

NEWS DIGEST

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

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OPTECH FILES FOR STOCK OFFERING. Optech, Inc., 246 Main Street, Chatham, N. J., filed a registration statement (File 2-19525) with the SEC on December 26th seeking registration of 160,000 shares of common stock, to be offered for public sale at \$3 per share. The offering will be made on an all or none basis through underwriters headed by Stone, Ackerman & Co., Inc. and Heritage Equity Corporation, which will receive a 36¢ per share commission. The statement also includes 10,000 shares to be sold to the underwriters at 10¢ per share and 10,000 shares underlying 3-year options to be granted to the underwriters, exercisable at \$3 per share.

The company (formerly Opto-Electronics Corp.) was organized under Delaware law in September 1961 for the purpose of engaging in research, development and fabrication of materials and products presently being utilized in the LASER field (Light Amplification by the Stimulated Emission of Radiation), and in other areas of optical electronics. To date the company's activities in the LASER field have been limited to research and production of ruby crystals and LASER devices for sampling by potential customers. The prospectus states that no sales have been made nor have contractual arrangements for marketing of ruby crystals or LASER devices been completed. Of the net proceeds from the stock sale, \$125,000 will be used to purchase and install machinery and equipment for production of aluminum oxide, crystal growing, crystal fabrication, laboratory, machine shop and business offices, and the balance will be added to working capital to be used for operating expenses during the next year and for other general corporate purposes.

The company has outstanding 300,000 shares of common stock, of which E. I. Doucette, president and board chairman, L. C. Weiner, executive vice president, and Irving Adams, vice president, own 33,333 shares each; E. I. Doucette Associates (of which Doucette and Weiner are officers and 88% owners) owns 50,001 shares; and Scientific Ventures Corporation (of which Robert Colton, secretary-treasurer, is an officer and stockholder) owns 150,000 shares. Said three management officials and E. I. Doucette Associates received their shares for an aggregate of \$1,500, and Scientific Ventures for \$50,000. If all the new shares are sold (including the 10,000 shares to the underwriters), public investors will have paid \$480,000 for 34% of the outstanding stock, while present stockholders as a group will have paid \$52,500 in cash for 66%. The sale of new shares to the public will result in an increase in the 17¢ per share book value of shares now outstanding and a corresponding dilution in the book value of shares purchased by the public.

WHAM-O MFG. FILES FOR OFFERING AND SECONDARY. Wham-O Mfg. Co., 835 East El Monte Street, San Gabriel, Calif., filed a registration statement (File 2-19527) with the SEC on December 26th seeking registration of 145,000 shares of common stock, of which 72,500 shares are to be offered for public sale by the company and 72,500 shares, being outstanding stock, by the holders thereof. The offering will be made on an all or none basis through underwriters headed by Lester, Ryons & Co. The public offering price and underwriting terms are to be supplied by amendment. The statement also includes 10,000 outstanding shares underlying 4-year options to be sold by the selling stockholders to the principal underwriter for \$100, exercisable at a price to be supplied by amendment.

The company designs, manufactures, assembles, and sells a variety of toys and games, sporting goods, and housewares, most of which are sold under the trade name "Wham-O." Net proceeds from the company's sale of additional stock will be added to working capital to reduce the need for factoring of accounts receivable. In addition to certain indebtedness, the company has outstanding 300,080 shares of common stock (after giving effect to a proposed recapitalization whereby such shares will be issued in exchange for the 17,600 shares now outstanding), of which Arthur K. Melin, president, and Richard P. Knerr, a vice president, own 50% each.

FARMBEST FILES FOR OFFERING. Farmbest, Inc., Denison, Iowa, filed a registration statement (File 2-19528) with the SEC on December 26th seeking registration of 4,871 shares of common stock (nondividend bearing) and \$300,000 of 15-year retain capital certificates (nondividend bearing). Farmbest was organized in June 1959 by The Consumers Cooperative Association (CCA) for the purpose of providing a livestock marketing and processing service for farmers. In August 1959 it purchased Crawford County Packing Company of Denison from CCA, which company began operations of its hog slaughtering plant in June 1958. The Packing Company is to be merged into Farmbest as of January 1, 1962, at which time Farmbest will begin to operate the packing plant as a cooperative marketing association for swine producers. Farmbest shares will be offered for sale at \$1 per share to producers of agricultural products and cooperative associations of such producers. As a condition of doing business with Farmbest on a cooperative basis, and as a means of assisting in furnishing capital required in such operations, each member delivering hogs to Farmbest for marketing agrees to pay \$.25 per hog as invested capital, evidenced by retain capital certificates.

KRESGE FILES STOCK PLAN. S. S. Kresge Company, 2727 Second Avenue, Detroit, filed a registration statement (File 2-19529) with the SEC on December 26th seeking registration of 205,000 shares of common stock, to be offered pursuant to its Stock Purchase Incentive Plan and Stock Option Plan.

CATERPILLAR TRACTOR FILES INVESTMENT PLAN. Caterpillar Tractor Co., Peoria, Ill., filed a registration statement (File 2-19530) with the SEC on December 26th seeking registration of 4,200 shares of common stock, to be offered pursuant to its Caterpillar Foreign Service Employees' Monthly Investment Plan.

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GREAT LAKES HOMES FILES FOR STOCK OFFERING. Great Lakes Homes, Inc., Sheboygan Falls, Wisc., filed a registration statement (File 2-19531) with the SEC on December 26th seeking registration of 93,000 shares of common stock, to be offered for public sale on an all or none basis through underwriters headed by The Milwaukee Company. The public offering price and underwriting terms are to be supplied by amendment.

The company and its subsidiaries are engaged principally in the manufacture of custom-designed, factory-built "house packages" consisting of the basic carpentry for houses including structural members, partitions, siding, roofing, hardwood floors, kitchen cabinets, millwork, windows and ready-hung doors in pre-assembled sections. These packages are sold to builders and other dealers who use them in the construction of finished houses for sale in the retail housing market. The company also makes similar packages for multi-family dwellings, motels, churches and cottages, and has recently gone into the construction of shell homes. The net proceeds from the stock sale, together with the \$300,000 proceeds of 6½% debenture notes issued in December 1961 to a small business investment company, will be used to retire the mortgage on the Sheboygan Falls plant, to retire chattel mortgages on certain equipment, to retire unsecured short-term bank loans, to retire short-term notes payable to suppliers and others, to retire a second mortgage on the Sheboygan plant, and for working capital.

In addition to various indebtedness, the company has outstanding 245,320 shares of common stock, of which Lee Larson, board chairman and president, owns 81.1%.

WEINKLES LIQUOR STORES FILES FOR OFFERING AND SECONDARY. Weinkles Liquor Stores, Inc., 2305 N. W. 12th Avenue, Miami, Fla., filed a registration statement (File 2-19532) with the SEC on December 27th seeking registration of 165,000 shares of common stock, of which 80,000 shares are to be offered for public sale by the company and 85,000 shares, being outstanding stock, by the holders thereof. The offering will be made at \$4.50 per share by Charles Plohn & Co., which will receive a 45¢ per share commission and \$7,500 for expenses. A \$15,000 fee is payable by the company and selling stockholders to Floyd D. Cerf Jr. Company, Inc., for certain services in connection with this offering. The statement also includes 30,000 outstanding shares underlying 3-year options sold to the underwriter by the selling stockholders for \$30, exercisable at \$4.50 per share, and 3,000 shares underlying like options sold to Floyd D. Cerf Jr. Company for \$3.00.

The company directly and through its subsidiaries is engaged in the retail sale of liquors, wines and beers for off-premises consumption at 19 separate locations in an about Miami, Florida. The net proceeds from the company's sale of additional stock will be used initially as working capital for general corporate purposes, and may be used to acquire or establish additional stores in or about Dade or Broward Counties, Florida. The company recently acquired from the selling stockholders all of the outstanding stock of six Weinkles stores in exchange for 226,075 shares.

In addition to certain indebtedness, the company has outstanding 265,000 shares of common stock (after giving effect to said acquisitions and a recent recapitalization whereby the 10 shares then outstanding were changed into 38,925 shares). Of such outstanding stock, Leo A. Chaikin, president, Carl Weinkle, secretary, and Aaron Weinkle, vice president, own 132,500, 88,333 and 44,167 shares, respectively; and they propose to sell 42,500, 28,333 and 14,167 shares, respectively.

CHEMICAL COATINGS FILES FOR STOCK OFFERING. Chemical Coatings Corporation, Santurce, Puerto Rico, filed a registration statement (File 2-19533) with the SEC on December 27th seeking registration of 75,000 shares of common stock, to be offered for public sale at \$5 per share. The offering will be made on an all or none basis through underwriters (whose names are to be supplied by amendment), which will receive a commission of 60¢ to 70¢ per share. The statement also includes 7,500 shares to be sold to the underwriters at \$1.50 per share, and 15,000 shares underlying 4-year options granted to two management officials and general counsel to the company, exercisable at \$4 per share.

The company was organized in Puerto Rico in October 1961 to manufacture paints, particularly industrial paints specifically formulated for use in tropical and semi-tropical climates. It recently acquired from its stockholders all the outstanding stock of Commonwealth Coatings Corporation, a Puerto Rico company organized in 1960 which specializes in large-scale painting and protective coatings of industrial, commercial and Government installations and housing developments. Of the \$300,000 estimated net proceeds from the stock sale, \$50,000 will be used to equip a modern paint factory in order to commence the manufacture of various paints and coatings, and the balance will be added to working capital.

The company has outstanding 90,000 shares of common stock, of which Arnold Marcus, president, Manuel Nieto, vice president, and Albert M. Stein, board chairman, own 30%, 40% and 30%, respectively.

LEE FASHIONS FILES FOR STOCK OFFERING. Lee Fashions, Inc., 2529 Washington Blvd., Baltimore, Md., filed a registration statement (File 2-19534) with the SEC on December 27th seeking registration of 166,667 shares of common stock, to be offered for public sale on an all or none basis through underwriters headed by Godfrey, Hamilton, Taylor & Co. and Penzell & Co. The public offering price and underwriting terms are to be supplied by amendment. The statement also includes 20,883 outstanding shares to be sold to the underwriters by the principal stockholders for \$1,250, of which 4,167 shares will be re-sold to Philip Stahl, as finder. The underwriters also will receive \$31,700 for expenses.

Organized in 1959, the company imports low-priced ladies' scarfs and blouses from Japan and Hong Kong for sale to supermarkets, at wholesale levels through independent distributors and directly. Of the \$413,000 estimated net proceeds from the stock sale, \$140,000 will be used to repay bank loans incurred for working capital purposes, and the balance will be used for working capital purposes, primarily to increase inventories of its present lines of scarfs and blouses and to purchase inventories of new lines of low-priced ladies' wear. Such working capital funds may also be used for wages and salaries, advertising and the like.

In addition to certain indebtedness, the company has outstanding 333,333 shares of common stock (after giving effect to a recent recapitalization whereby the 2,000 shares then outstanding were changed into the

333,333 shares), of which Joseph Berkow, president, and Melvin Berkow, first vice president, own 25% each. Regal Fashions, Inc. (85%-owned by Irving Alpert, board chairman) owns the remaining 50%. Present stockholders received their shares in 1959 for an aggregate capital contribution to the company of \$20,000.

BASIC INC. FILES FOR STOCK OFFERING. Basic Incorporated, 845 Hanna Building, Cleveland, filed a registration statement (File 2-19535) with the SEC on December 27th seeking registration of 70,000 shares of convertible preference stock (cumulative), \$50 par, to be offered for public sale on an all or none basis through underwriters headed by The First Boston Corporation. The dividend rate, public offering price and underwriting terms are to be supplied by amendment.

The company is a producer of basic granular refractory materials used primarily for the construction and repair of the interior linings of steel-making furnaces, tar-bonded refractory brick used for oxygen steel-making furnaces, and light-burned magnesium oxide used in a wide variety of processing industries. The net proceeds from the stock sale will be applied to the cost of the company's construction program including the repayment of about \$500,000 of bank loans incurred during 1961 to expedite the program. It is estimated that the cost of construction program, including the installation of new facilities at its Maple Grove (Ohio) plant, will aggregate about \$3,350,000 and will be completed in mid-1962.

In addition to certain indebtedness and preferred stock, the company has outstanding 1,180,141 shares of common stock, of which The Chase Manhattan Bank, as trustee under the company's profit sharing and retirement plan, owns 14.3%, and management officials as a group 7.8%. Howard P. Eells, Jr. is board chairman and Warner B. Bishop, is president.

VASSAR CORP. FILES FOR OFFERING AND SECONDARY. The Vassar Corporation, 585 Gerard Avenue, New York, filed a registration statement (File 2-19536) with the SEC on December 27th seeking registration of 124,900 shares of common stock, of which 55,000 shares are to be offered for public sale by the company and 69,900 shares, being outstanding stock, by the holders thereof. The offering will be made on an all or none basis through underwriters headed by J. R. Williston & Beane. The public offering price and underwriting terms are to be supplied by amendment.

The company was organized under New York law in November 1961 and succeeded to the business of W. J. Caley Company, a partnership acquired by the company's present stockholders in 1952. It is engaged in the design, manufacture and distribution of aids for hair styling. It also manufactures and markets a line of eyebrow pencils, eye liners and lip liners. The company also recently acquired W. J. Caley & Co., Inc. and Exclusive Tool & Die Corp., which had performed certain manufacturing and tool and die design functions for the partnership. Of the net proceeds from the company's sale of additional stock, \$200,000 will be used to acquire high-speed packaging machinery, \$100,000 to retire short-term obligations to a bank incurred for working capital purposes, \$50,000 for certain leasehold improvements, \$47,000 to repay loans due principal shareholders, an employee and certain affiliated companies, and the balance for working capital and other corporate purposes.

In addition to certain indebtedness, the company has outstanding 485,000 shares of common stock, of which Bernard Fischer, president, Alvin Soffer, executive vice president, and Nathan Berg, secretary-treasurer, own 33-1/3% each. They each propose to sell 23,300 shares. The company acquired the interests in the partnership and all of the outstanding capital stock of the other two companies from the selling stockholders, who received the 485,000 shares of company stock on the basis of one share for each \$1.002 of book value of said entities.

LOWELL TOY MFG. FILES FOR OFFERING AND SECONDARY. Lowell Toy Manufacturing Corp., 1074 Brook Avenue, New York, filed a registration statement (File 2-19537) with the SEC on December 27th seeking registration of 120,000 shares of common stock, of which 100,000 shares are to be offered for public sale by the company and 20,000 shares, being outstanding stock, by the holders thereof. The offering will be made at \$5 per share on an all or none basis by H. M. Frumkes & Co. and Batchker, Eaton & Company, which will receive a 50¢ per share commission and \$8,500 for expenses. Boyd J. Kassel will receive a \$3,000 fee for assistance in connection with this offering. The statement also includes 15,000 shares underlying 5-year warrants sold to the underwriters for \$150, exercisable at \$5 per share.

The company presently is engaged in the business of designing, manufacturing, assembling, and marketing toys and games for distribution through the United States, Canada and some foreign markets. The \$417,000 estimated net proceeds from the company's sale of additional stock will be used to acquire additional machinery and equipment, for expansion of the designing department, for increased advertising and promotion, and as general working capital. The company has outstanding 200,000 shares of common stock (after giving effect to a recent 1000-for-1 stock split), of which Herbert R. Diamond, president, and Irving Kantor, secretary-treasurer, own 100,000 shares each and propose to sell 10,000 shares each. They received 125,000 of such shares pursuant to the recapitalization, an additional 65,000 shares on the basis of one share for about \$2 of agreed net worth of the company in excess of \$250,000, and 10,000 shares in exchange for all of the outstanding stock of three companies now operated as subsidiaries.

EASTERN INVESTORS FILES FINANCING PLAN. Eastern Investors, Incorporated, 147 Northeast Main Street, Rocky Mount, N. C., filed a registration statement (File 2-19538) with the SEC on December 27th seeking registration of 10,000 shares of common stock and \$625,000 of 6½% convertible subordinated debentures due 1972. The debentures are to be offered for public sale at 100% of principal amount and the stock at \$2.50 per share. The offering will be made on an all or none basis by Arnold Malkan & Co., Inc., which will receive an 11% commission on the debentures and \$.275 per common share, plus \$18,000 for expenses. The statement also includes 40,000 shares underlying 5-year options to be sold to the underwriter for \$400, exercisable at \$2.50 per share.

The company is a holding company whose subsidiaries are engaged in the business of making small loans and of issuing credit accident and health insurance in North Carolina. Of the \$522,000 estimated net proceeds from this financing, \$150,000 will be paid to a subsidiary to enable it to qualify under North Carolina law to write credit life insurance and other types of insurance and to be used for working capital and general corporate purposes; \$200,000 to repay bank loans; and the balance to open new loan offices in North Carolina and for working capital and general corporate purposes. A portion of such proceeds may be used to redeem outstanding 7% debentures of the company when due.

In addition to certain indebtedness, the company has outstanding 314,101 shares of common stock, of which C. W. Bailey, president, John W. Lewis, secretary-treasurer, and J.C.D. Bailey, assistant secretary-treasurer, own 30.5%, 12.1% and 11.6%, respectively. The sale of new shares to the public will result in a dilution of the \$1.44 per share book value of stock presently outstanding to \$1.08 per share (because of the expenses of this financing which are charged solely to the common stock) and a dilution in the book value of shares purchased by the public of \$1.42 per share.

ALLOYS AND CHEMICALS FILES FOR SECONDARY. Alloys and Chemicals Corporation, 4365 Bradley Road, Cleveland, filed a registration statement (File 2-19539) with the SEC on December 27th seeking registration of 225,000 outstanding shares of common stock, to be offered for public sale by the holders thereof on an all or none basis through underwriters headed by Joseph, Mellen & Miller, Inc. The public offering price and underwriting terms are to be supplied by amendment.

The company is an aluminum smelter and refiner engaged in the production of aluminum alloys. In addition to certain indebtedness and preferred stock, it has outstanding 225,000 common and 277,000 Class A common shares. Noah L. Butkin, president, and Sidney Danziger, executive vice president, own 22.4% each of the common and 27.6% each of the Class A shares; and they propose to sell all such common shares. After the stock sale, they will own 55.2% of the outstanding stock of the company, being all Class A shares which are convertible into common on a share for share basis after 1965.

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