

## 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)  
SEC

(Issue No. 67-212)

FOR RELEASE November 2, 1967

**J. C. ROBERTS CO. OFFER ACCEPTED.** The SEC today announced the issuance of an order under the Securities Exchange Act (Release 34-8186) accepting an offer of settlement of administrative proceedings involving the broker-dealer firm of J. C. Roberts & Co., Inc., of North Miami, Fla., and two officials. The proceedings involved allegations that the two officials, Seymour Vigman, president, and Allen Rosmarin, a director, offered and sold stock of Franklin Balmar Corporation during the period July 1964 to April 1965 in violation of the anti-fraud provisions of the Federal securities laws. In their settlement proposal, the respondents proposed (1) that Vigman and Rosmarin would not engage in the securities business or be associated with a broker or dealer and (2) that the broker-dealer registration of the Roberts firm be withdrawn. The Commission accepted the offer and so ordered.

**HUBBARD ASSOCIATES SUSPENSION VACATED.** The SEC today announced the issuance of an order vacating its May 4 order temporarily suspending a Regulation A exemption from Securities Act registration with respect to Regulation A notifications filed by M. M. Hubbard Associates, Inc., of Newton, Mass. The suspension order was based upon the asserted non-compliance by Hubbard with certain terms and conditions of Regulation A, including particularly the alleged failure of the company's offering circulars to provide accurate and adequate disclosure of certain material facts. Hubbard submitted an offer of settlement of the issues in these proceedings, which includes an amendment of its Regulation A notifications and a revised offering circular, by means of which Hubbard seeks to make accurate disclosures with regard to the information alleged in the temporary suspension order to have been false and misleading. The Commission determined to accept the offer; and it issued an order vacating the temporary suspension (Release 33-4882).

**SEC COMPLAINT NAMES FOUR.** The SEC on October 27 filed a Federal court action in New York City seeking to enjoin the following from alleged violations of certain provisions of the Securities Act, Securities Exchange Act and Investment Company Act, charging the individual defendants with "gross abuse of trust," and seeking appointment of a receiver for the corporate defendant: Fifth Avenue Coach Lines, Inc., Victor Muscat, Edward Krock and Thomas A. Bolan. (LR-3840)

**PROGRESSIVE FINANCIAL PROPOSES OFFERING.** Progressive Financial Corporation, 120 S. La Salle St., Chicago, Ill. 60603, filed a registration statement (File 2-27527) with the SEC on October 23 seeking registration of 700,000 shares of common stock. The shares are to be offered at 1¢ per share to securities firms who are NASD members or foreign dealers who agree to conform to the NASD Rules of Fair Practice, and who may participate in the initial public offering of the shares of Fund for Growth, Inc. (a closed-end investment company of which the company is sponsor and adviser), or who may perform other services for the company. The shares are to be offered, without commission by Loeb, Somers & Co. Inc., of the Chicago address, a wholly-owned subsidiary of the company.

The company was organized under Delaware law on April 11, 1967, for the principal purpose of acting as the sponsor of and investment adviser to Fund for Growth, Inc. It has outstanding 700,000 common shares, of which management officials own 65% (including 45% owned by Marvin P. Loeb, board chairman of the company, the Fund and the distributor). Richard H. Jenkins is president of the company and the Fund. On October 23, the Fund filed a registration statement proposing the public offering of 1,000,000 common shares at \$10 per share, for which offering Loeb, Somers & Co. Inc., will serve as principal underwriter.

**BROWN INSTITUTIONAL PROPOSES OFFERING.** The Brown Institutional Fund, Inc., 1147 Bethel St., Honolulu, Hawaii, filed a registration statement (File 2-27585) with the SEC on October 30 seeking registration of 1,000,000 shares of capital stock. The shares are to be offered for public sale at net asset value plus a sales charge of 8.50% on purchases under \$10,000 (the estimated offering price is 55¢ per share maximum\*).

The company was organized under Hawaii law on August 3, 1967, as a diversified, open-end investment company of the management type, to seek income and capital growth. The Brown Management Company is the investment adviser and the principal underwriter. Zadoc White Brown is president of the fund and a general partner of the adviser and underwriter.

**SPEEDRING CORP. PROPOSES OFFERING.** Speedring Corporation, 7111 E. Eleven Mile Road, Warren, Mich., filed a registration statement (File 2-27588) with the SEC on October 31 seeking registration of 240,000 shares of common stock. The shares are to be offered for public sale through underwriters headed by Watling, Lerchen & Co., Ford Bldg., Detroit, Mich. 48226. The public offering price (\$12.50 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company manufactures ultra-precision components and assemblies with various applications in the missile-space and aircraft industries. Net proceeds of its stock sale will be applied to the reduction of some \$350,000 of long-term bank debt and up to \$1,000,000 may be used for the purchase of new machinery and equipment; the balance will be used for additional working capital and other general corporate purposes. In addition to indebtedness, the company has outstanding 560,000 shares of common stock, all owned by James R. Schiller (president).

OVER

**CHESTER ELECTRONIC FILES FOR OFFERING AND SECONDARY.** Chester Electronic Laboratories, Incorporated, Chester, Conn., filed a registration statement (File 2-27590) with the SEC on October 31 seeking registration of \$1,000,000 of convertible subordinated debentures, due 1987, and 36,000 shares of common stock. The debentures and 17,500 common shares are to be offered for public sale by the company; the remaining 18,500 shares (now outstanding) are to be offered by the present holders thereof. The interest rate and offering price of the debentures, public offering price of the stock (\$35.00 per share maximum\*), and underwriting terms are to be supplied by amendment. Putnam, Coffin & Burr--Doolittle, Inc., 6 Central Row, Hartford, Conn. 06103 is listed as the principal underwriter.

The company's business consists primarily of the production and sale of equipment designed for the audio video teaching of languages and other subjects. Net proceeds of its sale of debentures and additional stock will be used to repay a portion of outstanding bank notes, \$25,000 will be used to purchase new manufacturing equipment and \$50,000 to expand its plant; the balance will be used to provide additional working capital which the company anticipates will be required by continued increasing production and sales. In addition to indebtedness, the company has outstanding 286,719 common shares, of which management officials own 58%. The prospectus lists five selling stockholders. William B. Watson (president) proposes to sell 3,000 of his holdings of 23,500 shares. Four directors propose to sell shares, as follows: Peter Sudarsky, 7,500 of 14,700 shares held. Stanley Zucker, 4,500 of 11,800, David L. Joslow, 2,500 of 21,315, and Jack Bender, 1,000 of 10,000 shares.

**HELIO AIRCRAFT FILES FOR OFFERING AND SECONDARY.** Helio Aircraft Corporation, Hanscom Field, Civilian Terminal Area, Bedford, Mass. 01730, filed a registration statement (File 2-27591) with the SEC on October 31 seeking registration of 310,000 shares of common stock. Of this stock, 300,000 are to be offered for public sale by the company and 10,000 (being outstanding shares) by the present holder thereof. The public offering price (\$15.00 per share maximum\*) and underwriting terms are to be supplied by amendment. F. S. Smithers & Co., 45 Wall St., New York 10005, and two other firms are listed as the principal underwriters. The company has agreed to issue to the underwriters, upon completion of this financing, 30,000 five year common stock purchase warrants, exercisable at 120% of the public offering price.

The company is principally engaged in the design, development, manufacture and sale of light aircraft that combine conventional airplane speed, range and economy with added safety features and with "STOL" (Short Take-Off-Landing) capability. Of the net proceeds of its sale of additional stock, 40% will be used for engineering and development relating to new STOL models, and 60% is intended to be used for tooling for, and manufacture of, such aircraft. In addition to indebtedness, the company has outstanding 609,441 shares, of which management officials own 15.0%. Lynn L. Bollinger is board chairman and Robert B. Kinnach is president. James H. Blundell proposes to sell all of his holdings of 10,000 shares. The shares were purchased for cash at \$6.00 per share by Mr. Blundell pursuant to an agreement entered into August 1, 1965 between him and the company. Mr. Blundell was associated with the company until August 1966 as a consultant and advisor on public affairs and public relations.

**KOMATSU MFG. PROPOSES DEBENTURE OFFERING.** Komatsu Manufacturing Co., Ltd., Komatsu Bldg., 3-6, 2-chome, Akasaka, Minato-ku, Tokyo, Japan, filed a registration statement (File 2-27593) with the SEC on October 31 seeking registration of \$15,000,000 of convertible debentures, due 1982. The debentures are to be offered for public sale through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith Inc., 70 Pine St., and The Nomura Securities Co., Ltd., 61 Broadway, both of New York. The interest rate, public offering price, and underwriting terms are to be supplied by amendment.

The company is engaged primarily in the production of construction machinery, industrial vehicles and industrial machinery. Net proceeds of its debenture sale will be added to general corporate funds and may be applied, together with funds available to the company from other sources, toward the financing of increased working capital. In addition to indebtedness, the company has outstanding 315,733,748 common shares, of which management officials own 0.89%. Yoshinari Kawai is board chairman and Ryoichi Kawai is president.

In a separate registration statement (File 2-27594), the company is seeking registration of 900,000 American Depositary Receipts ("ADRs") issuable on deposit of outstanding common shares of the company. The ADRs are issuable pursuant to a Deposit Agreement between the company, First National City Bank, as Depository, and the holders from time to time of the ADRs. Each ADR evidences American Depositary Shares, each representing 50 shares of common stock, par value 14¢ per share, of the company deposited under the Deposit Agreement in Tokyo with The Sumitomo Bank, Ltd., as agent of the Depository, or any successor to such agent.

**CHARTER NEW YORK FILES EXCHANGE PROPOSAL.** Charter New York Corporation, 1 Wall St., New York 10005, filed a registration statement (File 2-27596) with the SEC on November 1 seeking registration of 269,813 shares of common stock. The company proposes to offer these shares in exchange for (1) all of the outstanding shares of capital stock of Endicott Trust Company (Endicott, N.Y.) on the basis of 3.25 company shares for each of the 50,000 capital shares of Endicott, and (2) all of the outstanding capital shares of Dutchess Bank & Trust Company (Poughkeepsie) on the basis of .85 company share for each of the 126,250 capital shares of Dutchess.

The company was organized under New York law on March 12, 1965, for the purpose of becoming a bank holding company. On July 1, 1966, it acquired, in exchange for shares of its common stock, all of the outstanding capital shares of Irving Trust Company and approximately 99% of the outstanding capital shares of The Merchants National Bank & Trust Company of Syracuse. In addition to indebtedness, the company has outstanding 6,269,883 common shares, of which management officials own 24,320 shares. George A. Murphy is board chairman and Oren Rott is president.

**MURPHY PACIFIC MARINE FILES FOR SECONDARY.** Murphy Pacific Marine Salvage Company, 4300 Eastshore Highway, Emeryville, Calif. 94608, filed a registration statement (File 2-27599) with the SEC on November 1 seeking registration of 50,000 outstanding shares of common stock. The shares are to be offered for public sale through underwriters headed by Van Alstyne, Noel & Co., 4 Albany St., New York 10006. The public offering price (\$25.00 per share maximum\*) and underwriting terms are to be supplied by amendment.

Organized under California law on April 9, 1965, the company is engaged in the marine salvage business and other marine activities. In addition to indebtedness, it has outstanding 661,530 common shares, of which management officials own 3.8%. Louis Ets-Hokin is board chairman and J. Philip Murphy is president. Its parent company, Murphy Pacific Corporation, proposes to sell 50,000 of its holdings of 243,626 shares.

**TILNEY CO. ENJOINED.** The SEC New York Regional Office announced October 30 (LR-3841) the entry of a Federal court order (USDC SDNY) extending for an additional 14 days from October 23 a prior restriction on the transfer of assets of the New York broker-dealer firm of Tilney & Company. Previously, the said firm and Frederick Tilney had consented to a permanent injunction against the conduct of a securities business in violation of SEC record-keeping and financial reporting rules and directing the Tilney firm to get its books and records up to date and file a certified financial report.

**STOCK PLANS FILED.** The following companies have filed Form S-8 registration statements with the SEC proposing the issuance of stock under employee stock option and related plans:

Economics Laboratory, Inc., St. Paul, Minn. 55101 (File 2-27587) - 200,424 common shares  
Harper & Row, Publishers, Inc., New York 10016 (File 2-27589) - 75,000 common shares  
VSI Corporation, Pasadena, Calif. 91107 (File 2-27595) - 323,220 common shares

**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. The captions of the items are as follows:

- Item 1. Changes in Control of Registrant.
- Item 2. Acquisition or Disposition of Assets.
- Item 3. Legal Proceedings.
- Item 4. Changes in Securities.
- Item 5. Changes in Security for Registered Securities.
- Item 6. Defaults upon Senior Securities.
- Item 7. Increase in Amount of Securities Outstanding.
- Item 8. Decrease in Amount of Securities Outstanding.
- Item 9. Options to Purchase Securities.
- Item 10. Revaluation of Assets or Restatement of Capital Share Account.
- Item 11. Submission of Matters to a Vote of Security Holders.
- Item 12. Other Materially Important Events.
- Item 13. Financial Statements and Exhibits.

Copies of the reports may be purchased from the Commission's Public Reference Section (please give News Digest's "Issue No." in ordering). Invoice will be included with requested material when mailed.

	Originals Inc Oct 67 (11)	1-5145-2
	Princeton Chemical Research Inc Sept 67 (4,7,13)	2-22683-2
Amer Medical Enterprises Inc Sept 67 (2,7,13)	0-2327-2	"Shell" Transport and Trading Co Ltd Oct 67 (6K)
Anheuser-Busch Inc Sept 67 (12,13)	1-3718-2	1-4039-2
Bankers Trust Oct 67 (3,13)	0-1610-2	L S Starrett Co Sept 67 (11)
Equitable Real Estate Inv Trust Oct 67 Oct 67 (3)	0-1605-2	1-367-2
Fidelity Real Estate Invt Tr Oct 67 (3)	0-1929-2	Volume Merchandise Inc Sept 67 (2,13)
W F Hall Printing Co Sept 67 (12,13)	1-1491-2	1-5170-2
Leasing Credit Corp Oct 67 (12)	1-4611-2	Digital Equipment Corp Amend #1 to 8K for Sept 67 (12)
		1-5296-2
		Reading & Bates Offshore Drilling Co Amend #1 to 8K for Sept 67 (13)
		0-503-2

**SECURITIES ACT REGISTRATIONS. Effective October 31:** Cities Service Co., 2-27446 (40 days).  
**Effective November 1:** Aaronson Bros. Stores Corp., 2-27354 (40 days); Anixter, Bros., Inc., 2-27398 (90 days); DWG Corp., 2-27132 (40 days); Iver David Balding a General Partner of (The Love Match Co.), 2-27014 (90 days); Texaco Inc., 2-27331; Worldwide Energy Co., Ltd. 2-27328 (Dec 10).  
**Effective November 2:** National Propane Corp., 2-27286.  
**Withdrawn October 31:** Winstar National Corp., 2-27145.

**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.