

# SECURITIES AND EXCHANGE COMMISSION

# NEWS DIGEST

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

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



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FOR RELEASE July 15, 1959

## TOOL RESEARCH AND ENGINEERING PROPOSES STOCK OFFERING

Tool Research and Engineering Corporation, 1515 Santa Fe Ave., Compton, Calif., filed a registration statement (File 2-15355) with the SEC on July 14, 1959, seeking registration of 250,000 shares of common stock, to be offered for public sale through an underwriting group headed by Shields & Company. The public offering price and underwriting terms are to be supplied by amendment. Three of the present stockholders have agreed to sell to Shields & Company, at a price, for the options, of 25¢ for each share covered, transferable options covering 50,000 shares of common stock, which options are exercisable over a period of five years at the offering price to the public.

Organized in June 1959, the company is the successor, by statutory merger in July 1959, to three California corporations, two of which in turn succeeded in 1956, to the business of a partnership formed in 1946. Its principal business has consisted of the fabrication of production tooling and the development and construction of high precision special equipment and machinery for use in the aircraft and other industries. It has outstanding 300,000 common shares (in addition to certain indebtedness). Of the net proceeds of this financing, \$400,000 will be used to provide working capital to finance the company's sales, particularly in the field of welded stainless steel honeycomb core; about \$170,000 will be applied to the payment of a Small Business Administration loan; \$130,000 will be used to repay outstanding bank loans; and some \$150,000 will be used to purchase additional tooling and equipment.

The prospectus lists Noah Dietrich as board chairman and Leopold S. Wyler, Jr., as president. They are listed as the owners of 37,505 shares (12.5%) and 142,542 shares (47.5%), respectively, of the outstanding stock; and Donald L. Dempsey, vice president, is listed as the owner of 71,250 shares (23.7%).

## ALLIED PETRO-CHEMICALS PROPOSES STOCK OFFERING

Allied Petro-Chemicals, Incorporated, Overbrook Hills, Pa., filed a registration statement (File 2-15356) with the SEC on July 14, 1959, seeking registration of 100,000 shares of Class A common stock, to be offered for public sale at \$4 per share. The offering is to be made on a best efforts basis by Philadelphia Securities Co., Inc., for which it will receive a selling commission of 72¢ per share, plus \$22,000 for expenses. The underwriter also has acquired 30,000 shares of Class B common stock from two stockholders of the company, which are convertible into a like number of shares of Class A common.

The company's business consists of re-refining and blending of various previously used and semi-refined petroleum products into automotive, aircraft and diesel lubricants, and the custom refining and re-refining of various petroleum and chemical products for the U. S. Air Force, railroads, truck lines, ship yards, air lines, chemical companies, road contractors and other industries. It now has outstanding 170,000 shares of Class B common stock. Net proceeds of the sale of additional stock will be added to current funds of the company and will be used, to the extent of approximately 50%, for the payment of the cost of increased inventory, preliminary training of additional sales force, costs of research and development of new products, and property extensions and improvements; and the balance will be added to working capital, used for the payment of liabilities and, to the extent available, to reduce borrowing on accounts receivable, to enable the company to take discounts on accounts payable, and for similar purposes.

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The prospectus lists Louis E. Cutler as president. His wife owns 70,000 shares of Class B common stock. James T. Duffy, Jr., treasurer, owns 70,000 shares; and the underwriter owns 30,000 shares.

#### SEA VIEW INDUSTRIES FILES FOR OFFERING

Sea View Industries, Inc., 3975 NW 25th St., Miami, Fla., filed a registration statement (File 2-15357) with the SEC on July 14, 1959, seeking registration of \$420,000 of 7% Subordinated Convertible Debentures, due 1969, and 84,000 shares of 10¢ par Common Stock. These securities are to be offered for public sale in units, each consisting of \$200 principal amount of debentures and 40 common shares at \$3.50 per share (or \$340 per unit). The principal underwriter is Michael G. Kletz & Co., Inc., and the underwriting commission is to be \$41 per unit (plus \$22,000 for expenses). Also included in the registration statement are an additional 15,000 shares purchased from controlling stockholders by Michael G. Kletz, controlling stockholder of the underwriter, at 25¢ per share.

The company and its subsidiaries are engaged primarily in the business of manufacturing aluminum awnings; and it also manufactures aluminum carports, patios and screen rooms. It now has outstanding 365,000 common shares (in addition to certain indebtedness). Of the net proceeds of this financing, \$253,530 will be used to retire a \$100,000 bank loan and a \$153,530 Small Business Administration loan; \$94,000 will be used to acquire a strip roller coating paint machine from an affiliated company owned by the issuer's president; \$75,000 will be allocated to the purchase of various units of factory machines and automotive equipment from a company also owned by the president; \$38,900 to cancel a cash loan by the president; and the balance for general corporate purposes, including the financing of sales of subsidiaries.

The prospectus lists Paul Rimeir as president and board chairman. He also is listed as the owner of 329,000 shares (90.13%) of the outstanding stock.

#### SUNRAY MID-CONTINENT OIL FILES STOCK OPTION PLAN

Sunray Mid-Continent Oil Company, Tulsa, Okla., filed a registration statement (File 2-15358) with the SEC on July 14, 1959, seeking registration of 521,132 shares of common stock, reserved for issuance upon the exercise of options granted or authorized under the company's 1952 and 1959 Stock Option Plans.

#### HUGH LONG & CO. INC. FILES FOR SECONDARY

Hugh W. Long and Company, Inc., Westminster at Parker, Elizabeth, N. J., today filed a registration statement (File 2-15359) with the SEC seeking registration of 280,000 outstanding shares of Class B Common Stock, to be offered for public sale by the present holders thereof through an underwriting group headed by Clark, Dodge & Co. The public offering price and underwriting terms are to be supplied by amendment.

The company acts as underwriter and its subsidiary, Investors Management Company, Inc., acts as investment advisor to open-end investment companies. The two companies serve as underwriter and investment advisor, respectively to three mutual funds: Fundamental Investors, Inc., Diversified Investment Fund, Inc., and Diversified Growth Stock Fund, Inc. In addition to certain indebtedness, the company has outstanding 96,000 shares of 50¢ par Class A common stock; 882,200 shares of 50¢ par non-voting Class B common stock; and 11,600 shares of Class C Stock, \$.125 par.

The prospectus lists fourteen selling stockholders of the Class B stock, who own an aggregate of 543,500 shares of such stock. The largest blocks are held by Ernest J. Lewis, 64,180 shares; Hugh W. Long, president, 180,720; Pudding Island Farms, Inc., 50,400; and George E. Roosevelt, board chairman of the underwriter, 50,400. All of the stock of Pudding Island Farms, Inc., is owned by Charles C. Parlin. The selling stockholders propose to sell 20,000, 80,720, 50,400, and 30,000 shares, respectively.

#### CORRECTION:

The item in the July 9, 1959, News Digest, page 2, concerning the Coral Ridge Properties financing proposal, incorrectly listed the conversion rights of the no par preferred stock and the \$1 par preference stock. The no par preferred being offered for public sale is convertible into Class A common on a one for two basis, without additional payment. The \$1 par preference stock is convertible into Class A common on a one-for-fifteen basis, upon payment of \$3.33 per share of Class A common.

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## HARATINE GAS OFFERING PERMANENTLY SUSPENDED

In a decision announced today (Release 33-4112), the Commission made permanent a prior temporary suspension of a Regulation A exemption from Securities Act registration with respect to a public stock offering by The Haratine Gas and Oil Company, Inc., of Euclid, Ohio.

The Commission's action was based upon Haratine's failure to file literature used in the sale of its stock, as required by Regulation A, and upon untrue and misleading statements in such literature. Haratine and Herbert Perry & Co., Inc., the underwriter, consented to permanent suspension of the exemption.

In a notification filed in June 1958, Haratine proposed the public offering of 199,900 common shares at \$1.50 per share. The offering by Perry as underwriter commenced about August 5, 1958; and approximately 67,000 shares were sold to about 200 persons prior to October 29, 1958, when the Commission's temporary suspension order was issued.

In addition to the use of sales material in connection with the offering which was not filed with the Commission prior to its use, the Commission ruled that certain of this material contained untrue statements of material fact or omitted to state material facts, particularly with respect to statements that the stock had a current market price of \$1.50 per share, that Haratine had "substantial holdings near the largest oil strike in the last 40 years east of the Mississippi," that it has sizeable holdings in the vicinity of "the greatest gas well" in a certain area, and that a new well alleged to be in the same area has original rock pressure over ten times greater than a previous big well and "promises a potential production of fabulous statistics."

## SALE OF GRAVITY SCIENCE FOUNDATION SECURITIES ENJOINED

The SEC Chicago Regional Office announced July 9, 1959, that Judge Julius H. Miner (USDC, ND Ill.) had entered a final judgment permanently enjoining Gravity Science Foundation, Inc., and Howard E. Baker from further violations of Section 5 and 17 of the Securities Act in the offer and sale of investment contracts or other securities. The defendants, without making any admissions, consented to entry of the injunction order. (Lit. Release No. 1469)

## ADDISON, WHITE, TRANS-WORLD MINING ET AL. PRELIMINARILY ENJOINED

The SEC Denver and Fort Worth Regional Offices announced July 10, 1959, that Judge T. Whitfield Davidson (USDC, at Dallas) had entered a preliminary injunction enjoining John Milton Addison; Miles A. White; John R. Metz; Dan Nance; White, Green & Addison Associates, Inc.; Trans-World Mining Corporation, and Murchison Ventures, Inc., from further violating the Securities Act registration requirements, and enjoining the defendants, their banks and depositories from dissipation of assets or funds of the defendants. (Lit. Release No. 1470)

## THREE FUNDS FILE FOR ADDITIONAL SECURITIES

Amendments were filed July 13, 1959, by the following companies to their respective registration statement seeking registration of additional securities, as indicated: (1) The Dreyfus Fund, Inc. (File 2-9455), of New York -- 3,000,000 shares of capital stock; (2) Haydock Fund, Inc. (File 2-12654), of Cincinnati -- 40,000 shares of capital stock; and (3) Investors Planning Corp. of America (File 2-14165), of New York -- \$29,000,000 of Systematic Investment Plans and \$1,000,000 of Single Payment Investment Plans.

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