

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

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

(In ordering full text of Releases from Publications Unit, cite number)



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FOR RELEASE June 1, 1962

MARSHALL PRESS FILES FOR STOCK OFFERING. Marshall Press, Inc., 812 Greenwich Street, New York, filed a registration statement (File 2-20435) with the SEC on May 29th seeking registration of 60,000 shares of common stock, to be offered for public sale at \$3.75 per share. The offering will be made on a best efforts all or none basis through underwriters headed by R. P. Raymond & Co., Inc., 26 Broadway, New York, which will receive a \$.4125 per share commission and \$10,000 for expenses. The statement also includes (1) 3,000 shares to be sold to the underwriters for \$300, and (2) 12,000 shares underlying 5-year warrants to be sold to the underwriters for \$120, exercisable at \$3.75 per share.

The company's principal business is graphic design and reproduction by letterpress, lithography, steel die engraving and thermography. The net proceeds from the stock sale will be used for the compilation and printing of a sales catalogue for distribution nationwide to prospective customers, for development of a national sales staff, and for working capital. In addition to certain indebtedness, the company has outstanding 80,000 shares of common stock (after giving effect to a recent 800-for-1 stock split), of which David M. Kaufmann, president, and Rose M. Kaufmann, secretary-treasurer, own 51% and 48%, respectively. Sale of new stock to the public at \$3.75 per share will result in an increase in the book value of stock now outstanding from 96¢ to \$2.15 per share with a resulting dilution of \$1.60 per share in the book equity of stock purchased by the public.

ROYALTY STORES FILES FOR STOCK OFFERING. Royalty Stores, Inc., 10 Charles Street, Floral Park, N. Y., filed a registration statement (File 2-20436) with the SEC on May 29th seeking registration of 75,000 shares of common stock, to be offered for public sale at \$3.75 per share. The offering will be made on an all or none basis through underwriters headed by R. P. Raymond & Co., Inc., 26 Broadway, New York, which will receive a \$.375 per share commission and \$12,500 for expenses. The statement also includes (1) 4,500 shares sold to the underwriter for \$4,500, and (2) 15,000 shares underlying 4-year warrants sold to the underwriters for \$150, exercisable at \$4 per share.

The company was organized under New York law in May 1962 as successor to five predecessor companies now operated as subsidiaries. Through two subsidiaries, it operates two retail discount stores on Long Island and through separate subsidiaries, is engaged in the wholesale distribution and general merchandising in the New York metropolitan area as adjuncts to its primary discount store business. The company has plans for new discount department stores in Nassau and Suffolk Counties, Long Island, to sell the full range of merchandise now carried by the existing two stores, and plans to open several smaller new stores on Long Island for the sale of a more limited range of merchandise. The net proceeds from the stock sale will be used to finance the plans to increase the number of stores, for an intensified advertising campaign, and for general corporate purposes.

In addition to certain indebtedness, the company has outstanding 113,500 shares of common stock, of which Daniel Greenberg, board chairman, Walter Rosen, president, Leo Levine, vice president, and Louis Ohrenstein, secretary, own 24% each. Sale of new stock to the public at \$3.75 per share will result in an increase in the book value of stock now outstanding from \$1.42 to \$2.01 per share with a resulting dilution of \$1.74 per share in the book equity of stock purchased by the public.

ARGUS PROPOSES DEBENTURE OFFERING. Argus Incorporated, 5950 W. Touhy Ave., Chicago, filed a registration statement (File 2-20437) with the SEC on May 29th seeking registration of \$4,000,000 of 6% convertible subordinated debentures due 1972, to be offered for public sale on a best efforts all or none basis by Freehling, Meyerhoff & Co., 120 S. La Salle Street, Chicago. The public offering price and underwriting terms are to be supplied by amendment. The statement also includes (1) 24,000 common shares underlying 5-year warrants to be sold to the underwriter at 50¢ each, exercisable (at a price to be supplied by amendment) at the rate of 600 shares for each \$100,000 of debentures sold, and (2) \$4,200,000 of like debentures, \$1,000,000 of which are to be offered to the holders of the company's 6% convertible subordinated debentures due 1967 in exchange therefor, and \$3,200,000 to be issued to Sylvania Electric Products, Inc., in exchange for a \$3,200,000 short-term promissory note of the company.

The company (formerly Transfield Industries, Inc.) is a manufacturer and distributor of 8mm amateur motion picture and 35mm still equipment and related accessories. In May 1962, the company purchased from Sylvania Electric its Argus Business for \$9,003,773 subject to certain adjustments. Through its new Argus Division, the company intends to continue to manufacture and sell the generally higher priced lines of amateur photographic equipment previously sold under the Argus name consisting principally of slide projectors, 35mm still cameras, movie projectors and related equipment and accessories. Of the net proceeds from the debenture sale, \$1,000,000 will be used to repay a short-term loan due Kirkeby-Natus Corp., incurred to finance the acquisition of a subsidiary in 1961; \$2,000,000 will be applied as partial payment of a \$3,000,000 short-term bank loan, incurred to make the initial \$1,000,000 payment to Sylvania, to repay another loan and for working capital; and the balance will be added to working capital. In addition to certain indebtedness, the company has outstanding 571,980 shares of common stock, of which Herbert R. Leopold, president, owns 10.2% and management officials as a group 29%.

OVER

VANADIUM CORP. FILES STOCK PLANS. Vanadium Corporation of America, 420 Lexington Avenue, New York, filed a registration statement (File 2-20438) with the SEC on May 31st seeking registration of 4,323 shares of common stock, to be offered pursuant to its 1951 and 1956 Stock Option Plans.

FLORIDA WATER AND UTILITIES PROPOSES DEBENTURE OFFERING. Florida Water and Utilities Co., 1491 N.W. 20 Street, Miami, filed a registration statement (File 2-20439) with the SEC on May 29th seeking registration of \$750,000 of 5½% convertible subordinated debentures due 1982, to be offered for public sale at 100% of principal amount by Finkle & Co., 70 Wall Street, New York. The underwriting terms are to be supplied by amendment. The statement also includes (1) 10,000 common shares underlying 10-year warrants to be sold to the underwriter for \$100, exercisable at a price to be supplied by amendment, and (2) 42,000 common shares underlying restricted stock options.

The company is engaged in the ownership and operation of water treatment and distribution systems and a sewage collection system and treatment plant located in, and serving a portion of, unincorporated suburban Dade County south of Miami. Of the net proceeds from the debenture sale, \$300,000 will be used to pay short-term bank loans incurred in part to finance recent additions to utility plant, to pay the cash portion of the purchase price of all the outstanding stock of Richmond Utilities Corp., a Florida company, and to provide Richmond with working capital; \$200,000 for additions to utility plant during the balance of 1962; and the balance for working capital. In addition to certain indebtedness, the company has outstanding 240,316 shares of common stock, of which Joshua J. Segal, board chairman, and David Blumberg, president, own 23.3% and 9.3%, respectively, and management officials as a group about 33%.

INVESTORS REALTY TRUST FILES FOR OFFERING. Investors Realty Trust, 3315 Connecticut Avenue, Washington, D.C., filed a registration statement (File 2-20440) with the SEC on May 31st seeking registration of 200,000 shares of beneficial interest in the Trust, to be offered for public sale (without underwriting) at \$10 per share.

Organized as a business Trust under District of Columbia law in May 1962, the Trust's purpose is to provide investors with an opportunity to own, through transferable non-voting shares, an interest in various types of income-producing properties, consisting primarily of real estate interests, in a manner which would not normally be available to them individually. The Trust is designed to qualify as a "real estate investment trust" under the Internal Revenue Code. It will be the Trust's policy to acquire only properties which are or can be leased on a long-term "net" lease basis, under which the occupant of the property takes care of all maintenance and repairs, pays taxes, insurance and other expenses, and remits specified rental payments to the Trust. The Trust has issued an aggregate of 54,625 shares in exchange for certain assets of Realty Investors Associates, a limited partnership, such assets consisting primarily of (1) 15 acres of land at Tyson's Corner, Fairfax, Va., which land has been leased to a subsidiary of GEM International, Inc., and on which there will be constructed a department store and other improvements (up to \$1,250,000 to be paid by the Trust); and a commitment to purchase an office building on a lease-back arrangement from Safeway Stores, Inc., which building is to be erected by Safeway. Of the net proceeds from the sale of shares, \$1,250,000 will be used to construct a store building, filling station, parking lot and other improvements of the Fairfax land, \$600,000 to \$1,000,000 to purchase the office building from Safeway, and the balance for investment in real estate assets or other suitable investments.

The Trust has outstanding the 54,625 shares which, as indicated, are all owned by Realty Investors Associates. Louis Schwartz owns a 10.5% interest and Irving and Edith P. Wilner jointly own a 10.5% interest in Realty Investors, and management officials and trustees of the Trust and their associates, as a group, own 17.85% of Realty Investors. Raymond J. Gerber, and David H. Legum, managing trustees of the Trust, are the general partners of Realty Investors.

IMPERIAL MINING STOCK OFFERING SUSPENDED. The SEC has issued an order temporarily suspending a Regulation A exemption from registration under the Securities Act of 1933 with respect to a stock offering by Imperial Mining, Inc., 130 Fourth Street, Las Vegas, Nevada.

Regulation A provides a conditional exemption from registration with respect to public offerings of securities not exceeding \$300,000 in amount. In a notification and offering circular filed on November 15, 1961, Imperial proposed the public offering of 3,000,000 common shares at an aggregate offering price not to exceed \$300,000. The Commission asserts in its suspension order that it has reasonable cause to believe that the offering is being made in violation of the anti-fraud provisions of the Securities Act and that Imperial's offering circular is false and misleading in respect of certain material facts, particularly with respect to the offering price of the shares; the interests of officers, directors, promoters and affiliates of Imperial; the annual remuneration of officers and directors; the nature and quality of the mineralized deposits and risks of title to mining claims; a description of the securities offered; the right of shareholders to determine under certain circumstances, the use to which the proceeds will be put, including the right to return of unexpended funds by liquidation of Imperial; the nature of the property interests of Imperial in its mining properties; the procuring of new properties and selling of present interests; the expenses of the offering; and the intention of Imperial as to employment of an engineering and mining superintendent and the use of proceeds in paying his salary.

The order provides an opportunity for hearing, upon request, on the question whether the suspension should be vacated or made permanent.

COLUMBIA GAS DEBENTURE OFFERING CLEARED. The SEC has issued an order under the Holding Company Act (Release 35-14648) authorizing The Columbia Gas System, Inc., New York holding company, to issue and sell \$25,000,000 principal amount of ___% debentures, due June 1, 1987, at competitive bidding. Proceeds of the offering will be used to aid Columbia's subsidiary companies in financing their 1962 construction programs, presently estimated to aggregate approximately \$100,000,000, and for other corporate purposes. (The intra-system financing transactions by which the construction funds will be made available to the subsidiary companies are the subject of a separate pending filing. See Holding Company Act Release No. 35-14633.)

SUBURBAN GAS GRANTED EXEMPTION. The SEC has issued an order under the Holding Company Act (Release 35-14649) exempting Suburban Gas, Pomona, Calif., and its subsidiaries, from all provisions of the said Act. (For details of the application for exemption filed by Suburban, see Release 35-14636, News Digest of May 14, 1962.)

TRADING BAN IN THREE STOCKS CONTINUED. The SEC has issued orders under the Securities Exchange Act suspending trading in the Common Stock of Precision Microwave Corporation for an additional ten-day period, June 3 to June 12, 1962, inclusive, and suspending trading in the Class A Stock, 5 cents par value, of Automated Procedures Corporation and the Common Assessable Stock, \$1 par value, of Industrial Enterprises, Inc., for an additional ten-day period, June 4 to June 13, 1962, inclusive. The trading ban with respect to the said securities applies to the American Stock Exchange, the National Stock Exchange, and the San Francisco Mining Exchange, respectively, on which the securities are listed, as well as to trading in the over-the-counter market.

UNLISTED TRADING GRANTED. The SEC has granted applications of the Boston and Philadelphia-Baltimore Stock Exchanges (Release 34-6816) for unlisted trading privileges in the common stock of Unilever N.V.

TWO DELISTINGS APPROVED. The SEC has granted applications of the American Stock Exchange to delist the common stock of New York Merchandise Company, Inc., and the 6% Cumulative Convertible Class A common stock of Bayview Oil Corporation, both effective at the close of business June 15, 1962. (Release 34-6816).

SELECTED SECURITIES HEARING POSTPONED. The SEC has authorized a postponement from June 4 to June 14, 1962, of the hearing in the proceedings under the Securities Exchange Act to determine whether the broker-dealer registration of Selected Securities, Inc., Washington, D. C., should be revoked. The postponement was requested by E. K. Burgess, president of the company.

LONDONTOWN MANUFACTURING HEARING POSTPONED. At the request of counsel for The Londontown Manufacturing Company, of Baltimore, the Commission has authorized a further postponement, from June 4 to July 2, 1962, at 10:00 A.M., of the hearing in the proceedings under the Securities Act of 1933 to determine whether a stop order should be issued suspending that company's registration statement under the Securities Act.

ORAL ARGUMENT. Alexander Reid & Co., Inc., June 7, 2:30 P.M.

SECURITIES ACT REGISTRATIONS. Effective May 31: Vacco Valve Co. (File 2-19768). Effective June 1: Atlantic Utilities (File 2-19691); Funded Security Corp. (File 2-20124); Link-Belt Co. (File 2-20328); Mead Johnson Co. (File 2-20267); Puerto Rico Land and Development Corp. (File 2-19343); Starret Corp. (File 2-19582); Thiokol Chemical Corp. (File 2-19996). Withdrawn June 1: Val-U Homes Corp. of Delaware (File 2-18786); The Penn Square Corp. (File 2-20162).

SKELLY OIL FILES THRIFT PLAN. Skelly Oil Company, P. O. Box 1650, Tulsa, Okla., filed a registration statement (File 2-20442) with the SEC on May 31st seeking registration of \$570,000 of participations in its Thrift Plan, and 10,000 shares of common stock which may be acquired pursuant thereto.

AUSTRALIA PROPOSES BOND OFFERING. The Commonwealth of Australia today filed a registration statement (File 2-20445) with the SEC seeking registration of \$30,000,000 of bonds due 1982, to be offered for public sale through underwriters headed by Morgan Stanley & Co., 2 Wall Street, New York. The interest rate, public offering price and underwriting terms are to be supplied by amendment. The net proceeds from the bond sale will be added to Australia's international reserves and will be applied towards capital expenditures for such public works projects as housing, the extension of electric power transmission facilities, the modernization of railroad equipment and the construction of additional water supply, irrigation and sewerage facilities.

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