

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST



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

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WESTINGHOUSE AIR BRAKE SHARES IN REGISTRATION. Westinghouse Air Brake Company, 3 Gateway Center, Pittsburgh, Pa., filed a registration statement (File 2-23774) with the SEC on June 29 seeking registration of 180,000 shares of capital stock. The company (which owns approximately 90% of the outstanding stock of Melpar, Inc., of Fairfax County, Va.) has agreed to sell such shares to Melpar, which will offer to exchange the stock for the 524,649 outstanding shares of Wilcox Electric Company, Inc., Kansas City, Mo., at the rate of one Westinghouse share for each three shares of Wilcox. Certain stockholders of Wilcox, including Jay V. Wilcox, president of that company, have agreed to tender the shares held by them (aggregating 43.4%) pursuant to the exchange offer. The exchange by such stockholders is subject to certain conditions, including the making of this offer to the remaining stockholders of Wilcox and the acceptance of the exchange by holders of not less than 90% of the Wilcox common (unless Melpar elects to consummate after acceptance by not less than 80%).

The company produces and sells products (including air brakes, pneumatic and hydraulic cylinders, air compressors and drilling rigs) to four major markets: railroads and rapid transit; construction; petroleum, mining and general industry; and the U. S. Government. Wilcox makes aeronautical radio systems, instrument landing equipment and other air navigation equipment. In addition to indebtedness, the company has outstanding 4,286,805 common shares, of which management officials own less than 1%. Edwin Hodge, Jr., is board chairman of the company and A. King McCord is president.

W. R. GRACE & CO. REGISTERS SHARES. W. R. Grace & Co., 7 Hanover Sq., New York 10005, filed a registration statement (File 2-23782) with the SEC on June 30 seeking registration of 213,256 shares of common stock. The company proposes to exchange such stock for businesses, as follows: 59,000 shares for Southern Resin & Fiberglass Corp., Southern Oil & Solvents Co., Midanal Corp., State Chemicals, Inc., and Resin Spray Equipment Corp.; 20,923 shares for Williamson and Co., Inc.; and 133,333 shares (plus \$1,500,000 in cash) for Eucan Holding Co., Ltd. Certain recipients of the company shares have indicated that they may offer a portion of the stock for public sale from time to time on national securities exchanges or as gifts.

The company is engaged principally in the manufacture of chemicals, in manufacturing and agricultural operations in Latin America, and in the fields of transportation and banking. According to the prospectus, Eucan Holding Co. is a Canadian corporation and holds shares of certain European companies. In addition to indebtedness, the company has outstanding 15,262,316 common shares, of which management officials own 3.45%. Peter Grace is company president.

NASHUA CORP. FILES FOR SECONDARY. Nashua Corporation, 44 Franklin St., Nashua, N. H., filed a registration statement (File 2-23785) with the SEC on June 30 seeking registration of 25,000 outstanding shares of common stock, to be offered for public sale by the present holders thereof. Kidder, Peabody & Co. Inc., 100 Exchange Pl., New York 10005, and Schmidt, Roberts & Parke, Inc., 123 S. Broad St., Philadelphia, Pa. 19109, are listed as the principal underwriters. The public offering price (\$35 per share maximum*) and underwriting terms are to be supplied by amendment.

The company also filed a registration statement (File 2-23786) covering 99,671 common shares, to be offered pursuant to its Restricted Stock Option Plan dated April 25, 1960, and as amended in July 1964; its Qualified Stock Option Plan; and the stock option plan of Copycat Corp.

The company is engaged primarily in converting paper stock into specialized products for mercantile and industrial use. It has outstanding 1,168,798 common shares, of which descendants of the late James Richard Carter and their spouses own approximately 58%. The prospectus lists five selling stockholders, including Robert E. Dobbyn, trustee u/w/o Winthrop L. Carter f/b/o Elizabeth B. Carter et al (four trusts), offering 15,000 of 117,156 shares held. The remaining selling stockholders are each offering 2,500 of individual holdings of 12,360 shares. James R. Carter is president.

CONTINENTAL CAN FILES STOCK PLANS. Continental Can Company, Inc., 633 Third Ave., New York 10017, filed a registration statement (File 2-23787) with the SEC on June 30 seeking registration of 250,000 shares of common stock, to be offered under its 1960 Stock Purchase Plan and 1965 Qualified Stock Option Plan.

DONOHUE CONSTRUCTION FILES PROPOSALS. Donohue Construction Co., Inc., 2139 Wisconsin Ave., N. W., Washington, D. C. 20007, filed a registration statement (File 2-23788) with the SEC on June 30 seeking registration of 525,063 shares of common stock. The company proposes to offer such stock in exchange for businesses, as follows: 150,000 shares for the assets of Donohue Construction Corporation of D. C.; 23,000 shares for Taylor Tool Rental Co., Inc.; 2,000 shares for Custodial Services, Inc. (wholly-owned subsidiaries of John F. Donohue & Sons, Inc.); 262,806 shares to various members of the Donohue families and employees of Donohue Construction of D. C., in exchange for the assignment by them of all their interests in Donohue Investment Co. (a partnership), Donohue Properties Limited Partnership, Town and Country Partnership, The Triangle Syndicate (a partnership), 2139 Wisconsin Avenue Partnership, and 1680 Wisconsin Avenue Trust. The remaining 87,257 shares are to be offered in exchange for the assignments of all other interests in the latter six companies.

The company is also registering 100,000 common shares and \$250,000 of subordinated 6-year, 6% debentures, to be offered for public sale through company officials at the price of \$10 per share and \$1,000 per debenture.

Organized under Maryland law in June 1965, the company will succeed to the business of Donohoe Construction of D. C., and will own, operate and develop real estate in the Washington, D. C., area. It will also engage in the general construction business. Net proceeds from the company's sale of securities will be added to working capital and provide funds for the development of new projects and to implement some of the projects already contemplated. Clarence F. Donohoe, Jr., is board chairman and Richard J. Donohoe is president.

FINANCIAL GENERAL FILES STOCK PLAN. Financial General Corporation, 1701 Pennsylvania Ave., N. W., Washington, D. C., filed a registration statement (File 2-23789) with the SEC on June 30 seeking registration of 53,460 shares of common stock, to be offered under the company's 1965 Qualified Stock Option Plan.

ISRAEL HOTELS INT. FILES FINANCING PROPOSAL. Israel Hotels International, Inc., 229 S. State St., Dover, Del., filed a registration statement (File 2-23776) with the SEC on June 29 seeking registration of \$4,060,000 of 6 $\frac{1}{4}$ % debentures due 1980, 40,600 shares of common stock, and option warrants to purchase 81,200 shares. The debentures are to be offered for public sale at 100% of principal amount and the common shares at \$5 per share (with attached 3-year warrant to purchase two shares at \$5 per share). The offering is to be made on a best efforts basis by American-Israel Basic Economy Corporation (AMIBEC), 30 Rockefeller Plaza, New York, and AMIBEC International, Ltd., Nassau, Bahamas. They will receive a 5% selling commission, plus an additional 3% as compensation for services in promoting the company's business.

Also included in the statement are \$2,640,000 sinking fund debentures due 1980-86, 26,400 common shares, and 52,800 option warrants to purchase common stock. These securities are now outstanding and may be offered for sale by the holders thereof, Nathaniel Kann and Bernard Waltzer. The statement also covers 250,955 common shares reserved for issuance upon exercise of option warrants presently outstanding.

The company was organized under Delaware law in May 1961 at the instance of AMIBEC for the purpose of constructing a hotel in Tel Aviv, Israel, to be leased to and managed by Hilton Hotels International, Inc. Basic construction has been completed; interior and finishing work is nearly completed in the public rooms and the first five floor guest rooms; and such work on the remaining floors is in progress. Net proceeds of the company's sale of the additional securities, together with the proceeds of prior sales of securities, will approximate \$13,910,000; and all proceeds will be expended for construction costs and any balance used for working capital. In addition to indebtedness, the company now has outstanding 103,110 common shares and warrants to purchase 169,755 shares. The prospectus lists Jose Kalach as board chairman and Maitland Steinkopf as president.

HUBBARD AND CO. PROPOSES OFFERING. Hubbard and Company (whose name is to be changed to Kearney-National Inc.), 4236 Clayton Ave., St. Louis, Mo. 63110, filed a registration statement (File 2-23792) with the SEC on July 1 seeking registration of 200,000 shares of common stock, to be offered for public sale through underwriters headed by Reynolds & Co., 120 Broadway, New York 10005. The public offering price (\$11 per share maximum*) and underwriting terms are to be supplied by amendment.

To be organized under Delaware law in July 1965, the company will succeed to the business of Consolidated Industries, Inc., James R. Kearney Corporation, and Hubbard and Co. Such businesses consist of manufacturing and selling electrical transmission and distribution equipment and electrical pole line hardware. Net proceeds from the company's stock sale will be used to retire \$1,412,820 of 6% installment notes and added to its working capital. In addition to indebtedness, the company has outstanding 900,000 Class B shares, of which management officials own 23%. Charles H. Dyson (board chairman) and members of his immediate family own 50% of the company's outstanding stock. In the merger of the three companies, The Dyson-Kissner Corporation, as sole stockholder of Hubbard, received 306,000 Class B shares for all of the outstanding common stock of Hubbard, and the stockholders of Kearney Corp. and Consolidated received 495,000 and 99,000 Class B shares, respectively. John R. Morrill is president.

CONTINENTAL VENDING - IDAMONT OIL TRADING BANS CONTINUED. The SEC has issued orders suspending trading in securities of Idamont Oil & Mining Company for a further ten-day period, July 3-12, 1965, inclusive, and in securities of Continental Vending Machine Corporation for a further ten-day period, July 6-15, 1965, inclusive.

CORRECTION RE FIRST INVESTORS SECURITIES. The cancellation order referred to in the SEC News Digest of July 1st involved a Newark, N. J., company called First Jersey Securities Corporation, NOT First Investors Securities Corporation as listed in the News Digest.

SECURITIES ACT REGISTRATIONS. Effective July 1: Central Mutual Telephone Co., Inc., 2-23609 (Aug 9); Kansas City Power & Light Co., 2-23603. Effective July 2: Boise Cascade Corp., 2-23706; Bowser, Inc., 2-23658; Brown Co., 2-23508; The Lamson & Sessions Co., 2-23598.

NOTE TO DEALERS. The last date or 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.