

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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CECO STEEL PRODUCTS FILES FOR SECONDARY. Ceco Steel Products Corporation, 5601 West 26th Street, Chicago, filed a registration statement (File 2-19283) with the SEC on November 13th seeking registration of 18,000 outstanding shares of common stock, to be offered for public sale by the holder thereof through Hornblower & Weeks. The public offering price and underwriting terms are to be supplied by amendment.

The business of the company is the manufacture, distribution and erection of products for the construction industry. Its principal products are re-usable steel forms for the forming of concrete joists, fabricated reinforcing bars for reinforced concrete construction, steel joists and roof deck. It also produces steel and aluminum windows, metal screens and steel doors, and produces and sells metal lath, galvanized roofing, flat sheets, eaves trough, conductor pipe, metal roofing accessories and related items. In December 1961, the company will issue 81,000 common shares in exchange for all of the outstanding capital stock of Mitchell Engineering Company which designs and manufactures to the requirements of purchasers various types of pre-fabricated metal buildings, which are used for both light commercial and heavier industrial purposes. The principal stockholder of Mitchell Engineering, C. L. Mitchell, will receive a portion of such shares in the exchange, and he proposes to sell 18,000 of such shares. The company now has outstanding 1,000,480 shares of common stock, of which Mary Luman Meyer, a director, owns 19.9% and management officials as a group 35.3%. Ned A. Ochiltree is board chairman and C. Foster Brown, Jr. is president.

NATIONAL REAL ESTATE INVESTMENT TRUST FILES FOR STOCK OFFERING. National Real Estate Investment Trust, New York, filed a registration statement (File 2-19284) with the SEC on November 9th seeking registration of 1,000,000 shares of common stock, to be offered for public sale at \$15 per share on an all or none basis through underwriters headed by Lee Higginson Corporation. The underwriting terms are to be supplied by amendment. The Trust has granted to the underwriters a 30-day right to purchase up to additional 350,000 shares which the underwriters will also offer for public sale at the same price if the right is exercised.

Sponsored by Lee Higginson Corporation, the Trust was organized as a business trust under Massachusetts law in November 1961. Its purpose is to provide investors with an opportunity to own through transferable shares an interest in various types of income-producing properties consisting principally of real estate interests in a manner which would not normally be available to them individually. Such properties are expected to be diversified and national in scope. The Trust will receive investment advice from Brown, Harris, Stevens, Inc., a New York real estate firm, and said firm also will operate, manage and service the Trust's properties. Brown, Harris, Stevens, Inc. has entered into agreements with 28 real estate firms operating in 48 states and the District of Columbia who will cooperate with it in locating suitable real estate investment opportunities for the Trust in their respective areas and will operate, manage and service properties of the Trust in such areas under the over-all supervision of Brown, Harris, Stevens, Inc. Alfred W. Freeman is listed as managing agent of the Trust and a vice president of the advisor, Frank G. Drummond as treasurer of both, and Frederick H. Schroeder as a trustee of the Trust and executive vice president of the principal underwriter.

MEDICAL VIDEO CORP. FILES FOR STOCK OFFERING. Medical Video Corporation, Studio City, Calif., filed a registration statement (File 2-19285) with the SEC on November 13th seeking registration of 250,000 shares of common stock, to be offered for public sale at \$10 per share. The offering will be made on a best efforts basis by Financial Equity Corporation, which will receive a \$1 per share selling commission. The company management group will receive one promotional share of the company's common stock for each share sold to the public.

The company was organized under California law in June 1960 and proposes to engage in the manufacture of electronic products, data, reduction and transmission devices and allied equipment and apparatus for sale and lease primarily to the medical field. By reason of its three-year research and development program, the company will devote the major portion of its business activities to the closed circuit television field with particular emphasis upon leasing equipment to hospitals in certain survey-proven needs. Initially, the company will produce television monitors, television cameras and vidicon television camera tubes. Of the \$2,250,000 estimated net proceeds from the stock sale, \$231,000 will be used for capital expenditures for leasehold improvements and capital equipment, \$132,000 for administrative expense, \$216,400 for marketing expense, \$119,400 for engineering, and \$1,472,360.75 for manufacture of videophonic products. Preston L. McNutt is listed as board chairman, Charles T. Pawley as president, and Jack J. Mahakian as treasurer of the company and president of the underwriter.

SCHULTZ SAV-O STORES FILES FOR OFFERING AND SECONDARY. Schultz Sav-O Stores, Inc., 2215 Union Avenue, Sheboygan, Wisc., filed a registration statement (File 2-19286) with the SEC on November 13th seeking registration statement of 160,000 shares of common stock, of which 75,000 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 on an all or none basis by Blunt Ellis & Simmons. The public offering price and underwriting terms are to be supplied by amendment.

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The company (formerly Schultz Brothers Company) is engaged in the wholesale food business and in the operation of retail supermarkets under the Piggly Wiggly name in the southern and eastern sections of Wisconsin. In September 1961 the company acquired all of the outstanding stock of Sav-O Corporation, a Wisconsin company engaged in the trading stamp business, which will be merged into the company. The net proceeds from the company's sale of additional stock will be used in connection with the company's expansion program to purchase equipment, fixtures and inventory for new retail stores. A new supermarket in Racine, Wisc., expected to open in February, 1962, will require approximately \$160,000. Two other new supermarkets which the company plans to open in late 1962 will require an estimated additional \$315,000. The company also proposes to open a full-line drug store in Sheboygan, adjacent to a company supermarket, which will require approximately \$100,000.

In addition to certain indebtedness and preferred stock, the company has outstanding 344,540 shares of common stock (after giving effect to a recent 10-for-1 stock split), of which Herbert A. Schultz, president, William A. Grasser, executive vice president, and Gerald G. Grube, secretary and treasurer, own 87,500, 100,000 and 34,840 shares, respectively, and propose to sell 24,375, 26,500 and 8,395 shares, respectively. The prospectus lists 11 other selling stockholders who propose to sell amounts ranging from 150 to 7,325 shares. The selling stockholders own in the aggregate 332,690 company shares.

ALUMATRON INTERNATIONAL FILES FOR STOCK OFFERING. Alumatron International, Inc., St. Petersburg, Fla., filed a registration statement (File 2-19287) with the SEC on November 13th seeking registration of 73,000 shares of common stock, to be offered for public sale at \$7 per share. The offering will be made on an all or none basis through underwriters headed by Wm. H. Tegtmeier & Co. and B. C. Malloy, Inc., which will receive a 70 cents per share commission and \$15,500 for expenses.

The company was organized under Florida law in September 1961 and proposes to engage in the business of selling pre-engineered, frameless, panelized aluminum homes and conventional masonry (concrete block and stucco) homes, which it will construct on property owned by the purchasers of the homes (at prices said to range from \$2,500 to \$9,000). The company will also engage in the business of general contracting and will offer both masonry and aluminum commercial and industrial buildings. The \$433,318 estimated net proceeds from the stock sale will be used for the construction and furnishing of model homes, for model homesite rental, for advertising, for the construction of homes to order, to pay salesmen's commissions, and the balance for working capital and other general corporate purposes.

The company has outstanding 100,000 shares of common stock, of which James Rosati, president, James Rosati, Jr., vice president, and Joseph Rosati, secretary-treasurer, own 12%, 44% and 44%, respectively.

SEC CITES CASCADE CORP. - SHASTA MINERALS. The SEC has ordered proceedings under the Securities Exchange Act of 1934 to determine whether Kay L. Stoker, president of Cascade Corporation ("Cascade"), of Salt Lake City, violated the registration and anti-fraud provisions of the Federal securities laws in the offer and sale of stock of Shasta Minerals & Chemical Company ("Shasta") and of American Oil and Minerals, Inc. ("American Oil") and, if so, whether Cascade's broker-dealer registration should be revoked.

The Commission also has ordered "stop order" proceedings under the Securities Act of 1933 which challenge the accuracy and adequacy of various informational disclosures in a registration statement filed by Shasta on April 24, 1961. In this statement, Shasta proposed the public offering of 500,000 common shares at \$2.50 per share through Keystone Securities Company. According to the prospectus, Shasta (also of Salt Lake City) is engaged in the acquisition, exploration and (if warranted) development of properties in the West Shasta Copper-Zinc Mining District, Shasta County, Calif., including the production of sulfuric acid. The company has outstanding 1,392,242 common shares. Stoker also is listed as Shasta's president.

According to the Commission's order, its Staff charges that information developed in its investigation tends to show that Stoker, in the sale of unregistered stock of American Oil since January 1959 and of Shasta since August 1956, "engaged in acts, practices and a course of business which would and did operate as a fraud and deceit" upon the purchasers of such stock, in that he made false and misleading statements: (A) with respect to American Oil (said to have outstanding about 2,750,000 shares of assessable stock), concerning the listing of its stock on the New York Stock Exchange, the safety of an investment in American Oil, the assessability of and prior record of assessments on American Oil stock, American Oil's financial condition, and the use of proceeds of the sale of American Oil stock; and (B) with respect to Shasta, concerning the amount of ore blocked out and ready to be mined by Shasta the grade and value of its blocked-out ore, a smelter which had been or was to be built on or near the mining properties, use of the proceeds of the sale of Shasta stock, the financial condition of and the safety of an investment in Shasta, the listing of Shasta stock on the New York Stock Exchange, the ability of Shasta shareholders to get their money back, and the availability of a rescission offer to all Shasta shareholders and the reason for making such offer.

The Staff further charges that the reported information, if true, tends to show that Stoker violated the registration and anti-fraud provisions of the Federal securities laws. The Commission's order schedules a hearing for November 24, 1961, in San Diego, Calif. (Room 332, U. S. Courthouse, 325 West F Street) to take evidence on the foregoing for the purpose of determining whether Stoker did violate the said provisions of the laws and, if so, whether the broker-dealer registration of Cascade should be revoked.

With respect to Shasta's registration statement, the Commission asserts that it has reasonable cause to believe that the statement and accompanying prospectus are false and misleading in respect of various informational disclosures, including the reported information with respect to (1) the relationships among Shasta and its predecessor (Shasta Copper and Uranium Company, Inc.), Stoker, Woodville S. Walker, Walker Engineering Company, Keystone Securities, Russ Ballard, American Oil and Cascade; (2) past sales of securities of Shasta and its predecessor and of American Oil by Shasta, its promoters, management officials and controlling persons, in violation of the Securities Act registration and anti-fraud provisions and the extent of contingent liabilities which may have arisen by reason of such sales; (3) the reasons for which Phelps-Dodge Corporation withdrew from and terminated a joint venture agreement with Shasta for the exploration and development of properties owned by Shasta; (4) the personnel and experience of the underwriter

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(Keystone Securities); and (5) Shasta's financial statements.

The stop order proceedings with respect to Shasta's registration statement have been consolidated with those involving Cascade, and the consolidated hearing will commence November 24th in San Diego, as indicated above.

LASSER CONVERTIBLE FUND SEEKS ORDER. J. K. Lasser Convertible Fund, Inc., Larchmont, N. Y., has applied to the SEC for an order under the Investment Company Act declaring that it has ceased to be an investment company; and the Commission has issued an order (Release IC-3358) giving interested persons until November 27th to request a hearing thereon.

NEW RULE REQUIRES NOTICE OF DELAYED OR SUSPENDED OFFERINGS. The SEC today announced the adoption (Release 33-4427) of a new rule under the Securities Act (Rule 462) which requires that if a bona fide effort is not made to proceed with the offering and sale of registered securities to the public within three business days after the registration statement becomes effective, or if the offering or sale is suspended within 15 days after the effective date, telegraphic or air mail notice of the delay or suspension must be filed with the Commission. The Commission also adopted a similar rule (Rule 263) with respect to offerings under Regulation A. In explanation of the new rules the Commission stated: "It has come to the attention of the Commission that certain offerings have been held off the market after the effective date of the registration statement, or after the date on which the offering could have commenced under Regulation A, for the purpose of avoiding the usual market surveillance or of increasing the demand for, or the price of, the securities to be offered. The securities are then subsequently offered at an increase in price over the price stated in the prospectus or offering circular. If at the time a registration statement becomes effective, or at the time an offering under Regulation A may be commenced, it is intended that the offering will not be commenced immediately or will be suspended, the prospectus or offering circular should disclose such intention and the reasons therefor. The new rules are intended to apply to situations where an offering is delayed or suspended and information with respect to such delay or suspension and the reasons therefor are not contained in the prospectus or offering circular."

WESTERN STATES REAL INVESTMENT TRUST FILES FOR OFFERING. Western States Real Investment Trust, 403 Ursula Street, Aurora, Colo., filed a registration statement (File 2-19288) with the SEC on November 13th seeking registration of 32,000 shares of beneficial interest in the Trust, to be offered for public sale at \$6.25 per share. The offering will be made on a best efforts basis by Westco Corporation, which will receive a 50 cents per share selling commission. The statement also includes 48,000 shares which are reserved for issuance to present stockholders of Real Investments, Inc., a Colorado company, in exchange for its stock in the ratio of five Trust shares for each Class "B" share of Real Investments and 50 Trust shares for each Class "A" share of Real Investments. The prospectus indicates that Class "A" shares of Real Investments were sold at from \$100 to \$250 per share and Class "B" shares at from \$10 to \$21 per share, and that the stock may have been sold in violation of the Securities Act registration requirement, thus creating a potential liability to the purchasers. If the exchange offer is accepted, the assets and liabilities of Real Investments will be absorbed by the Trust.

The Trust is a business trust organized under Colorado law in October 1961. Its purpose is to offer investors an opportunity to participate, through transferable shares, in diversified real estate properties and interests therein not normally available to small investors. Real Investments is engaged in various types of investments in real estate. The net proceeds from the sale of shares will be invested in interests in real estate which offer income-producing potential and the possibility of capital gains. The Trust has retained Duncan & Duncan, a partnership of Denver, as the principal manager and operator of its properties and as real estate advisor to the Trust.

The Trust has outstanding 10 shares, all of which are owned by James R. Elliott, a Trustee and the treasurer of Real Investments. Donald C. Henke and Thomas B. Wilkins, Trustees, are also vice president and secretary, respectively, of Real Investments. Wilkins and Kenneth J. Weiler, another Trustee, each owns 19 shares (10%) of the underwriter, and the stock of the underwriter is in general held by the Class "A" shareholders of Real Investments in direct proportion to the number of shares said persons hold of the Class "A" stock of Real Investments, with the exception of Elliott, Henke, Weiler and Wilkins who hold, as a group, 58 shares of the underwriter.

JOSEPH OLIVER MOSS ARRESTED. Joseph Oliver Moss was arrested on November 7, 1961 in Mountlake Terrace, Wash., (Lit-2140) under an indictment returned September 21st by a grand jury in Littleton, N. H., which charged him and numerous other defendants (including Kenneth H. Gregory and Canam Investments, Ltd.) with violations of the Securities Act anti-fraud provisions in the offer and sale of stock of St. Stephen Nickel Mines Ltd.

SECURITIES ACT REGISTRATIONS. Effective November 14: Columbus and Southern Ohio Electric Co. (File 2-19113); First Western Financial Corp. (File 2-18734); Funded Security Corp. (File 2-18772); Long Drug Stores, Inc. (File 2-18742); Macy Credit Corp. (File 2-19193); Pictorial Productions, Inc. (File 2-18792); John Sexton & Co. (File 2-18987); Technifoam Corp. (File 2-18684).