

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

March 3, 2005

ADMINISTRATIVE PROCEEDING
File No. 3-11843

In the Matter of

**SAVERIO (SAMMY)
GALASSO III,**

Respondent.

**ORDER INSTITUTING ADMINISTRATIVE
PROCEEDINGS PURSUANT TO SECTION
15(b) OF THE SECURITIES EXCHANGE
ACT OF 1934**

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) against Saverio (Sammy) Galasso III (“Respondent” or “Galasso”).

II.

After an investigation, the Division of Enforcement alleges that:

A. RELEVANT ENTITY

1. **Spectrum Brands Corp.** (“Spectrum Brands” or the “company”) was an inactive, publicly traded shell based in Boca Raton, Florida as of September 2001. From October through December 2001, Spectrum Brands was controlled and managed by a group of promoters and convicted felons working out of a suite of offices at 33 Tec Street, Hicksville, NY (the “Hicksville promoters”).

B. RESPONDENT

1. **Galasso** was one of the Hicksville promoters during the relevant period. Galasso, approximately 36 years old, is a resident of Woodbury, New York.

2. Galasso participated in an offering of Spectrum Brands common stock, which is a penny stock.

C. ENTRY OF THE INJUNCTION

1. On May 20, 2002, a final judgment was entered by default against Galasso, permanently enjoining him from future violations of Section 17(a) of the Securities Act of 1933, Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, in the civil action entitled Securities and Exchange Commission v. Spectrum Brands Corp., et al., Civil Action Number 01-CV-8257, in the United States District Court for the Eastern District of New York.

2. The Commission's Complaint alleged that Galasso, among others, participated in a fraudulent scheme to exploit the nation's fear of anthrax and bio-terrorism to manipulate the stock price of Spectrum Brands. As part of this scheme, Galasso and the other Hicksville promoters claimed falsely to have a hand-held device called the DeGERMinator capable of "WIP(ING) OUT SURFACE GERMS IN LESS THEN 5 SECONDS, INCLUDING ANTHRAX." They also misrepresented the true ownership and control of the company.

III.

In view of the allegations made by the Division of Enforcement, the Commission deems it necessary and appropriate in the public interest that public administrative proceedings be instituted to determine:

A. Whether the allegations set forth in Section II are true and, in connection therewith, to afford Galasso an opportunity to establish any defenses to such allegations;

B. Whether, pursuant to Section 15(b) of the Exchange Act, it is appropriate and in the public interest to bar Galasso from participating in any offering of penny stock, including: acting as a promoter, finder, consultant, agent or other person who engages in activities with a broker, dealer or issuer for purposes of the issuance or trading in any penny stock; or inducing or attempting to induce the purchase or sale of any penny stock.

IV.

IT IS ORDERED that a public hearing for the purpose of taking evidence on the questions set forth in Section III hereof shall be convened at a time and place to be fixed, and before an Administrative Law Judge to be designated by further order as provided by Rule 110 of the Commission's Rules of Practice, 17 C.F.R. § 201.110.

IT IS FURTHER ORDERED that Galasso shall file an Answer to the allegations contained in this Order within twenty (20) days after service of this Order, as provided by Rule 220 of the Commission's Rules of Practice, 17 C.F.R. § 201.220.

If Galasso fails to file the directed answer, or fails to appear at a hearing after being duly notified, Galasso may be deemed in default and the proceedings may be determined against him upon consideration of this Order, the allegations of which may be deemed to be true as provided by Rules 155(a), 220(f), 221(f) and 310 of the Commission's Rules of Practice, 17 C.F.R. §§ 201.155(a), 201.220(f), 201.221(f) and 201.310.

This Order shall be served forthwith upon Galasso personally or by certified mail.

IT IS FURTHER ORDERED that the Administrative Law Judge shall issue an initial decision no later than 210 days from the date of service of this Order, pursuant to Rule 360(a)(2) of the Commission's Rules of Practice.

In the absence of an appropriate waiver, no officer or employee of the Commission engaged in the performance of investigative or prosecuting functions in this or any factually related proceeding will be permitted to participate or advise in the decision of this matter, except as witness or counsel in proceedings held pursuant to notice. Since this proceeding is not "rule making" within the meaning of Section 551 of the Administrative Procedure Act, it is not deemed subject to the provisions of Section 553 delaying the effective date of any final Commission action.

For the Commission, by its Secretary, pursuant to delegated authority.

Jonathan G. Katz
Secretary