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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PRECISION AUTOMOTIVE COMPONENTS FILES FOR STOCK OFFERING. Precision Automotive Components Company, Ballwin, Mo., filed a registration statement (File 2-19540) with the SEC on December 28th seeking registration of 100,000 shares of common stock, to be offered for public sale through underwriters headed by G. H. Walker & Co., Inc. The public offering price and underwriting terms are to be supplied by amendment.

The company manufactures and sells carburetor replacement parts which are marketed under the trademark "Pacco" either in a special carburetor tune-up kit consisting of basic and easily replaced carburetor parts for use by garage and service station mechanics, or in bulk form for the use of the carburetor rebuilder. Subsidiaries of the company also manufacture gaskets which are sold to the parent for use in its kits or for resale in bulk form, manufacture and sell various parts for automobile transmissions, carburetors, and hydraulic systems, manufacture parts for diesel injectors for replacement use in diesel trucks, tractors, and other types of diesel equipment. Of the net proceeds from the stock sale, $550,000 will be used to retire outstanding bank loans, $45,000 to retire the outstanding 6% preferred stock, and the balance will be added to operating capital to pay for increases in inventory and accounts receivable.

In addition to certain indebtedness and preferred stock, the company has outstanding 255,000 shares of common stock, of which Merton A. Carlson, president, owns 33.94% (and holds an additional 7.25% as voting trustee), and Herbert M. Ramel, a director, and Oscar J. Fickeissen, board chairman, own 11.65% and 6%, respectively.

DOBBS HOUSES FILES FOR SECONDARY. Dobbs Houses, Inc., 120 South Third Street, Memphis, Tenn., filed a registration statement (File 2-19541) with the SEC on December 28th seeking registration of 870,400 outstanding shares of common stock, to be offered for public sale by the holders thereof from time to time in the over-the-counter market, or otherwise, at prices current at the time of sale. Such 870,400 shares will be issued by the company in 1962 in exchange for the 2,250 outstanding common shares of The National Toddle House Corporation, a Delaware company engaged in the operation of a chain of small restaurants or snack bars of distinctive design known as "Toddle Houses."

The company is engaged in the furnishing of catering services to airlines for their passengers in flight, in the operation of restaurants, snack bars, concessions and gift shops at airports and other terminals, in the raising of registered Hereford cattle for sale to breeders, in petroleum production, and in the leasing and sale of automobiles and trucks. In addition to certain indebtedness, the company has outstanding 2,211,168 shares of common stock, of which the estate of James K. Dobbs owns 5.98%, members of the Dobbs family as a group 21.91%, and management officials as a group 13.72%. After the exchange, Frederick Smith Enterprise Company will own 10.38% of the outstanding stock of the company.

WYNLIT PHARMACEUTICALS FILES FOR STOCK OFFERING. Wynlit Pharmaceuticals, Inc., 91 Main Street, Madison, N. J., filed a registration statement (File 2-19542) with the SEC on December 28th seeking registration of 125,000 shares of common stock, to be offered for public sale on an all or none basis by Andresen & Co. The public offering price ($6 maximum) and underwriting terms are to be supplied by amendment. The statement also includes 25,000 shares underlying 3-year warrants sold to the underwriter for $500, exercisable at $4.50 per share.

Organized under Delaware law in May 1961, the company (formerly Warfield Pharmaceutical, Inc.) is engaged in the development, manufacture and distribution of ethical drugs and pharmaceutical preparations and of various products and devices for use by hospitals, physicians and the general public. It also engages in research designed to lead to new products in the above fields and to new techniques of patient care. The company intends to change its name to Unimed, Inc. Of the net proceeds from the stock sale, $40,000 will be used to purchase land and to construct a new plant, $860,000 to introduce and market existing products which are not yet marketed commercially, $230,000 for research and development of new products, and the balance for working capital. According to the prospectus, the company and its predecessor New Jersey corporation, organized in 1948, operated at a loss for the years ended September 30, 1960 and 1961, and United Medical Products Co., Inc. and Spencer Laboratories, Inc., the businesses and assets of which the company proposes to acquire in 1962, operated at a loss from March 10, 1961 and October 17, 1958, the dates of their respective incorporations, through the fiscal year ended September 30, 1961. The prospectus further indicates that such losses have continued to date.

In addition to certain indebtedness, the company has outstanding 692,244 shares of common stock, after giving effect to the two proposed acquisitions. Holdings of management officials are to be supplied by amendment. Spencer M. Fossel is president.

WA-WEN ServiceMASTER FILES FOR STOCK OFFERING. Wade, Wenger ServiceMASTER Co., 2117-29 N. Wayne, Chicago, filed a registration statement (File 2-19543) with the SEC on December 28th seeking registration of 140,000 shares of capital stock, to be offered for public sale through underwriters headed by Laren Company. The public offering price and underwriting terms are to be supplied by amendment. The statement also includes (1) 18,000 shares underlying a 5-year option granted to the underwriter, exercisable at $4.80 per share, and (2) 32,170 shares reserved for issuance upon exercise of certain outstanding warrants.

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The company is the successor by merger in December 1961 of its parent, Wade, Wenger & Associates, Inc., and another previous subsidiary of the parent, Downers Park Associates, Inc., into the company. Under the terms of the merger the holders of the outstanding securities of Wade, Wenger received $96,510 in cash, $369,955 principal amount of ten-year 7% subordinated debentures due 1972, five-year warrants to purchase 32,170 capital shares at a price of $4.50 per share (included in this statement), and 220,000 Class B shares of the company in exchange for the securities of Wade, Wenger theretofore owned by them.

The principal business of the company consists of (1) selling franchises for on-location cleaning, moth proofing, soil retarding and static proofing of carpet and rugs, cleaning and moth proofing of furniture, refinishing of leather and plastic furniture, cleaning and waxing of floors and wall and ceiling cleaning service; (2) manufacturing and selling or leasing equipment to franchised operators; and (3) manufacturing cleaning materials and selling cleaning materials and supplies to franchised operators, both for use by such operators and for sale at retail and to stores. The net proceeds from the stock sale will be used to pay a balance due under a land purchase contract, to pay part of the construction cost of a new combination office building and plant on property owned by the company at Downers Grove, Ill., to pay short-term bank indebtedness incurred in connection with the merger, to purchase new furniture and equipment for the new plant and office, for use in establishing a business for licensing operators in the hospital maintenance field, and for general corporate purposes, including the financing of anticipated receivables and for additional working capital.

In addition to certain indebtedness, the company has outstanding 220,000 Class B shares, of which Marion E. Wade, board chairman, Kenneth N. Hansen, president, Robert L. Wenger, senior vice-president, and Raymond M. Haas, a vice president, own 33%, 42%, 17% and 8%, respectively.

W. T. GRANT PROPOSES DEBENTURE OFFERING. W. T. Grant Company, 1441 Broadway, New York, filed a registration statement (File 2-19544) with the SEC on December 28th seeking registration of $35,000,000 of sinking fund debentures due 1987, to be offered for public sale through underwriters headed by Lehman Brothers. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

The company is engaged in the sale of various lines of popular priced merchandise for women, men, children and the home in some 961 stores located in 45 states. The net proceeds from the debenture sale will be added to general funds and used for additional inventory and other working capital requirements, including such requirements resulting from further store expansion. According to the prospectus, an additional 80 new stores were under construction as of November 30, 1961. The company has outstanding preferred stock and 5,837,211 shares of common stock, of which William T. Grant, board chairman, owns 17%. The Grant Foundation (Incorporated), a charitable corporation, owns 11%, and management officials as a group 19%. Louis C. Lustenberger is president.

WINSLOW ELECTRONICS FILES FOR STOCK OFFERING. Winslow Electronics, Inc., 1005 First Avenue, Asbury Park, N. J., filed a registration statement (File 2-19545) with the SEC on December 28th seeking registration of 125,000 shares of common stock, to be offered for public sale at $4 per share. The offering will be made through underwriters headed by Amos Treat & Co., Inc., which will receive a 48¢ per share commission and $6,000 for expenses. The statement also includes 12,500 shares underlying 5-year warrants to be sold to Amos S. Treat, president of the underwriter, for $12.50, exercisable at $4 per share.

The company is engaged in the design and manufacture of precision electrical and electronic measuring devices and test equipment. Of the $407,500 estimated net proceeds from the stock sale, $125,000 will be used to pay a bank loan, $85,000 for research and development of new products and to improve existing ones, $105,000 to produce an inventory of new products which are now said to be in advanced developmental stages, $15,000 for advertising and promotion for commercial products, and the balance for general corporate purposes including the carrying of inventory and accounts receivable and general working capital.

In addition to certain indebtedness, the company has outstanding 300,000 shares of common stock of which Louis J. Winslow, president, and Thomas P. Winslow, vice president, own 63.1% and 31.6%, respectively. The sale of new shares to the public at $4 per share will result in an increase in the book value of shares now outstanding from 62¢ to $1.40 per share and a corresponding dilution of $2.60 per share in the book value of stock purchased by the public.

SOLON INDUSTRIES FILES FOR SECONDARY. Solon Industries, Inc., 115 L Street, S. E., Washington, D.C., filed a registration statement (File 2-19546) with the SEC on December 28th seeking registration of 75,000 shares of common stock, to be offered for public sale by the holders thereof, without underwriting. The public offering price is to be supplied by amendment.

The company (formerly Solon Service, Inc.) is presently engaged in placing its coin operated laundry equipment at locations where the equipment is used by persons who reside at the locations. Such equipment is presently placed in locations in the District of Columbia and the surrounding Maryland and Virginia areas. The company, through its subsidiaries, is also engaged in the business of selling and repairing new and used electric motors, and manufacturing and selling meters and locks for coin operated equipment. In addition to certain indebtedness, the company has outstanding 500,000 shares of common stock (after giving effect to a recent 10-for-1 stock split and the issuance of an additional 160,000 shares as a stock dividend), of which S. Solon Cohen, board chairman, Martin Slutsky, president, and Milton Raport, treasurer, own 315,000, 128,333 and 56,667 shares, respectively; and they propose to sell 60,000, 11,458 and 3,542 shares, respectively.

RULE WOULD EXEMPT FRACTIONAL SHARES. The SEC today announced a proposal (Release 33-4437) for the adoption of a new Rule 236 under the Securities Act of 1933 which would provide a conditional exemption from registration under that Act for shares of stock of a corporation which are publicly offered to provide funds to be distributed in lieu of issuing fractional shares, scrip certificates or order forms, in connection with a stock dividend, stock split, reverse stock split, merger or similar transaction. The conditions of the proposed exemption are that the issuer files reports with the Commission under Section 13 or

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15(d) of the Securities Exchange Act of 1934, that the aggregate market value of all shares so offered in the transaction does not exceed $50,000 and that the issuer furnish certain information to the Commission at least ten days prior to the offering, including a brief description of the transaction in connection with which the shares are to be offered. Interested persons are invited to submit their views and comments upon the rule proposal not later than January 30, 1962.

ALLEGHENY POWER ACQUISITION APPROVED. The SEC has issued an order under the Holding Company Act (Release 35-14554) authorizing Allegheny Power System, Inc., of New York, a registered holding company, to issue 62,589 shares of its stock to Republic Service Corporation, an exempt holding company, in exchange for (1) all of the outstanding shares of common stock of Cumberland Valley Electric Company ("Cumberland") consisting of 33,500 shares of $10 par value common stock and (2) 90-day U. S. Treasury bills in the principal amount of $217,500, less capital contributions, if any, made by Republic to Cumberland between the agreement date, October 4, 1961, and the closing date. For purposes of illustration, Allegheny has estimated such capital contributions at $85,000, thereby reducing the amount of treasury bills to be received to $132,500.

CENTRAL AND SW ACQUISITION APPROVED. The SEC has issued an order under the Holding Company Act (Release 35-14555) authorizing Central and South West Corporation, Chicago holding company, to issue 9,500 shares of its stock to Oriole Oil Company in exchange for all the 100 outstanding shares of $100 par common stock of Transok Pipe Line Company. Transok is engaged in the purchase, transmission and sale, at wholesale, to Public Service Company of Oklahoma, Central's subsidiary, and to another utility company, of natural gas within the state of Oklahoma.

AMERICAN RESEARCH AND DEVELOPMENT RECEIVES ORDER. The SEC has issued an order (Release IC-3392) certifying to the Secretary of the Treasury, pursuant to Section 851(e) of the Internal Revenue Code of 1954, that American Research and Development Corporation, Boston investment company, is principally engaged in the furnishing of capital to other corporations which are principally engaged in the development or exploitation of inventions, technological improvements, new processes, or products not previously generally available. (Such certificate is a condition to American Research's qualification as a "regulated investment company" under Section 851 of the Code.)

ONE WM. ST. FUND ACQUISITIONS CLEARED. The SEC has issued an exemption order under the Investment Company Act permitting One William Street Fund, Inc., New York investment company, to issue its shares at their net asset value for substantially all of the cash and securities of Homart Foods, Inc. (Release IC-3393) and of Wuertz Holding Corporation (Release IC-3394).

TOWNSEND MANAGEMENT PROPOSES STOCK REACQUISITION. Townsend Management Company, Short Hills, N. J., investment company ("TMC"), has applied to the SEC for an exemption order under the Investment Company Act permitting it to reacquire 20,000 shares of its stock at $31 per share from Pennsylvania Investment and Real Estate Corporation ("PIRE"); and the Commission has issued an order (Release IC-3395) giving interested persons until January 11, 1962, to request a hearing thereon. The $31 per share purchase price is in excess of current asset value. According to the application, TMC in November 1959 sold 20,000 shares of its stock to PIRE under an agreement to repurchase such shares upon demand two years thereafter at $31 per share. The repurchase obligation was secured by the pledge of a portion of TMC holdings of Class A and Class B shares of FIF Associates, Inc., and of Class A and Class B shares of FIF Management Company. The interim board of directors of TMC, subject to approval by the U. S. District Court for the District of New Jersey, has entered into contracts for the sale of all the shares owned by it in the two FIF companies, including the pledged securities, with two insurance companies and five individuals associated with them. In order to make delivery to the purchasers of all the stock, TMC must perform its agreement to repurchase the 20,000 shares of its stock held by PIRE.

TRADING IN BLACK BEAR INDUSTRIES SUSPENDED. The SEC has issued an order under the Securities Exchange Act suspending trading in the common stock of Black Bear Industries, Inc. on the San Francisco Mining Exchange and over-the-counter market for a further ten-day period December 30, 1961, to January 8, 1962, inclusive.

TEXAS & PACIFIC RY. DELISTING PROPOSED. The SEC has issued an order (Release 34-6695) giving interested persons until January 12th to request a hearing upon a proposal of the New York Stock Exchange to delist the common stock of Texas and Pacific Railway Company because of the limited distribution of the stock.

UNIVERSAL PICTURES DELISTING APPROVED. The SEC has issued an order (Release 34-6695) granting an application of the New York Stock Exchange to delist the common and 4½% preferred of Universal Pictures Company, Inc., effective at the close of the trading session January 12th, because of the limited distribution of and public interest in the stock.

UNLISTED TRADING GRANTED. The SEC has issued orders (Release 34-6695) granting an application of the Cincinnati Stock Exchange for unlisted trading in the common stock of Martin-Marietta Corporation, and a similar application of the Boston Stock Exchange for such privileges in the common stocks of Continental Insurance, Fairchild Camera & Instrument, First Charter Financial, Louisville & Nashville Railroad, Mesabi Trust Units of Beneficial Interest, Pacific Telephone & Telegraph, and San Diego Imperial.

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RIDGE TOOL FILES FOR SECONDARY. The Ridge Tool Company, 400 Clark Street, Elyria, Ohio, filed a registration statement (File 2-19547) with the SEC on December 28th seeking registration of 284,586 outstanding shares of Class A common stock, to be offered for public sale by the holders thereof on an all or none basis through underwriters headed by White, Weld & Co. and McDonald & Company. The public offering price and underwriting terms are to be supplied by amendment.

The company is a producer of pipe working tools and machines sold principally to a wide range of industrial users. Its product lines include wrenches, threaders, cutters, reamers, vises, pipe and bolt threading machines, and related accessories and equipment, all sold under the registered trade name RIDGID. In addition to certain indebtedness, the company has outstanding 300,000 Class A and 550,000 Class B shares (after giving effect to a proposed recapitalization whereby such shares will be exchanged for the 13,625 common shares now outstanding), of which Joseph A. Frates, president, owns 93% of each class, and Johanna Frates, his wife, 1.8% of each class. They propose to sell all of their Class A holdings, aggregating 284,586 shares.

PRECISION INSTRUMENT FILES FOR OFFERING AND SECONDARY. Precision Instrument Company, 1011 Commercial St., San Carlos, Calif., filed a registration statement (File 2-19548) with the SEC on December 28th seeking registration of 125,000 shares of capital stock, of which 111,000 shares are to be offered for public sale by the company and 14,000 shares, being outstanding stock, by the holders thereof. The offering will be made on an all or none basis by Lehman Brothers and J. Barth & Co. The public offering price and underwriting terms are to be supplied by amendment.

The company is primarily engaged in the development, manufacture and sale of instrumentation magnetic tape recording equipment and related accessories. Of the net proceeds of its sale of additional stock, the company intends to use $335,000 for acquisition and improvement of a building site in Stanford Industrial Park, $300,000 towards an estimated $1,100,000 cost of constructing a building on the site, and $200,000 during the year for new equipment to expand its manufacturing capabilities and for furnishings for the building. Of the remaining proceeds, $50,000 will be applied to retire a note to a stockholder incurred to acquire necessary equipment and the balance will be applied to retire outstanding short-term indebtedness incurred to provide the company with working capital and added to the company's funds to be used for general corporate purposes.

In addition to certain indebtedness, the company has outstanding 600,000 shares of capital stock (after giving effect to a recent 50-for-1 stock split), of which Konrad W. Schoebel, president, Mortimer Fleishhacker, Jr., board chairman, and Robert L. Peshel, vice president, own 43%, 31% and 11%, respectively. They propose to sell 7,000, 4,000 and 3,000 shares, respectively.

EL PASO ELECTRIC PROPOSES BOND OFFERING. El Paso Electric Company, 215 North Stanton Street, El Paso, Texas, filed a registration statement (File 2-19549) with the SEC on December 28th seeking registration of $10,500,000 of first mortgage bonds due 1992, to be offered for public sale at competitive bidding. Net proceeds from the bond sale will be used to refund $3,500,000 of the company's outstanding first mortgage bonds, 5-1/8% series due 1989 (including payment of duplicate interest of about $14,900 and a redemption premium of $257,250), and for construction. It is estimated that the company's 1962 construction program will require about $10,179,900.

MARYLAND CUP FILES FOR SECONDARY. Maryland Cup Corporation, Owings Mills, Md., filed a registration statement (File 2-19551) with the SEC on December 28th seeking registration of 240,000 outstanding shares of common stock, to be offered for public sale by the holders thereof through underwriters headed by Lehman Brothers. The public offering price and underwriting terms are to be supplied by amendment.

The company is engaged in the manufacture and sale of paper cups, drinking straws, paper book matches, ice cream cones and plastic containers. Its paper cups and straws are marketed under the trade names "Sweetheart", "Sanita" and "Eagle". Its book matches are sold under the name "Maryland Match", its cones under the name "Eat-It-All" and its plastic containers under the names of "Sweetheart" and "Guildware". In addition to certain indebtedness and preferred stock, the company has outstanding 2,176,955 shares of common stock, of which management officials as a group own 45.08% and members of the Shapiro family, directly and indirectly, 88.9%. The prospectus lists 15 selling stockholders including Arthur H. Shapiro, president, and Albert Shapiro, a vice president, who own 112,265 and 121,278 shares, respectively, and propose to sell 15,000 and 29,000 shares, respectively. Others propose to sell amounts ranging from 1,000 to 20,000 shares. Joseph Shapiro is board chairman.

SECURITIES ACT REGISTRATIONS. Effective December 28: Aerological Research, Inc. (File 2-18802); Basic Properties, Inc. (File 2-19043). Effective December 29: Gulf States Life Insurance Co. (File 2-18948); National Gypsum Co. (File 2-19447).

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