File 2-24710) with the SEC on March 25 seeking registration of \$1,250,000 of participations in its Employees' Savings Plan, together with 41,666 shares of common stock which may be acquired thereunder.

**UNION CARBIDE FILES STOCK PLANS.** Union Carbide Corporation, 270 Park Ave., New York 10017, filed a registration statement (File 2-24711) with the SEC on March 25 seeking registration of \$32,000,000 of interests or participations in The Savings Plan for Employees of Union Carbide Corporation and United States Subsidiary Companies, together with 80,000 shares of capital stock which may be acquired pursuant thereto. The company also filed a registration statement (File 2-24712) seeking registration of 258,500 shares of capital stock, to be offered under its 1965 Union Carbide Stock Option Plan.

**AMETEK FILES STOCK PLAN.** Ametek, Inc., 233 Broadway, New York 10007, filed a registration statement (File 2-24713) with the SEC on March 25 seeking registration of 81,965 shares of capital stock, to be offered pursuant to its Employees' Qualified Stock Option Plan and Employees' Restricted Stock Option Plan.

**SPERTI DRUG PROPOSES OFFERING.** Sperti Drug Corporation, Dudley and Madison Pikes, South Fort Mitchell, Ky., filed a registration statement (File 2-24715) with the SEC seeking registration of 300,000 shares of common stock. The stock is to be offered for public sale at \$8 per share through underwriters headed by Van Alstyne, Noel & Co., 40 Wall St., New York 10005, and Kemper Securities Corp., 32 N. Ludlow St., Dayton, Ohio 45402, which will receive a \$.66-per-share commission. The company has agreed to deliver to the principal underwriters, upon the completion of this offering, five-year warrants to purchase 25,000 common shares at prices ranging from \$8.56 to \$9.12 per share.

Organized under Delaware law in 1965, the company is a successor to the business of manufacturing, marketing and licensing of drug products of Sperti Products, Inc. Of the net proceeds of its stock sale, \$900,000 will be paid to Sperti Products to complete the payment for said assets; approximately \$220,000 will be used to repay certain notes; and approximately \$400,000 will be used for clinical and market testing of new products, for expansion, and to meet marketing expenses. The balance will be added to working capital and used for general corporate purposes. In addition to indebtedness, the company has outstanding 200,000 common shares, all of which were issued to Sperti Products in exchange for the company's business. Ray L. Sperber is president.

**LUNDY ELECTRONICS PROPOSES OFFERING.** Lundy Electronics & Systems, Inc., Glen Head, Long Island, N. Y., filed a registration statement (File 2-24717) with the SEC on March 25 seeking registration of \$2,000,000 of convertible subordinated debentures (due 1981). The debentures are to be offered for public sale through underwriters headed by Laird & Co., Corp., 61 Broadway, New York 10006. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

The company designs, develops, manufactures and sells electronic, electro-mechanical and hydraulic systems. Net proceeds of this financing will be used to repay a \$1,000,000 short-term bank loan used for working capital, and the balance will be added to working capital for the tooling and inventory needs associated with the production of its "Lundy Check-Sort" machines to be supplied under recently executed contracts with The National Cash Register Company and International Business Machines Corp. In addition to indebtedness, it has outstanding 663,300 common shares, of which Robert C. Barbato (president) owns 66.5%.

**AIRSTREAM FILES FOR SECONDARY.** Airstream, Inc., N. Dixie Dr., Sidney, Ohio, filed a registration statement (File 2-24718) with the SEC on March 25 seeking registration of 165,000 outstanding shares of common stock. The present holders thereof propose to offer the stock for public sale through underwriters headed by Shields & Co. Inc., 44 Wall St., New York (16,500 shares are to be offered initially to company employees and certain other persons). The public offering price (\$12 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company is principally engaged in the design, manufacture and sale of travel trailers under the name "Airstream". In addition to indebtedness, it has outstanding 600,000 common shares, all owned by management officials. The prospectus lists four selling stockholders, including, Arthur R. Costello (president), offering 82,500 of 300,000 shares held; and Charles H. Manchester (vice president), Paul Guerin (director), and E. J. Garmhausen (secretary), each offering 27,500 of holdings of 100,000 shares.

**MARKETLINES-COMMODITY TRADING DECISION FILED.** SEC Hearing Examiner James G. Ewell has filed an initial decision in proceedings under the Investment Advisers Act involving Marketlines, Inc., of New York City, and Elizabeth Schreiber, d/b/a Commodity Trading Advisory Service, of Lynbrook, N. Y. The Examiner held that the investment advisor registrations of both should be revoked by reason of violations of provisions of the said Act and SEC rules thereunder. The Examiner also ruled that David S. Romanoff and Harold Schreiber aided and abetted the violations by Marketlines, which included (1) the failure to disclose Schreiber's prior association with Market Values, Inc., whose registration was revoked in December 1964; and (2) the dissemination of newspaper and other advertisements which were unjustifiably flamboyant, misleading and deceptive. Elizabeth Schreiber's violations involved the failure to disclose the "controlling influence" of Harold Schreiber (her husband) in the affairs of Commodity Trading as well as the failure to disclose the prior SEC action involving Harold Schreiber. The respondents have fifteen days to petition the Commission for review of the Examiner's decision.

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**INSTRUMENT SYSTEMS SECURITIES IN REGISTRATION.** Instrument Systems Corporation, 770 Park Ave., Huntington, Long Island, New York 11745, filed a registration statement (File 2-24716) with the SEC on March 25 seeking registration of \$2,000,000 of eight-year 6% subordinated convertible debentures (due 1974). The debentures are to be offered for public sale at \$1,000 per unit through Shaskan & Co., Inc., 67 Broad St., New York. The underwriting terms are to be supplied by amendment. The company has sold to the underwriter for \$500, 5-year warrants to purchase 50,000 shares of common stock. The registration statement also relates to 229,426 outstanding shares of common stock, which may be offered for public sale by the present holders thereof in the over-the-counter market at the then prevailing market prices (\$8 per share maximum\*).

The company is engaged in engineering, designing, developing and producing specialized electronic equipment. Of the net proceeds of the company's debenture sale, \$1,200,000 will be used to repay certain indebtedness, and the balance will be added to general funds. Some \$675,000 of the funds may be used to purchase Heidi Plastics Corp., a company engaged in manufacturing plastic cups, liners and trays. In addition to indebtedness, the company has outstanding 1,032,755 common shares, of which management officials own 35%. Of the outstanding shares being registered, 62,000 shares are held by trustees of five trusts for the benefit of the five children of Helmuth W. Waldorf (director). Samuel C. Wolfensohn (director) proposes to offer 100,000 of his holdings of 130,000 shares. Edward J. Garrett is board chairman and president of the company.

**ALLIED CHEMICAL PROPOSES DEBENTURE OFFERING.** Allied Chemical Corporation, 61 Broadway, New York 10006, filed a registration statement (File 2-24722) with the SEC on March 25 seeking registration of \$150,000,000 of debentures (due 1991). The debentures are to be offered for public sale through underwriters headed by Lazard Freres & Co., 44 Wall St., New York 10005, and two other firms. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

The company is a producer of synthetic organic chemicals, fibers, plastics and industrial chemicals. Net proceeds of its debenture sale will be used for general corporate purposes, including expenditures for property additions and improvements. The company's present estimates of capital expenditures for plant and other facilities in 1966 amount to \$200,000,000. In addition to indebtedness, it has outstanding 27,326,325 common shares. Chester M. Brown is board chairman and president.

**SPERRY AND HUTCHINSON FILES FOR SECONDARY.** The Sperry and Hutchinson Company, 330 Madison Ave., New York 10017, today filed a registration statement (File 2-24726) with the SEC seeking registration of 1,000,000 outstanding shares of common stock. The present holders thereof propose to offer 900,000 of such shares for public sale and 100,000 of the shares to company employees. The offering is to be made through underwriters headed by Goldman, Sachs & Co., 20 Broad St., New York 10005. The offering price (\$40 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company is engaged primarily in furnishing a trading stamp service for retail merchants and their customers. In addition to preferred stock, it has outstanding 10,000,000 common shares (as adjusted to reflect a recent 2-for-1 stock split), of which management officials own 35.14%. Members of the family of William Sperry Beinecke (president and board chairman) own substantially all of the common stock and (together with foundations of which various family members are trustees or members) own approximately 65% of the company's outstanding 240,500 preferred shares. The company is offering holders of its preferred stock the right to tender such stock in exchange for common shares by April 13. The prospectus lists 38 selling stockholders, including Carrie S. Beinecke, offering 100,000 of 900,000 shares held; Edwin J. Beinecke (chairman) 105,700 of 1,057,000; Frederick W. Beinecke (chairman of the executive committee) 100,000 of 900,000; and Katherine S. Beinecke, 133,200 of 1,232,000. The remaining sellers are offering shares ranging in amounts from 500 to 93,200. Upon completion of the proposed sale, members of the Beinecke family will continue to own approximately 88% of the outstanding common stock.

**SECURITIES ACT REGISTRATION STATEMENTS.** During the week ended March 24, 1966, 49 registration statements were filed, 23 became effective, 3 were withdrawn, and 388 were pending at the week-end.

**SECURITIES ACT REGISTRATIONS.** Effective March 25: American Telephone & Telegraph Co., 2-24616; Hewlett-Packard Co., 2-24500; State Bond and Mortgage Co., 2-24442. Effective March 28: Electronic Memories, Inc., 2-24508 (90 days).

**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.

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