

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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Washington 25, D.C.

FOR RELEASE June 23, 1961

FOAMLAND U.S.A. FILES FOR OFFERING AND SECONDARY. Foamland U.S.A., Inc., Cherry Valley Terminal Road, West Hempstead, L.I., New York, filed a registration statement (File 2-18344) with the SEC on June 22, 1961, seeking registration of 150,000 shares of common stock, of which 90,000 shares are to be offered for public sale by the company and 60,000 shares, being outstanding stock, by the present holders thereof. The offering will be made at \$5 per share on an all or none basis through underwriters headed by Fialkov & Co., Inc., which will receive a 50¢ per share commission and \$11,500 for expenses. The registration statement also includes an additional 15,000 outstanding common shares which Max Fialkov purchased from the selling stockholders and 5,000 shares so purchased by the finder, Business Management Associates, all at \$1 per share.

The company is engaged in the design, manufacture, assembly and sale of popular-priced modern sofas, lounges, chairs, convertible sleepers and sectional furniture, the cushioning of which is composed of foam products. Under the name of Foamland, U.S.A., the company distributes its entire line at retail through 18 stores in the New York-New Jersey Metropolitan area, 10 of which are wholly owned by the company and 8 are agency-distributors. Through Nu-Era Wood Products, Inc., a wholly owned subsidiary, the company sells most of its furniture components to manufacturers of finished furniture and some of its line of finished units to department and furniture stores. Of the net proceeds from the company's sale of additional stock, about \$325,000 will be used to defray the expenses of opening new stores in the New York-New Jersey area and elsewhere in the United States, and the balance to develop new furniture items and component parts thereof, including its Pak-A-Lounge line. Any proceeds not so used may be added to working capital and used for general corporate purposes.

In addition to certain indebtedness, the company has outstanding 300,000 shares of common stock, of which Morris Goldner, president, and Nathan Goldner, secretary-treasurer, own 103,333 shares each and propose to sell 22,222 shares each; and Herman Feldstein, vice president, owns 72,334 shares and proposes to sell 15,556 shares.

HARN CORP. FILES FOR RIGHTS OFFERING AND SECONDARY. The Harn Corporation, 1800 East 38th Street, Cleveland, filed a registration statement (File 2-18337) with the SEC on June 20th seeking registration of a maximum of 150,000 shares of common stock, to be offered for public sale in part by the company (through a rights offering to shareholders) and the balance (amounting to \$300,000 after underwriting commissions) by Herman Cohen, a director. The rate of subscription and record date, subscription and offering price and underwriting terms are to be supplied by amendment. J. R. Williston & Bean heads the list of underwriters. The prospectus states that certain of the controlling stockholders have waived rights with respect to 299,895 outstanding shares.

The company is engaged in the manufacture and sale of products for baby nursery, domestic (home) and institutional use. Such products include padded and quilted crib, play-pen, and bassinet accessories, as well as comforters, quilts, decorative pillows, and mattress and chair pads. The company added infants' and children's knitted garments, infants' sleepwear and adult knitted sportswear to its product lines in 1960. Of the estimated \$1,200,000 net proceeds from the company's sale of stock, \$430,000 will be used to repay obligations to banks incurred to retire trade accounts payable; \$500,000 for the retirement of trade accounts payable and for the purchase of raw materials; \$50,000 for the purchase of plant equipment and leasehold improvements; and the balance will be added to the company's general funds and used as required for working capital purposes such as raw material purchases, payment of trade accounts, payment of wages and salaries, and advertising and promotional expenses.

In addition to certain indebtedness, the company has outstanding 525,613 shares of common stock, of which Rudolph Cohen, president, Arnold Cohen, executive vice president, and Herman Cohen, the selling stockholder, own 18% each, and management officials as a group own 65%.

BARBER OIL FILES STOCK OPTION PLAN. Barber Oil Corporation, 30 Rockefeller Plaza, New York, filed a registration statement (File 2-18347) with the SEC on June 22d seeking registration of 62,159 shares of capital stock, of which 51,119 shares have been or may be issued pursuant to options granted or to be granted under its Stock Option Plan, and 11,040 may be issued pursuant to an option granted to T. Tieber, board chairman.

CHARTER INDUSTRIES PROPOSES STOCK OFFERING. Charter Industries Inc., 399 Codwise Ave., New Brunswick, N. J., filed a registration statement (File 2-18348) with the SEC on June 22d seeking registration of 100,000 shares of common stock, to be offered for public sale at \$4 per share. The offering is to be made on an all or none, agency basis by underwriters headed by Standard Securities Corporation, which will receive a selling commission of 48¢ per share. Also included in the registration statement are an additional 12,000 shares recently acquired by Standard for \$5,000 and 2,400 shares sold to Joseph M. Herman for \$1,000 in recognition of services rendered, as well as 15,000 shares which underlie four-year warrants which may be acquired by the underwriters for \$150 and which are exercisable at \$4 per share. The statement also includes an additional 23,104 shares issuable upon conversion of a promissory note.

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Organized June 1, 1961, under Delaware law, the company will succeed by merger to Blavin Industries Inc., a New Jersey company organized in June 1960. The company (including such predecessor) has been engaged in the manufacture of molded plastic products, according to the prospectus, through the use of an improved extrusion-injection molding process. The production line is now in pilot operation and is expected to be ready for full scale production in August 1961. The company also intends to carry on a further mold and machinery development program to enable it to sell or license special purpose high production rate molding machinery and molds to others. The proceeds of this financing will be used to commence commercial manufacturing and marketing operations as well as to augment its present plant capacity.

After giving effect to the merger and the conversion of the company's \$29,172 promissory note, the company will have outstanding 216,000 common shares. Purchasers of the 100,000 new shares will own 32% of the then outstanding stock for a cash investment of \$400,000 and the present stockholders 68% for a cash investment of \$216,030. Of the outstanding stock, Robert W. Boyden, president, owns 23,320 shares; Albert M. Schlosberg, vice president, 29,676; and George F. Blasius, of Westfield, N. J., 51,439 shares.

MIDDLE ATLANTIC INVESTMENT FILES FOR OFFERING AND SECONDARY. Middle Atlantic Investment Company, Elkins Park, Pa., filed a registration statement (File 2-18346) with the SEC on June 22d seeking registration of 87,500 shares of common stock, of which 70,000 shares are to be offered for public sale at \$10 per share. The offering is to be made on a best efforts basis by Best & Garey Company, Inc., of Washington, D. C., which will receive a \$1.50 per share selling commission. Also included in the registration statement are an additional 14,500 shares recently sold to the underwriter for \$1,450 and 3,000 shares owned by two present stockholders, which shares may be offered for sale at \$10 per share.

The company was organized in June 1960 under Delaware law for the purpose of investing, holding and acquiring securities in insurance companies and other companies engaged in the field of finance. Through two wholly owned subsidiaries, Middle Atlantic Life Insurance Company and Middle Atlantic Mortgage Service Company, it expects to engage in (1) the writing of life insurance, (2) and the servicing and procuring of mortgages for the account of the insurance subsidiary and any other business organization. With the proceeds of the company's stock sale, the company expects to make additional investments of \$390,000 in the insurance company and \$50,000 in the service company and to repay \$109,750 of loans, the balance to be added to working capital.

The company was organized primarily through the efforts of Gerard T. Corkery, president, and William H. Matthews, vice president, each of whom purchased 7,000 common shares at 10¢ per share. The 39,500 outstanding shares will represent 38.7% of the voting power (assuming sale of the new shares) at a cash cost of \$3,950. The two selling stockholders are Campbell & Giltinan and Norman Cahan, both of Philadelphia.

JOHNSON & JOHNSON FILES STOCK OPTION PLAN. Johnson & Johnson, 501 George St., New Brunswick, N. J., filed a registration statement (File 2-18349) with the SEC on June 22d seeking registration of 315,206 shares of common stock, to be offered pursuant to the company's Restricted Stock Option Plan.

SHELL OIL PROPOSES DEBENTURE OFFERING. Shell Oil Company, 50 West 50th St., New York, today filed a registration statement (File 2-18353) with the SEC seeking registration of \$200,000,000 of sinking fund debentures due 1986, to be offered for public sale through an underwriting group headed by Morgan Stanley & Co. The interest rate, public offering price and underwriting terms are to be supplied by amendment. Net proceeds of the debenture sale will be used in part to retire the \$100,000,000 of outstanding 4.50% notes payable to a bank; and the balance will be added to general funds of the company and used for its general corporate purposes, including expenditures for exploration and development of oil and gas properties and for other property additions and for investments in and advances to subsidiary companies and to an affiliate, Shell Oil Company of Canada Ltd. The proceeds of the notes to be retired were also used for general corporate purposes.

UNION ELECTRIC PROPOSES BOND OFFERING. Union Electric Company, St. Louis, Mo., today filed a registration statement (File 2-18352) with the SEC seeking registration of \$30,000,000 of first mortgage bonds due 1991, to be offered for public sale at competitive bidding. Net proceeds of the sale of the bonds will become part of the general funds of the company, through reimbursement of its treasury for capital expenditures heretofore made. Such funds will be used (a) to retire short-term bank loans of \$15,500,000 incurred to meet in part 1961 construction costs, (b) to finance the cost of continuing property additions, and (c) for other corporate purposes. About \$56,000,000 of construction expenditures are budgeted for the year 1961, of which \$10,500,000 had been expended to March 31st; and for the two years 1961 and 1962 construction expenditures are expected to aggregate \$107,500,000.

NOTICE OF UNION ELECTRIC BOND OFFERING. The SEC has issued an order under the Holding Company Act (Release 35-14469) giving interested persons until July 14th to request a hearing on the bond financing proposal of Union Electric Company, as set forth above.

CONSUMERS POWER PROPOSES BOND OFFERING. Consumers Power Company, 212 West Michigan Ave., Jackson, Mich., today filed a registration statement (File 2-18354) seeking registration of \$40,000,000 of first mortgage bonds due 1991, to be offered for public sale at competitive bidding. Net proceeds of the bond sale will be used to finance in part the company's construction program, to reimburse its treasury for expenditures made for such purposes, and to repay bank loans obtained and to be obtained in connection with interim financing of the construction program. Construction expenditures in 1961 are estimated at \$100,900,000, of which about \$22,200,000 had been expended to April 30.

HAROLD LESE PROMOTED. SEC Chairman Cary today announced the promotion of Harold V. Lese to the position of Associate Chief Counsel, Division of Corporation Finance. In this position, Mr. Lese will share the duties and responsibilities of the Division's Chief Counsel (Charles E. Shreve), with particular emphasis on the administrative direction, supervision and coordination of all interpretative functions of the Division. A career employee, Mr. Lese joined the Commission's staff on March 19, 1941, and was assigned to the Division of Corporation Finance in 1942. He has advanced to progressively more responsible positions within the Division and has held the position of Chief of the Branch of Interpretations and Review since 1959. Mr. Lese received an A.B. degree from Harvard in 1929 and his J.D. degree from New York University Law School in 1932. He was admitted to the New York Bar in 1932. From 1934 to 1936 he was employed as an attorney with the Department of State, and for the following three years he served on the legal staff of the Department of the Interior.

NORTHERN STATES POWER FILES FOR BOND OFFERING. Northern States Power Company (Minn.), 15 South Fifth St., Minneapolis, today filed a registration statement (File 2-18355) seeking registration of \$20,000,000 of first mortgage bonds due 1991, to be offered for public sale at competitive bidding. Net proceeds of the bond sale will be added to the company's general funds and used to pay part of the expenditures under its construction program, including the payment of some \$14,000,000 of bank loans temporarily required to replenish the cash position of the company which had been reduced by the payment of certain of such expenditures. The company's 1961 construction program is estimated at \$42,700,000.

SEC COMPLAINT NAMES NATIONAL CHEMICAL & MINERALS, OTHERS. The SEC New York Regional Office announced June 19th (LR-2052) the filing of a complaint (USDC SDNY) seeking to enjoin for violation of the Securities Act registration and anti-fraud provisions in the offer and sale of stock of National Chemical & Minerals Corp. by that company and Chamberlain Associates, Stephen C. Lamb, Edward Anderson, Edward Cregar, Homer Black and Howard F. Hansell, Jr.

JURY CONVICTS THREE. The SEC San Francisco Regional Office announced June 19th that John W. Martin, Leroy H. Shoemaker and Gerlad A. Cohan were convicted by a Federal court jury in Las Vegas on a one-count indictment charging them with conspiracy to commit mail fraud in the offer and sale of securities relating to the filing of Desert Land Entries in Nevada and the subsequent promotion and development of the lands. Alvin H. Fry previously pleaded nolo contendere and Jock Hemingway was granted a severance for separate trial.

UNITED INDUSTRIAL TRADING BAN CONTINUED. The SEC has issued an order temporarily suspending trading in securities of United Industrial Corporation (Del.) on certain exchanges and the over-the-counter market for a further ten-day period June 25 to July 4, 1961, inclusive.

CANADIAN RESTRICTED LIST. The SEC has added Leader Mining Corporation Ltd. to its Canadian Restricted List and deleted Arcan Corporation Ltd. from the list, which is comprised of the names of 253 Canadian companies whose securities recently have been or currently are being distributed in the United States in violation of the registration requirements of the Securities Act of 1933, thus depriving investors of the financial and other information essential to an informed and realistic evaluation of the worth of the securities which registration would provide.

SECURITIES ACT REGISTRATIONS. Effective June 23: Chamblee Self-Service Associates (File 2-18083); Curley Company, Inc. (File 2-17872); State Bond & Mortgage Co. (File 2-17610).