

## 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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**FABIEN CORP. FILES FOR SECONDARY.** Fabien Corporation, Lodi, N. J., filed a registration statement (File 2-17655) with the SEC on February 27, 1961, seeking registration of 60,000 outstanding shares of common stock, to be offered for public sale at \$6.75 per share by the present holders thereof. Goodbody & Co. heads the lists of underwriters. In addition to a \$.75 per share commission, the selling stockholders have agreed to grant the underwriters three-year options to purchase an additional 10,000 shares at \$6.75 per share.

The company (formerly Fabien Textile Printing Corp.) is engaged in the printing of colored designs on various types of materials supplied and owned by its customers, and certain related processing operations. It has outstanding 179,134 shares of common stock, of which Louis Falatieu, president, and his wife, a director, both of Englewood, N. J., own 123,155 shares, or 68.8%. After sale of the 60,000 shares, they will own 52,688 and 10,457 shares, respectively.

**AUDIOGRAPHIC PROPOSES OFFERING.** Audiographic, Inc., 2750 Merrick Rd., Bellmore, L. I., N. Y., filed a registration statement (File 2-17656) with the SEC on February 27, 1961, seeking registration of 150,000 shares of common stock, to be offered for public sale at \$4 per share through underwriters headed by First Broad Street Corporation, which will receive a commission of 44¢ per share. The registration statement includes an additional 22,500 shares sold at 66¢ per share by the principal stockholders of the company to the underwriters and their associates.

The company is engaged in the manufacture and sale of fibre and burglar warning systems to one wholly-owned branch subsidiary and to 20 distributors in New York and eight other states and the District of Columbia. The branch subsidiary operates in Virginia, and the company intends to concentrate its activities in the future on the formation of additional branch subsidiaries; but will continue the sale of warning systems to present distributors. Of the \$497,000 estimated net proceeds of its sale of additional stock, \$77,000 will be used to establish these subsidiaries; \$50,000 for the purchase of equipment to commence the manufacture of many component parts now purchased from others in the manufacture of warning systems; \$75,000 for repayment of indebtedness owing to Robert Ostrow and Jack Malin, president and board chairman, respectively; \$60,000 for the purchase of additional inventory; and the balance for working capital and other purposes.

The company now has outstanding 309,000 common shares, of which Malin and Ostrow own 133,875 shares each. The 309,000 common shares were issued to the principal stockholders in exchange for no par stock of the company, the exchange being based on the \$125,164 book value of the stock as of November 30, 1960.

**NATIONAL WESTERN NGM. PROPOSES OFFERING.** National Western Management Corporation, 737 Grant St., Denver, Sponsor of National Investor Programs, filed a registration statement (File 2-17657) with the SEC on February 27, 1961, seeking registration of \$1,000,000 of National Investor "Systematic Programs" for the Accumulation of Shares of National Western Insurance and Growth Fund, Inc.

**THRIFT COURTS OF AMERICA FILES FOR OFFERING.** Thrift Courts of America, Inc., 1630 West Bristol St., Elkhart, Ind., filed a registration statement (File 2-17659) with the SEC on February 28, 1961, seeking registration of \$800,000 of 10-year 8% convertible subordinated debentures due 1971, 100,000 shares of common stock and 50,000 warrants to purchase a like amount of common shares. It is proposed to offer these securities for public sale in units consisting of \$400 of debentures, 50 common shares and 25 warrants. The units are to be sold at \$800 per unit through underwriters headed by Myron A. Lomasney & Co., who will receive a \$80 per unit commission and \$10,000 for expenses. The warrants may be exercised at from \$8 to \$10 per share.

The company was organized under Delaware law on February 17, 1961. According to the prospectus, 240,000 of its common shares were issued to stockholders of Hart Mobile Homes Corp., an Indiana company, in exchange for all the outstanding stock of Hart, which became a wholly owned subsidiary of the company. Hart has been engaged in the manufacture and distribution of a line of mobile homes and the preconstruction of motel units. The \$1,395,000 net proceeds from the sale of the units will be used as follows: \$400,000 to repay bank loans, \$600,000 to provide funds for its subsidiary, Thrift Courts Acceptance Corp., to enable it to assist in financing the sale of pre-constructed motel units, and the balance will be added to working capital and will be available for the payment of the remaining outstanding bank loans as they mature. The proceeds from the exercise of the warrants will be added to working capital and used for general corporate purposes.

In addition to certain indebtedness, the company has outstanding 240,000 shares of common stock, of which J. A. Cantor, board chairman, owns 26,667 shares, Don Niblock, Jr., a director, 41,667 shares, the principal underwriter, 40,000 shares, and management officials as a group, 173,333 shares. Leon Gold is listed as president. The prospectus states that the 240,000 common shares issued for Hart stock had a book value of \$1.67 per share, based upon the financial statements of Hart as of November 30, 1960.

**TERRY INDUSTRIES FILES FOR OFFERING AND SECONDARY.** Terry Industries, Inc., 11-11 34th Avenue, Long Island City, New York, filed a registration statement (File 2-17658) with the SEC on February 28, 1961, seeking registration of 1,728,337 shares of common stock, of which 557,333 shares are to be offered for public sale by the company and 1,171,004 shares, being outstanding stock, by the present holders thereof. The 557,333 new shares are to be offered on a best efforts basis through Greenfield & Co., Inc., which will receive a 12½% per share selling commission plus \$15,000 for expenses. The company also will sell the

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underwriter, at 1¢ each, 5-year warrants to purchase up to 100,000 additional common shares at the public offering price, such warrants to be issued to the underwriter on the basis of one warrant for each five new shares sold by the underwriter. The offering of the 1,171,004 outstanding shares, which is not underwritten, will not be made until 10 days after termination of the company offering or 120 days after the effective date of this registration statement, whichever is earlier. The public offering price of the company's shares will be related to the current market price of outstanding shares on the American Stock Exchange at the time of offering.

The company (formerly Sentry Corporation) is primarily engaged, through subsidiaries, in the business of acting as a general contractor on large scale, heavy construction projects. It also has done considerable heavy construction work for private industry. Through its ownership of all of the stock of Terry Industries of New York, Inc. (a holding company), the company owns all of the stock of two operating construction companies known as Terry Contracting, Inc. and Terry Steel Contractors, Inc. Terry Contracting owns all of the stock of Terry Structural Detailers, Inc. The said holding company (formerly Terry Industries, Inc.) and its subsidiaries were acquired by the company in August 1960 by its issuance of 2,250,000 common shares to Richard G. Terker and his associates, who controlled such companies. Terker was subsequently elected president and board chairman of the company. The net proceeds from the sale of the first 12,000 shares by the company will be paid to the Netherlands Trading Society in exchange for 12,000 common shares previously issued to Netherlands by the company. Of the remaining net proceeds, \$230,000 will be used to pay certain past due legal and accounting bills, \$200,000 to reduce miscellaneous current liabilities and the balance for general working capital.

In addition to various indebtedness, the company has outstanding 3,556,289 shares of common stock outstanding, of which Terker owns 793,750 shares (22.25%), and Terker and Mrs. Aida G. Terker, as executors of the Estate of Harry J. Terker, hold 730,000 shares (20.60%) (the two are principal beneficiaries of this Estate). The prospectus lists 42 selling stockholders, all of whom propose to sell all of their holdings ranging from 200 to 87,500 shares, with the exception of M. A. Abrams, executive vice president, who owns 11,749 shares and proposes to sell 1,070 shares. According to the prospectus, these selling stockholders divide themselves into three groups. The first consists of 26 stockholders who own 246,030 shares and who in May 1959 acquired blocks of stock in exchange for overdue indebtedness due and owing to them from the company or in exchange for funds that the company needed. They are said to have acquired the shares for investment and not with a view toward resale, but the company agreed to include the shares in the first registration statement filed with the Commission. The members of the second group, consisting of twelve persons owning 726,250 shares, were minority stockholders of Terry Industries of New York, Inc., when the majority of the stock of that company was owned by Terker and by the executors of the Estate of the late Harry J. Terker. These stockholders acquired their stock in August 1960 in exchange for their holdings of that company's stock. The third group consists of four stockholders whose holdings aggregate 198,744 shares and who acquired their shares in exchange for properties in Florida which they sold to the company in June and August 1960.

BERYLLIUM MANUFACTURING FILES FOR OFFERING. Beryllium Manufacturing Corp., 253 West Merrick Road, Valley Stream, Long Island, New York, filed a registration statement (File 2-17649) with the SEC on February 27, 1961, seeking registration of 105,000 shares of common stock, to be offered for public sale at \$4.50 per share. The offering will be made on a best efforts basis through Eldes Securities Corp., which will receive a \$.675 per share selling commission and \$20,000 for expenses. The company also has agreed to sell the underwriter, at 1¢ each, 25,000 five-year warrants to purchase a like amount of additional common shares at \$4.50 per share.

The company was organized under Delaware law in December 1960 for the purpose of acquiring the assets of Allied Scarsdale Corporation, Alsca Beryllium Machining Corp., Alsca Realty Corporation and Pathen Corporation. The company is engaged in the businesses conducted by the predecessor companies, namely, the machining and fabrication of pure beryllium components, as well as other metals, non-metals, plastics and phenolics. Of the net proceeds from the stock sale, \$180,000 will be used in expansion of plant and facilities, \$50,000 for beryllium inventory and the balance for working capital.

In addition to certain indebtedness, the company has outstanding 205,767 shares of common stock, of which Henry G. Siracusan, president, and Patrick F. Farrelly, executive vice president, own 81,649 shares (39.68%) each. Siracusan and Farrelly received such shares out of the aggregate of 205,767 shares issued as a result of the acquisition of the predecessor companies. Siracusan and Farrelly had owned about 98% of the stock of Allied Scarsdale and all of the stock of Alsca Realty and Panthen Corp.

AMPOULES FILES FOR OFFERING. Ampoules, Inc., 238 North Main Street, Hudson, Ohio, filed a registration statement (File 2-17660) with the SEC on February 28, 1961, seeking registration of 100,000 shares of common stock, to be offered for public sale at \$4 per share by Brand, Grument & Seigel Inc. and Kesselman & Co., Inc. The underwriters will receive a 40¢ per share commission. The registration statement also includes 10,000 common shares recently purchased by the underwriters at 50¢ per share, and 20,000 common shares which underlie a like amount of 8-year warrants purchased by the underwriters for \$200, which warrants are exercisable at \$4 per share.

The company was organized in January 1958 and is engaged in the design and development for mass production of sterile disposable hypodermic ampoules for administering medication by subcutaneous injections into humans and animals. The company has developed pilot machinery for producing completed prototype ampoules, but the development of integrated machinery, which will be necessary to enable pharmaceutical companies, or custom packagers acting on their behalf, to assemble the components parts, with medication sealed inside, at low cost, has not commenced. According to the prospectus, the company believes it possible to commence commercial operations within 18 months of the receipt of the proceeds from this offering but there is no assurance that such will be the case. Of the net proceeds from the stock sale, \$105,000 will be used for

molds and dies essential to manufacture in commercial quantities the component parts of the hypodermic ampoules, \$50,000 to design, develop and promote mechanical applicators to be used in conjunction with ampoules in giving injections, \$40,000 to purchase additional laboratory equipment and to pay additional engineers, and \$7,500 to purchase components for producing about 50,000 ampoules to be used for further clinical tests, and the balance will be used to supplement working capital and for other general corporate purposes.

According to the prospectus, the company has outstanding 59,750 common shares having a book value of \$1.49 per share. These shares, owned by promoters and management officials at a total cost to them of \$89,200, will represent 37.4% of the outstanding shares after the public sale of the 100,000 shares the subject of this offering, which latter will represent a 62.6% interest in the company for a cost of \$400,000. In addition, 14,750 shares are reserved for exercise of subscribers' warrants, 14,550 shares for exercise of promoters' warrants, 20,000 for exercise of underwriter warrants, and 16,000 for exercise of employees' stock options. The prospectus lists Robert B. Keegan as president and one of the stockholders.

UNIVERSAL CONTAINER PROPOSES DEBENTURE OFFERING. Universal Container Corporation, 8318 Grade Land, Louisville, Ky., filed a registration statement (File 2-17661) with the SEC on February 28, 1961, seeking registration of \$1,000,000 of convertible subordinated debentures due 1971, to be offered for public sale through underwriters headed by Michael G. Kletz & Co. The public offering price and underwriting terms are to be supplied by amendment. The registration statement also includes 6,850 outstanding shares of Class A common stock owned by Michael G. Kletz and 5,000 outstanding Class A shares owned by Barton Distilling Co.

The company is engaged directly or through wholly-owned subsidiaries primarily in the business of converting and reconditioning tight wooden barrels and steel-drums. The net proceeds from the debenture sale will be used to retire \$450,000 of bank indebtedness and the balance will be added to working capital and used for general corporate purposes.

In addition to various indebtedness, the company has outstanding 267,500 Class A and 520,000 Class B common shares, of which Lewis Maslow, president, owns 40,377 Class A and 201,389 Class B shares, and Arthur J. Horwitz owns 15,277 Class A and 75,889 Class B shares. Class B shares are convertible into Class A shares on a share for share basis.

PEOPLES GAS LIGHT & COKE CO. FILES STOCK PLAN. The Peoples Gas Light and Coke Company, 122 South Michigan Avenue, Chicago, filed a registration statement (File 2-17663) with the SEC on February 28, 1961, seeking registration of 150,000 shares of capital stock, to be offered to employees of the company and its subsidiaries pursuant to its Employee Stock Purchase Plan.

M. BLATT CO. FILES FOR OFFERING. The M. Blatt Co., 315 Third Street, Trenton, N. J., filed a registration statement (File 2-17664) with the SEC on February 28, 1961, seeking registration of 100,000 shares of common stock, to be offered for public sale through underwriters headed by Maltz, Greenwald & Co. The public offering price and underwriting terms are to be supplied by amendment. The company has agreed to sell the principal underwriters, for \$250, five year warrants to purchase 25,000 additional common shares at a price which is to be supplied by amendment.

The company is engaged principally in the design, construction and installation of 10-pin bowling lanes and related equipment, and the sale of bowling accessories. It also manufactures and reconditions billiard tables. The net proceeds from the stock sale will be used as follows: \$50,000 for the purchase of equipment, including fiberglass spray machinery, additional metal working and woodworking equipment, and the expansion of facilities for the construction of billiard tables; \$100,000 for the development and promotion of new bowling accessories and the establishment of an additional sales facility; \$100,000 for the repayment of certain current indebtedness; and the balance will be added to general funds to be available for working capital, including the financing of sales of bowling lanes and related equipment.

In addition to certain indebtedness, the company has outstanding 130,000 shares of common stock, of which Melvin Blatt, president, and Arthur Teich, secretary-treasurer, own 50% each. Blatt and Teich also own the \$398,500 outstanding 8% Subordinated Debentures due 1970, issued in consideration of the assumption by them of a similar amount of debt obligations of the company to certain individuals.

CONSOLIDATED ACTIVITIES FILES DEBENTURE OFFERING AND SECONDARY. Consolidated Activities, Inc., 25 West Northfield Road, Livingston, N. J., filed a registration statement (File 2-17665) with the SEC on February 28, 1961, seeking registration of \$1,000,000 of 6½% convertible subordinated debentures due 1976, to be offered for public sale by the company at 101% of principal amount; and 50,000 outstanding shares of capital stock, to be offered for sale at \$3.50 per share by the present holder thereof. The securities are to be offered on a best efforts basis through G. F. Nicholls & Co., Inc., which will receive a 2½% selling commission on the debentures and a 50¢ per share on the capital stock. The company has agreed to sell the underwriter at 10¢ per optioned share, warrants to purchase up to 25,000 additional capital shares at \$1.75 per share, the exact number being proportionate to the amount of debentures sold.

The company is engaged through subsidiaries in the development and operation of modern tenpin bowling centers and real estate. It owns premises leased to other unrelated companies operating bowling centers, restaurants and other facilities, and it also owns a long-term lease for a public golf course which it intends to develop into a semi-private club. Of the net proceeds from the company's sale of the debentures, \$15,000 will be used to retire 7% debentures due 1964; \$50,000 to establish a 24-lane bowling facility on leased premises in South Carolina; \$96,000 to retire a 6% mortgage on premises in Livingston; \$186,000 to retire sundry indebtedness; \$125,000 for the development and construction of a professional office building in Livingston; \$195,000 for the renovation and development of the Florham Park Country Club, Florham Park, New Jersey; \$225,000 for the construction of a 38-room motel in Phillipsburg, New Jersey; and the balance for general corporate purposes, including the investigation and development of new sites and projects.

In addition to certain indebtedness, the company has outstanding 805,440 shares of common stock, of which Jac P. Stejan & Co. holds of record 151,200 shares and proposes to sell the 50,000 shares. Bernard Kruth,

president and board chairman, owns 197,700 shares (including his interest in Stejan & Co., the stock of which is owned by Kruth and his wife), amounting to 24.55% of the outstanding stock. Management officials as a group own 48.97% of the outstanding stock.

COLEMAN ENGINEERING FILES FOR OFFERING. Coleman Engineering Company, Inc., 1010 South Flower Street, Los Angeles, Calif., filed a registration statement (File 2-17666) with the SEC on February 28, 1961, seeking registration of 150,000 shares of common stock, to be offered for public sale on an all or none basis through underwriters headed by Auchincloss, Parker & Redpath. The public offering price and underwriting terms are to be supplied by amendment.

The company is engaged primarily in research and engineering work and in the design, development, manufacture and sale of missile ground handling equipment, electro-mechanical parts, products and systems. However, it seeks to participate in production contracts to as large an extent as its facilities permit so as to balance income between engineering and manufacturing work and to maintain a wider basis for its income sources. Of the net proceeds from the stock sale, \$595,544 will be used to retire short term borrowings from a California bank, \$10,000 to retire other short term borrowings and the balance for working capital and general corporate purposes.

In addition to indebtedness and preferred stock, the company has outstanding 160,504 shares of common stock, of which Theodore C. Coleman, president, owns 10,693 shares and management officials as a group 24,391 shares.

GEORGE MORDY & CO. SEEKS ORDER. George Mordy & Co., Inc., Los Angeles, has applied to the SEC for an exemption order under the Investment Company Act with respect to a transaction with an affiliate; and the Commission has issued an order (Release IC-3202) giving interested persons until March 17, 1961, to request a hearing thereon. According to the application, applicant proposes to sell its furniture and fixtures, office equipment and supplies to Mordy & Company for \$2,754.72. The purchaser proposes to issue and sell all its stock to Spring Street Capital Co., a registered investment company; and it will render investment advice (at cost) to the said investment company and perform management and technical consulting services for it and perhaps other companies. All of the stock of applicant is held by George Mordy and R. Paul Toeppen, who are officials of the investment company.

IDS EXEMPTION ORDER MODIFIED. The SEC has issued an order under the Investment Company Act (Release IC-3203) modifying earlier exemption orders with respect to transactions between Investors Diversified Services, Inc., Minneapolis investment company, and persons engaged in the offering and sale of securities for which IDS is the underwriter. The transactions involve loans in the form of periodic advances or secured lump-sum loans to divisional managers, district managers and sales representatives; and the amended order authorizes increased in the amount of such loans which may be made from time to time.

INDICTMENT NAMES H E KISTNER, JR., OTHERS. The SEC Chicago Regional Office announced February 20th (LR-1922) the return of an indictment (USDC, ND I.) charging Harold E. Kistner, Jr., Adolph M. Biderman and Robert S. Smith of Sheldon, Iowa, and Northern Biochemical Corporation, with the sale of Northern Biochemical stock in violation of the Securities Act registration requirement.

SEC COMPLAINT NAMES FRUIT OF LOOM, BATES MFG., OTHERS. The SEC New York Regional Office announced February 20th (LR-1923) the filing of Federal court action (USDC SDNY) seeking to enjoin Fruit of the Loom, Inc., Bates Manufacturing Company, Carl M. Loeb, Rhoades & Co., S. Bruce Smart, John W. Poulson and A. Phillip Goldsmith from further violating the anti-fraud provisions of the Securities Exchange Act in connection with purchases of Fruit of the Loom stock by Bates and Loeb, Rhoades without disclosing the existence of another, higher purchase offer. Pursuant to a stipulation of the parties, an order was entered preventing any further activity as charged pending hearing on the SEC motion for preliminary injunction.

COURT ENJOINS H P WAITE. The SEC Denver Regional Office announced February 21st (LR-1924) the entry of a Federal court order (USDC, Colo.), by default, permanently enjoining Howard Pierce Waite from violating the anti-fraud provisions of the Federal securities laws in connection with the purchase of stock of Anaconda Lead and Silver Company or of Rocket Petroleum Company, Inc. A preliminary injunction previously was issued against Anaconda Lead, which remains in effect.

RECEIVER APPOINTED FOR ALLEN, McFARLAND & CO. The SEC Washington Regional Office announced February 28th (LR-1925) that, on motion of the SEC, Albert J. Carry had been appointed (by USDC DC) as receiver for Allen, McFarland & Company, Inc., of Washington, D. C. Previously, the said firm was enjoined from further violations of the SEC net capital rule.

SEC COMPLAINT NAMES LLOYD ARNOLD & CO. The SEC Los Angeles Branch Office announced February 27th (LR-1926) the filing of Federal court action (USDC, Los Angeles) seeking to enjoin Lloyd Arnold & Company, of Beverly Hills, and Lloyd Raymond Arnold, from violating the anti-fraud provisions of the Federal securities laws through the conduct of a securities business while insolvent and in violation of the Commission's net capital rule.

SECURITIES ACT REGISTRATIONS. Effective March 1: Canaveral International Corp. (File 2-16906); Simplex Wire and Cable Company (File 2-17119); Solite Products Corporation (File 2-17372); Milo Electronics Corp. (File 2-17416); Marmac Industries, Inc. (File 2-17404); Berkey Photo, Inc. (File 2-17424); Modern Materials Corp. (File 2-17444); Brunswick Corp. (File 2-17572). Withdrawn February 24: Northway Associates (File 2-17390). Withdrawn February 28: Richmond Eureka Mining Company (File 2-17515). Withdrawn March 1: Invesco Collateral Corporation (File 2-17370).