

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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GRADIAZ, ANNIS & CO. FILES FOR OFFERING AND SECONDARY. Gradiaz, Annis & Co., Inc., 2311-18th Street, Tampa, Fla., filed a registration statement (File 2-18985) with the SEC on September 27th seeking registration of 116,875 shares of common stock, of which 25,350 shares are to be offered for public sale by the company and 91,525 shares, being outstanding stock, by Morton L. Annis, president. W. C. Langley & Co. heads the list of underwriters. The public offering price and underwriting terms are to be supplied by amendment.

The company is engaged in the business of manufacturing and selling cigars, its principal brand being "Gold Label." The company intends to use \$174,000 of the net proceeds from its sale of additional stock to prepay at par all its notes payable due 1962, and the balance will be added to working capital and will be available for corporate use. In addition to certain indebtedness and preferred stock, the company has outstanding 252,650 shares of common stock, of which Julius B. Annis, board chairman, and Leonard S. Annis, a director, own 40% and 10%, respectively. Morton L. Annis owns 126,325 shares (50%) and proposes to sell the 91,525 shares.

LEHIGH ACRES UTILITIES AND INVESTMENT FILES FOR STOCK OFFERING. Lehigh Acres Utilities & Investment Co., 800-71st Street, Miami Beach, Fla., filed a registration statement (File 2-18984) with the SEC on September 26th seeking registration of 100,000 shares of common stock, to be offered for public sale at \$5 per share. No underwriting is involved.

The business of the company (formerly Lehigh Acres Utilities Corporation) is the ownership and operation of a water treatment plant and distribution system, a sewage disposal plant and collection system, and LP-gas distribution facilities at Lehigh Acres, Lee County, Florida. The company also provides garbage collection pick-up service for that community. The developer and owner of the Lehigh Acres development is Lee County Land & Title Company which is the owner of all of the presently outstanding stock of the company. Of the net proceeds from the stock sale, the company will use \$263,500 to pay balances due under contracts for construction of line extension to its water and sewer systems, \$50,000 for additional gas storage tanks and line extensions therefrom, and the balance for working capital, including further extensions of water and sewer lines and additions to its water and sewer plant.

The company has outstanding 192,000 shares of common stock, all of which are owned by its parent. Lee Ratner is listed as company president and board chairman of its parent. He and three other management officials own all of the common stock of the parent company.

SEL-REX FILES FOR OFFERING AND SECONDARY. Sel-Rex Corporation, 75 River Road, Nutley, N. J., filed a registration statement (File 2-18986) with the SEC on September 27th seeking registration of 195,000 shares of common stock, of which 33,000 shares are to be offered for public sale by the company and 162,000 shares, being outstanding stock, by Morris M. Messing, president and principal stockholder. The offering will be made on an all or none basis through underwriters headed by Eastman Dillon, Union Securities & Co. The public offering price and underwriting terms are to be supplied by amendment. The registration statement also includes 5,000 outstanding shares to be sold to company employees by the selling stockholder through the underwriters at the public offering price.

The company produces and markets gold compounds and chemicals for use in gold electroplating, primarily in processes developed and patented by it. Most of its output of such products is used in the electronics industry. In addition, the company produces and sells rhodium, silver and platinum electroplating products, refines precious metals, manufactures and sells power rectification and metal finishing equipment, and distributes metal finishing supplies. Net proceeds from the company's sale of additional stock will be added to general funds to be used for working capital and other corporate purposes.

In addition to certain indebtedness, the company has outstanding 845,555 shares of common stock (after giving effect to a recent 5-for-3 stock split by means of a stock dividend of 338,222 shares), of which Messing owns 715,386 shares and proposes to sell the 162,000 shares (and 5,000 shares to company employees).

JOHN SEXTON FILES FOR SECONDARY. John Sexton & Co., 4700 South Kilbourn Ave., Chicago, filed a registration statement (File 2-18987) with the SEC on September 27th seeking registration of 70,000 outstanding shares of common stock, to be offered for public sale by the present holders thereof through Hornblower & Weeks. The public offering price and underwriting terms are to be supplied by amendment.

The company is a distributor of a broad line of food products, and certain related products, principally to the "institutional trade," consisting of restaurants, schools and colleges, hospitals, clubs, hotels and other purveyors of prepared food services. In addition to certain indebtedness, the company has outstanding 747,437 shares of common stock, of which the family groups of Thomas G. Sexton, a director, E. A. Egan, treasurer, T. M. Sexton, president, Ethel Sexton Marten, and William C. Sexton, a vice president, own 15.7%, 16.4%, 14.4%, 10.5%, and 14.5%. Management officials as a group own 16.6%. Ethel Sexton Marten and the Estate of Franklin Sexton (included in the T. M. Sexton family group) propose to sell 49,924 and 20,076 shares, respectively, of their holdings of 50,924 and 57,436 shares, respectively.

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at the rate of \$1,000 of debentures for each 50 shares held at the subscription price of \$1,000. The attached warrant will enable the holder to purchase 20 shares at \$23 per share. The registration statement also relates to a maximum of 250,000 Class A shares and \$5,000,000 of debentures which may be acquired by the company in stabilizing transactions during this offering.

The company is engaged in various phases of the real estate investment business. Net proceeds from the debenture sale will be used for repayment of certain loans from financial institutions, towards repayment of mortgages of properties, and the purchase of the senior participating interest in the first mortgage on the Hotel St. Regis, in the amount of \$7,700,000. Any balance will be added to general funds and used from time to time for acquisitions and other corporate purposes. In addition to certain indebtedness and preferred stock, the company has outstanding 3,345,071 Class A and 182,985 Class B common shares. Marvin Kratter, president and board chairman, owns 93.04% of the Class B shares. Amounts owned by other stockholders are to be supplied by amendment.

UNIFIED FUNDS FILES FOR OFFERING. Unified Funds, Inc., 207 Guaranty Building, Indianapolis, Ind., filed registration statements (Files 2-19001 and 2-19002) with the SEC on September 27th seeking registration of \$10,000,000 of Series "G" Certificates and \$10,000,000 of Series "H" Certificates.

NATIONAL RECREATION SHARES IN REGISTRATION. National Recreation Corporation, Time and Life Building, New York, filed a registration statement (File 2-19003) with the SEC on September 27th seeking registration of 337,500 shares of common stock, to be offered for public sale at \$8 per share. The offering will be made on a best efforts basis through underwriters headed by Berger-Derman, Inc., which will receive a \$1 per share selling commission and \$40,500 for expenses. The registration statement also includes 20,000 shares sold to the underwriters at \$1 per share, and 35,000 shares underlying five-year warrants to be sold to the underwriters at 25¢ per warrant, exercisable at \$8 per share. The underwriter will also receive \$27,500 for certain financial advisory services for a three-year period. The company is also registering 463,640 common shares which the company proposes to offer in exchange for the outstanding interests of limited partners, general partners, and their assignees of certain limited partnerships, and for shares of stock in certain companies. The company will pay a 24¢ per share commission to Nat Berger Associates, Incorporated for each company share issued to said limited partners.

The company (formerly Bowling Operations Worldwide Limited) was organized under Delaware law in March 1961 for the purpose of owning and operating through subsidiaries, and providing centralized management to, a national chain of modern, air-conditioned, fully automatic bowling centers. The company at present has no operating centers, but after the proposed exchange offer, will own, through subsidiaries, or have interests in eight centers with an aggregate of 383 lanes, of which seven with 335 lanes are now operating. The company has entered into agreements to lease seven additional centers, all of which will be constructed by lessors. The prospectus states that each of the existing centers has operated at a loss. Combined current liabilities of such centers exceed combined current assets as of April 30, 1961 by \$1,271,434. The prospectus states that the company believes that the losses suffered thus far have been in part due to inadequate "league bookings." Present book value of the company's common stock is 1¢ per share. Giving effect to 100% consummation of the exchange offer book value would be \$2.81 per share, while after public offering the book value would be increased to \$3.94 per share. Of the \$2,085,000 net proceeds from the stock sale (and assuming the exchange offer is consummated), \$755,000 will be used for the acquisition of the seven new centers, \$850,000 to satisfy certain existing obligations, and the balance for general working capital and to finance any additional acquisitions.

In addition to certain indebtedness, the company has outstanding 185,875 shares of common stock, of which Jerome Voletsky, president, and Burtell Cutler, a vice president, own 18% and 18.8%, respectively, and Malcolm Roberts, a vice president, William Lane, treasurer, and Alan Rogers, secretary, own 17.1% each.

DIVERSIFIED SMALL BUSINESS INVESTMENT FILES FOR STOCK OFFERING. Diversified Small Business Investment Corporation, 214 Engle Street, Englewood, N. J., filed a registration statement (File 2-19004) with the SEC on September 27th seeking registration of 600,000 shares of common stock, to be offered for public sale at \$5 per share. The underwriters, headed by Lieberbaum & Co. and Morris Cohon & Company, will receive a 50¢ per share commission and \$12,000 for expenses.

The company was organized under New Jersey law in April 1961. It is licensed as a small business investment company under the Small Business Investment Act of 1958 and registered as a closed end non-diversified management company under the Investment Company Act of 1940. The net proceeds from the stock sale will be used to furnish equity capital and to make long-term loans to small business concerns.

The company has outstanding 69,333 shares of common stock, of which George Rothman, president and board chairman, owns over 5%.

AVEENO PHARMACEUTICALS FILES FOR STOCK OFFERING. Aveeno Pharmaceuticals, Inc., 250 West 57th Street, New York, filed a registration statement (File 2-19005) with the SEC on September 27th seeking registration of 125,000 shares of common stock, to be offered for public sale on an all or none basis through underwriters headed by Laird & Company, Corporation. The public offering price and underwriting terms are to be supplied by amendment. The registration statement also includes 10,500 shares underlying five-year warrants to be sold to the underwriter at 1¢ per warrant, exercisable initially at \$4 per share, and 6,000 shares underlying like warrants which were granted to two directors and two close associates prior to this offering. An additional 30,000 shares included in the statement are reserved for issuance upon exercise of stock options granted to officers and key employees.

The company is engaged primarily in the development and sale of ethical pharmaceutical products used in the treatment of dermatological conditions and for general skin care. Pursuant to a plan of reorganization during September 1961, Musher Foundation, Incorporated, changed its name to Aveeno Pharmaceuticals, Inc.,

