

# 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)

(Issue No. 66-95)

FOR RELEASE May 18, 1966

**ILLINOIS TOOL WORKS FILES FOR SECONDARY.** Illinois Tool Works Inc., 2501 N. Keeler Ave., Chicago, Ill. 60639, filed a registration statement (File 2-24969) with the SEC on May 6 seeking registration of 131,972 outstanding shares of common stock. The present holders thereof propose to offer the stock for public sale through underwriters headed by White Weld & Co., 30 W. Monroe St., Chicago, Ill. The public offering price (\$65 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company's products include metal and plastic fasteners, expendable cutting tools, measuring instruments, packaging products, and electronic components. It has outstanding 2,054,347 common shares, of which management officials own 16.2% (after giving effect to the sale of the stock being registered). The prospectus lists 19 selling stockholders, including The Northern Trust Co., as trustee under agreement dated June 3, 1920, which is offering 17,409 of 107,409 shares held; and Solomon Byron Smith, Edward Byron Smith, and Harold Byron Smith (chairman), as trustees, 43,500 of 214,753. The remaining sellers are offering shares ranging in amounts from 300 to 9,560. Silas S. Cathcart is president.

**GREY ADVERTISING PROPOSES OFFERING.** Grey Advertising Inc., 777 Third Ave., New York 10017, filed a registration statement (File 2-24945) with the SEC on May 2 seeking registration of 21,460 shares of common stock. Of the stock, 18,623 shares are to be offered for public sale from time to time in the over-the-counter market at prevailing market prices (\$30 per share maximum\*). The remaining 2,837 shares are to be issued by the company as a bonus to certain of its employees.

The company is engaged in the planning, creation, supervision and placing of advertising for clients. Net proceeds of its stock sale will be added to working capital. In addition to indebtedness, the company has outstanding 1,207,119 common shares, of which management officials and members of their immediate families own 50.78%. Arthur C. Fatt is board chairman and Robert D. Strauss is president.

**PIONEER PLASTICS FILES FOR OFFERING AND SECONDARY.** Pioneer Plastics Corporation, Pionite Rd., Auburn, Me. 04210, filed a registration statement (File 2-25007) with the SEC on May 16 seeking registration of \$1,750,000 of convertible subordinated debentures, due 1984. The debentures are to be offered for public sale through underwriters headed by Reynolds & Co., 120 Broadway, New York 10005. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

Also included in the registration statement are 60,200 shares of common stock, of which 20,200 are subject to outstanding stock purchase warrants (exercisable at \$8.9125 per share) and 40,000 shares are issuable by the company upon the conversion of a like number of outstanding shares of Class B common stock. Such shares may be offered for public sale from time to time at the current market price (\$11.25 per share maximum\*).

The company is engaged principally in manufacturing and selling decorative laminated plastics. Of the net proceeds of its debenture sale, approximately \$600,000 will be used to retire short-term bank debt incurred in connection with the expansion and move of the company's main plant from Sanford to Auburn, Me., and the balance will be added to working capital. In addition to indebtedness and preferred stock, the company has outstanding 305,595 common and 473,405 Class B common shares, of which management officials own 13.63% and 99.23%, respectively. Arnold Aron is president.

**TUBOS DE ACERO DE MEXICO PROPOSES RIGHTS OFFERING.** Tubos de Acero de Mexico, S. A., Paris 15, Mexico 4, D. F., Mexico, filed a registration statement (File 2-25009) with the SEC on May 16 seeking registration of 708,171 shares of Series A stock and 708,171 shares of Series B stock. The stock is to be offered for subscription by stockholders at the rate of one new Series A share for each <sup>one</sup> Series A share held and one new Series B share for each four Series B shares held. Certain stockholders have agreed to subscribe for 531,128 shares of each series. Any unsubscribed shares are to be offered for public sale through underwriters headed by Kidder, Peabody & Co. Inc., 20 Exchange Pl., New York 10005. The record date, offering price and underwriting terms are to be supplied by amendment.

The company produces seamless steel pipe in Mexico. Net proceeds of its stock sale will be applied to the repayment of short-term notes, the proceeds of which were used to pay for additional facilities and to carry increased inventories of spare parts. The company estimates the cost of the sponge iron plant which is under construction, including working capital requirements, at \$9,280,000. In addition to indebtedness, it has outstanding 2,832,684 Series A and 2,832,684 Series B shares, of which management officials and shareholders' examiners own 34.8% and 4.6%, respectively. Bruno Paglia is president and board chairman.

**CORRECTION.** File numbers for registration statements filed by Thiokol Chemical Corp. and Pathfinder Life Insurance Company of America were incorrectly reported in the May 12 and 13 News Digest. The correct numbers are: Thiokol, File 2-24981; Pathfinder, File 2-24995.

**TRADING BANS CONTINUED.** The SEC has issued orders suspending exchange and over-the-counter trading in securities of Great American Industries, Inc., for a further ten-day period, May 19-28, 1966, inclusive. The Commission also issued an order suspending over-the-counter trading in bonds of Pinal County Development Association for the period, May 19-28, 1966, inclusive.

OVER

**PENNZOIL SEEKS ORDER.** Pennzoil Co., Houston, Tex., registered holding company, and its gas utility subsidiary, United Gas Corp., Shreveport, La., have applied to the SEC under the Holding Company Act for approval of certain transactions; and the Commission has issued an order (Release 35-15475) giving interested persons until June 15 to request a hearing thereon. According to the application, United proposes to sell its retail gas-distribution systems, franchises and related properties to successful bidders. The invitation for bids was advertised during April 1966, and bids are required to be submitted by July 15 or such later date as United may designate. The proceeds of the sale will be applied to the reduction of United's \$219,631,000 of outstanding First Mortgage and Collateral Trust Bonds. The application further proposes the consolidation of Pennzoil and United into a single corporation ("Consolidated Company"), and the separate existence of Pennzoil and United will thereby be terminated. The capital stock of the consolidated company will consist of common stock and \$4 dividend preference common stock, both having a par value of \$2.50 per share. Each outstanding share of Pennzoil common will be converted into one common share of Consolidated Company. Each outstanding common share of United common (other than shares owned by Pennzoil) will be converted into one-half of a share of \$4 dividend preference common stock of the Consolidated Company, or at the stockholder's option, two-thirds of a common share of Consolidated Company. The 5,427,598 shares of United common (42.18%) owned by Pennzoil will be surrendered to the Consolidated Company for cancellation. It is stated that Pennzoil and United are engaged in various non-utility enterprises which are unrelated to United's retail gas utility business (as defined in the Act), and that the sale of the Distribution Division is necessary or appropriate to ensure compliance with the integration provisions of the Act. It is further stated that the reduction of United's long-term debt by use of the proceeds of the sale will serve to simplify the corporate structure of the holding-company system.

**CONSOLIDATED NATURAL GAS SEEKS ORDER.** Consolidated Natural Gas Company, New York registered holding company, and five 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 35-15476) giving interested persons until June 10 to request a hearing thereon. Consolidated proposes to make \$61,400,000 of open-account advances during 1966 to the subsidiaries, of which \$26,400,000 will be used as interim financing of their plant construction expenditures and \$35,000,000 for gas storage inventory purposes. To provide funds for the advances, Consolidated intends to sell to banks its short-term notes aggregating \$55,000,000.

**ROBERT DAHLE SPARROW SENTENCED.** The SEC Denver Regional Office announced May 13 (LR-3508) that Robert Dahle Sparrow of Phoenix, Ariz., was sentenced to a 3½-year prison term following his conviction (USDC, Colo.) of violating the Securities Act anti-fraud provisions in the sale of securities of United Security Co., Inc., United Security Real Estate Investment Trust, Coast Wide Mobile Parks, Inc., and Coast Wide Mobile Park Real Estate Trust.

**MINNESOTA MINING AND MFG. FILES FOR SECONDARY.** Minnesota Mining and Manufacturing Company, 2501 Hudson Rd., St. Paul, Minn. 55119, filed a registration statement (File 2-25012) with the SEC on May 17 seeking registration of 183,153 outstanding shares of common stock. The present holders thereof propose to offer the stock for public sale from time to time at prices prevailing at the time of sale (\$67-3/4<sup>95</sup> share maximum\*). The company markets and produces electrical products, graphic systems, tape and allied products, and other items. In addition to indebtedness, it has outstanding 53,434,794 common shares, of which management officials own 6-1/2%. The prospectus lists six selling stockholders, including the Instituto Finanziario Industriale, S.p.A., which is offering 118,615 shares. The other sellers are offering shares ranging in amounts from 1,692 to 40,385. The stock being registered constitutes the entire holdings of the selling stockholders, except for 200,000 shares owned by the Instituto Finanziario Industriale, S.p.A., and which are proposed to be sold through an underwriting group (see SEC News Digest of May 11). William L. McKnight is board chairman of the company and Bert S. Cross is president.

**RECENT FORM 8-K FILINGS.** The companies listed below have filed Form 8-K reports for the month indicated and responding to the item of the Form specified in parentheses. Photocopies thereof may be purchased from the Commission's Public Reference Section (please give News Digest's "Issue No." in ordering). Invoice will be included with the requested material when mailed. An index of the caption of the several items of the form was included in the May 4 News Digest.

|                                |           |                                |          |
|--------------------------------|-----------|--------------------------------|----------|
| Lakeside Ind., Inc             |           | Williams-McWilliams Industries |          |
| April 1966 ( 11)               | 2-19921-2 | Inc - Apr 66, (12)             | 1-3933-2 |
| United Fruit Co                |           | Eaton Yale & Towne, Inc        |          |
| April 1966 ( 11,13)            | 1-550-2   | Apr 66, (11)                   | 1-1396-2 |
| Atlantic Research Corp         |           | Studebaker Corp                |          |
| April 1966 ( 2,3,12,13)        | 1-4257- 2 | Mar 66, (4,13)                 | 1-1045-2 |
| Cincinnati Union Stock Yard Co |           | Diebold, Inc                   |          |
| March 1966 ( 3,11)             | 1-1623-2  | Apr 66, (7,11,12,13)           | 1-4879-2 |
| Life Assurance Co of Penna     |           | Rosenau Brothers, Inc          |          |
| March 1966 ( 11,13)            | 2-17345-2 | Apr 66, (11,13)                | 1-4688-2 |
| Glenmore Distilleries Co       |           | Dielectric Preds Engineering,  |          |
| March 1966 ( 8)                | 1-3383-2  | Inc - Apr 66, (4,7,8,13)       | 1-3665-2 |

|  |           |   |           |
|--|-----------|---|-----------|
| Eastern Air Devices Inc<br>Apr 66, (11)                        | 1-4490-2  | Werner Transportation Co<br>April 66(7,8,11,13)                   | 0-911-2   |
| Cincinnati Milling Machine Co<br>Apr 66, (11)                  | 1-3306-2  | Western Empire Real Estate Investments<br>April 66(11)            | 2-15283-2 |
| Colonial Acceptance Corp<br>Apr 66, (7,13)                     | 0-1749-2  | International Business Machines Corp<br>April 66(11,12,13)        | 1-2360-2  |
| Edgcomb Steel Co<br>Apr 66, (11,13)                            | 0-851-2   | Movie Star Inc April 66(11)                                       | 1-4585-2  |
| Plastics Corp of America, Inc<br>Amend #1 - 8K for Feb 66 (13) | 0-1675-2  | Service Life Ins Co Mar 66(11,13)                                 | 2-15506-2 |
| Cowles Chemical Co<br>April 66(7,8,11,13)                      | 0-476-2   | Tenneco Corp April 66(11)   | 2-22313-2 |
| Farmers Underwriters Association<br>Dec 65(2,3)                | 0-632-2   | Union Electric Co April 66(11,13)                                 | 1-2967-2  |
| Kaneb Pipe Line Co<br>April 66(11,13)                          | 1-5083-2  | Williamhouse Inc April 66(12)                                     | 1-4559-2  |
| Trane Co April 66(4,7,11,13)                                   | 1-2860-2  | Adams-Millis Corp April 66(11)                                    | 1-880-2   |
| Alico Land Development Co<br>April 66(12)                      | 0-261-2   | Container Corp of America<br>April 66(11,12,13)                   | 1-2311-2  |
| Uarco Inc April 66(4,7,13)                                     | 1-5081-2  | Midwest Oil Corp April 66(11)                                     | 1-3652-2  |
| 21 Brands Inc April 66(3,13)                                   | 1-5218-2  | Peoria & Eastern RY Co<br>April 66(11)                            | 1-1610-2  |
| Virginia Commonwealth Corp<br>April 66(11)                     | 0-591-2   | Thomsa Industries Inc<br>April 66(11)                             | 0-1126-2  |
| Associated Baby Services Inc<br>April 66(7,12)                 | 1-4684-2  | Atlanta & Charlotte Airline RY Co<br>April 66(11)                 | 1-813-2   |
| Pacific Lighting Service & Supply Co<br>March 66(11)           | 2-17024-2 | Carpenter Steel Co<br>April 66(7)                                 | 1-2856-2  |
| Pato Consolidated Gold Dredging Ltd<br>April 66(11)            | 1-4295-2  | Corning Natural Gas Corp<br>April 66(2)                           | 0-643-2   |
| Anderson Electric Corp<br>April 66(11,13)                      | 1-4956-2  | Kerite Co April 66(11)  | 0-501-2   |
| Los Alamitos Race Course<br>April 66(18,13)                    | 0-1184-2  | Lukens Steel Co April 66(11)                                      | 1-3258-2  |
| McQuay-Morris Mfg Co April 66(11)                              | 1-736-2   | Maine Central RR Co April 66(11)                                  | 1-867-2   |
| Royal Castle System Inc<br>April 66(13)                        | 2-23985-2 | Manhattan Shirt Co<br>April 66(11,13)                             | 1-241-2   |
| Town & Country Securities Corp<br>Mar 66(2,3,9,11,12)          | 0-1696-2  | Universal Food Products Inc<br>April 66(6)                        | 0-1336-2  |
| Andrea Radio Corp April 66(11,13)                              | 1-4324-2  | American Zinc Lead & Smelting Co<br>April 66(7)                   | 1-59-2    |
| International Silver Co<br>April 66(11,13)                     | 1-3348-2  | Roadcraft Mfg & Leasing Corp<br>Feb 66(7)                         | 2-21517-2 |
| API Instruments Co April 66(11)                                | 1-5052-2  | Signode Corp<br>April 66(4,7,11,13)                               | 1-1282-2  |
| Avco Corp April 66(11)   | 1-124-2   | Wayne Mfg Co April 66(11)   | 0-1233-2  |
| International Utilities Corp<br>April 66(11)                   | 1-116-2   | American Recreation Centers Inc<br>Mar 66(4,8,12,13)              | 2-16911-2 |
| Leaseway Transportation Corp<br>April 66(11)                   | 0-886-2   | Interstate Life & Accident Ins Co<br>Mar 65(11,13)                | 2-15278-2 |
| Tribune Oil Corp April 66(12)                                  | 0-1623-2  | Kissell Co April 66(7)  | 1-4950-2  |
| Ward Foods Inc April 66(6,9,11)                                | 1-1042-2  | Penn-Akron Corp April 66(11)                                      | 0-799-2   |
| Atico Financial Corp April 66(11)                              | 1-4666-2  | Farmers Underwriters Association<br>Amend #1 for July 65(2,12,13) | 0-632-2   |
| Public Service Co of Indiana Inc<br>April 66(3)                | 1-3543-2  | Anderson, Clayton & Co<br>Apr 66, (12,13)                         | 1-3245-2  |
| Cox Broadcasting Corp<br>Mar 66(3)                             | 1-4933-2  | First Charter Financial Corp<br>Apr 66, (13)                      | 1-4301-2  |
| Crescent Niagara Corp<br>April 66(10,11,13)                    | 0-567-2   | P. H. Glatfelter Co.<br>Apr 66, (7,13)                            | 1-3560-2  |
| Leeds Travelwear Inc<br>April 66(11,13)                        | 0-531-2   | NY Tel Co<br>Apr 66, (7)  | 1-3435-2  |
| Pantasote Co April 66(11)                                      | 1-4678-2  | Newark Electronics Corp<br>Apr 66, (7,9)                          | 1-5156-2  |
| Ultronic Systems Corp<br>April 66(11,13)                       | 0-418-2   | Baltimore and Ohio RR Co<br>Apr 66, (3)                           | 1-923-2   |
|  |           | General Foods Corp<br>Apr 66, (12)                                | 1-1354-2  |

|  |           |   |          |
|--|-----------|---|----------|
| Nekoosa-Edwards Paper Co<br>Apr 66, (11)           | 0-1059-2  | Burndy Corp<br>Apr 66, (11,12,13)                   | 1-4406-2 |
| Trans Internl Airlines Corp<br>Jan & Feb 66 (7,13) | 0-2110-2  | Tudor Industries Corp<br>Apr 66, (12,13)            | 0-1808-2 |
| Bankers' Fidelity Life Ins Co<br>Apr 66, (7)       | 2-13933-2 | Braniff Airways Inc<br>Apr 66, (7,11)               | 1-3195-2 |
| Bonrus Watch Co Inc<br>Apr 66, (4)                 | 1-3436-2  | Amer Broadcasting Co's, Inc.<br>Apr 66, (11,13)     | 1-3534-2 |
| Great Amer Indus Inc<br>And #1 - 8K Feb&Mar 66     | 1-3782-2  | Bethlehem Steel Corp<br>Apr 66, (11)                | 1-1941-2 |
| Bankers Invt Corp<br>And #1 - 8K Apr 66(12)        | 0-1317-2  | Simmonds Precision Products, Inc<br>Apr 66, (11,13) | 1-4942-2 |
| Freeport Sulphur Co<br>Apr 66, (4,7,11,13)         | 1-605-2   | Southeastern Drilling, Inc<br>Apr 66, (2)           | 0-1819-2 |
| South Jersey Gas Co<br>May 66, (11)                | 1-3990-2  | Sun Chemical Corp<br>Apr 66, (4,7,11,13)            | 1-804-2  |
| Std Security Life Ins Co of NY<br>Apr 66, (3,11)   | 2-14735-2 | Sundstrand Corp<br>Apr 66, (11,13)                  | 1-2425-2 |
| Sunray DK Oil Co<br>Apr 66, (11)                   | 1-2379-2  | Vanity Fair Mills, Inc.<br>Apr 66, (11)             | 0-456-2  |
| Financial Corp of Santa Barbara<br>Apr 66, (7)     | 0-1049-2  | First Lincoln Finan Corp<br>Apr 66, (11)            | 0-198-2  |
| Great American Ind Inc<br>Apr 66, (3,7,12,13)      | 1-3784-2  | Brown Flintube Co<br>Apr 66, (11)                   | 0-1136-2 |
| Signal Oil & Gas Co<br>Mar 66, (11)                | 1-1727-2  | Bucyrus Erie Co<br>Apr 66, (11,12,13)               | 1-871-2  |
| Tidewater Tel Co<br>Apr 66, (4,7,11,12,13)         | 0-726-2   | Famous Artists Scholls Inc<br>Apr 66, (12)          | 1-4692-2 |
| D. H. Baldwin Co<br>Apr 66, (11,13)                | 1-1655-2  | Astec Oil & Gas Co<br>Apr 66, (11,12,13)            | 0-502-2  |
| Financial Federation, Inc<br>Apr 66, (7)           | 1-4524-2  | Fisher Governor Co<br>Apr 66, (11)                  | 0-405-2  |
| Southern Realty & Utilities,<br>Corp Apr 66, (11)  | 1-4253-2  | Foster Grant Co Inc<br>Mar 66y (12,13)              | 0-78-2   |
| Life Underwriters Ins Co<br>Dec 65, (11,13)        | 2-11931-2 | Norwich Pharmacal Co<br>Apr 66, (11)                | 1-3113-2 |
|  |           | The Stanley Wks<br>Apr 66, (11,13)                  | 1-5224-2 |

**STANLEY KANAREK PLEADS GUILTY.** The SEC New York Regional Office announced May 12 (LR-3509) that Stanley Kanarek pleaded guilty (USDC, EDNY) to conspiring to violate the Securities Act anti-fraud provisions in connection with the sale of common stock of Edlund Engineered Products, Inc., by Albion Securities Co., Inc., a defunct New York broker-dealer. Sentencing is scheduled for June 30.

**NORTHERN NATURAL GAS PROPOSES DEBENTURE OFFERING.** Northern Natural Gas Company, 2223 Dodge St., Omaha, Nebr. 68102, today filed a registration statement (File 2-25014) with the SEC seeking registration of \$50,000,000 of sinking fund debentures (due 1986). The debentures are to be offered for public sale through an underwriting group headed by Blyth & Co., Inc., 14 Wall St., New York 10005. The interest rate, public offering price and underwriting terms are to be supplied by amendment. The company proposes to use the proceeds of this financing in connection with its construction program, estimated to cost \$160,000,000 in 1966.

**SECURITIES ACT REGISTRATIONS.** Effective May 16: Clevite Corp., 2-24827; The Seeburg Corp., 2-24855. Effective May 17: Automatic Retailers of America, Inc., 2-24759 (40 days); Ingersoll-Rand Company, 2-24934; New England Telephone and Telegraph Co., 2-24923 (June 27). Effective May 18: Fred Harvey, 2-24745 (Aug 16); Jefferson National Life Insurance Co., 2-24784 (Aug 17).

**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.