

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST



Washington, D.C. 20549

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)

(Issue No. 67-7)

FOR RELEASE January 11, 1967

SANCTION IMPOSED ON DeFILLIPPO. In a decision announced today under the Securities Exchange Act (Release 34-8018), the Commission found Gerard De Filippo to be a cause of a prior Commission order revoking the broker-dealer registration of William Glanzman & Co., Inc., New York (see SEC News Digest of October 9, 1964). DeFillippo, a former vice president of Glanzman & Co., was found to have aided and abetted that firm's violations of the anti-fraud provisions of the Federal securities laws in the sale of common stock of Gaslite Equipment Co., Inc. According to the decision, DeFillippo made "materially false and misleading" statements in the sale of such stock, including predictions of substantial price rises within specified short periods of time which were "inherently fraudulent." The Commission further observed that DeFillippo must have realized that he was participating in a fraudulent "boiler-room" sales campaign. Certain other officers and employees were previously found to have been a cause of Glanzman & Co.'s revocation.

GARY S. KUGLER BARRED. The SEC today announced a decision under the Securities Exchange Act (Release 34-8019) barring Gary S. Kugler, 88-29 155th Ave., Howard Beach, N. Y., from future association with any broker-dealer firm. Kugler was president and principal stockholder of Craig, Jeffers & Co., Inc., until its broker-dealer registration was withdrawn in March 1966.

The order for proceedings alleged that Kugler violated the anti-fraud provisions of the Federal securities laws in the sale of common stock of Electro-Temp Systems, Inc., through "high pressure sales techniques and misrepresentations." It was also alleged, among other things, that he failed to consider properly the suitability of those securities for customers, employed salesmen with knowledge or reason to believe that they were subjects of pending remedial actions relating to their past securities activities and permitting those and other salesmen to sell Electro stock without appropriate training or supervision. The order for proceedings also charged that Kugler violated the same statutory provisions by "reloading" the purchasers with Electro stock and sending confirmations of sales to persons who had not agreed to purchase the stock, including purchases at excessive prices, and making false and misleading representations concerning, among other things, the present and potential market price of Electro stock, the soundness of an investment in such stock and Electro's operations. Kugler consented to the bar order without admitting or denying the allegations of the order for proceedings.

EIGHT TRADING BANS CONTINUED. The SEC has issued orders under the Securities Exchange Act suspending exchange and/or over-the-counter trading in securities of the following companies for the additional 10-day period January 13-22, 1967, inclusive: Continental Vending Machine Corporation, Lincoln Printing Company, Pakco Companies, Inc., Pinal County Development Association, Sports Arenas, Inc., Underwater Storage, Inc., United Security Life Insurance Company, and Westec Corporation.

REGENCY FUND RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-4816) declaring that The Regency Fund, Inc., New York, has ceased to be an investment company. The application states that, pursuant to a stockholder-approved plan of liquidation and dissolution, the company has ceased operations except for the purpose of winding up its affairs.

FARAH MFG FILES FOR OFFERING AND SECONDARY. Farah Manufacturing Company, Inc., 8869 Gateway West, El Paso, Tex. 79985, filed a registration statement (File 2-25883) with the SEC on January 10 seeking registration of 750,000 shares of common stock. Of this stock, 400,000 shares (being outstanding stock) are to be offered for public sale by the present holders thereof and 350,000 by the company. The offering is to be made through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith, Inc., 70 Pine St., New York 10005. The public offering price (\$19 per share maximum*) and underwriting terms are to be supplied by amendment.

The company produces slacks and jeans for men and boys under the "Farah" label. Of the net proceeds of its sale of additional stock, \$1,000,000 will be used to finance the acquisition and equipment of a new factory in San Antonio, Tex.; \$3,000,000 will be used to reduce short-term borrowings; and the balance will be added to working capital. In addition to indebtedness, the company has outstanding 479,500 common and 1,712,500 Class B shares. The prospectus lists 80 selling stockholders, including the Estate of James Farah, deceased, which is offering 74,850 of 89,726 common shares held; and William F. Farah (president), 74,441 of 89,236. The selling stockholders presently own all of the outstanding stock of the company.

DUQUESNE LIGHT PROPOSES BOND OFFERING. Duquesne Light Company, 435 Sixth Ave., Pittsburgh, Pa., 15219, filed a registration statement (File 2-25887) with the SEC on January 11 seeking registration of \$25,000,000 of first mortgage bonds, due 1997, to be offered for public sale at competitive bidding. The company will use the net proceeds of its bond sale, together with certain other funds, in connection with its construction program (estimated at \$35,000,000 for 1967).

MOODY'S FUND PROPOSES OFFERING. Moody's Fund, Inc., 28 Park Pl., New York 10007, today filed a registration statement (File 2-25890) with the SEC seeking registration of 2,000,000 shares of capital stock. The stock is to be offered for public sale at \$15 per share through underwriters headed by Kidder, Peabody & Co., Inc., 20 Exchange Pl., New York 10005, and two other firms, which will receive a \$1.275-per-share commission.

OVER

Organized under Maryland law in December 1966, the primary objective of the Fund is "to provide a reasonable return from securities of good quality." Moody's Advisors & Distributors, Inc., is its investment adviser. The Fund has outstanding 7,286 capital shares, which were purchased at \$13.725 by Moody's Investors Service, Inc., the parent company of the investment adviser. William I. LaTourette is president of the Fund and of the advisory firm.

FOUR STOCK PLANS FILED. Form S-8 registration statements have been filed with the SEC by the following companies, seeking registration of securities for offering under employee and/or officer stock plans:

International Telephone and Telegraph Corporation, 320 Park Ave., New York 10022 (File 2-25884)
(255,233 shares)
Piasecki Aircraft Corporation, Island Rd. at International Airport, Philadelphia, Pa. 19142 (File 2-25886)
(15,400 shares)
Gregory Industries, Inc., 28th St. and Toledo Ave., Lorain, Ohio 44055 (File 2-25888) (2,100 shares)
Hoover Ball and Bearing Company, 135 E. Bennett St., Saline, Mich. (File 2-25889) (53,676 shares)

RECENT FORM 8-K FILINGS. The companies listed below have filed Form 8-K reports for the month indicated and responding to the item of the Form specified in parentheses. Photocopies thereof may be purchased from the Commission's Public Reference Section (please give News Digest's "Issue No." in ordering). Invoice will be included with the requested material when mailed. An index of the captions of the several items of the form was included in the January 3 News Digest.

Burlington Industries Inc Dec 66 (13)	1-2932-2	Diners Club Inc Dec 66 (1)	1-3994-2
Nordon Corp Ltd Nov 66 (11)	1-547-2	Raymond International Inc Dec 66 (12)	1-4314-2
Ansonia Wire & Cable Co Sept 66 (9)	1-4580-2	Richardson Co Dec 66 (4,7,13)	0-574-2
American Alloys Corp Oct 66 (6)	2-12296-2	Servo Corp of America Nov 66 (12)	1-3925-2
Nov 66 (11)	2-12296-2	Consolidated Leasing Corp of America Dec 66 (11,13)	1-5201-2
First Western Financial Corp Dec 66 (12,13)	1-4938-2	Lin Broadcasting Corp Dec 66 (2,7,13)	2-24468-2
Glidden Co Dec 66 (11,13)	1-531-2	Reynolds Metals Co Dec 66 (12)	1-1430-2
Indiana Bell Telephone Dec 66 (7)	2-21428-2	Singer Co Dec 66 (7)	1-4327-2
Neisner Brothers Inc Dec 66 (7)	1-607-2	Tennessee Forging Steel Corp Dec 66 (7)	2-25145-2
Riegel Paper Corp Dec 66 (12,13)	1-3959-2	Deer Park Baking Co Dec 66 (11)	2-19220-2
Thrift Drug Co Of Penn. Dec 66 (7,10)	0-1-2	Empire State Oil Co Dec 66 (10)	0-666-2
Winter Park Telephone Co. Nov 66 (7,13)	0-1254-2	Tidelands Capital Corp Dec 66 (2,13)	0-1487-2
Alpha Portland Cement Co Dec 66 (7,13)	1-954-2	Victoreen Instrument Co Dec 66 (8)	1-4106-2
Brockton Dec 66 (7,11,13)	0-1036-2	Atlas Chemical Industries Inc Dec 66 (7,8,12,13)	1-177-2
Hawaiian Electric Co Inc Dec 66 (11,13)	1-4955-2	Superior Oil Co Dec 66 (11)	1-4744-2
Life Insurance Co. Of Kentucky Dec 66 (1)	2-20065-2	Trans-Beacon Corp Dec 66 (12,13)	1-2342-2
Shelby Williams Industries Inc Dec 66 (7,13)	0-2176-2	West Virginia Pulp & Paper Co Dec 66 (13)	1-3013-2
Warner Lambert Pharmaceutical Co Dec 66 (3)	1-3608-2		

SECURITIES ACT REGISTRATIONS. Effective January 11: British Columbia Hydro and Power Authority, 2-25777; Collins Radio Co., 2-25779 (40 days); Florida Telephone Corp., 2-25771 (40 days); Leasco Data Processing Equipment Corp., 2-25845 (40 days); Micronetic Corp., 2-25684 (90 days).
Effective January 12: Seaboard Finance Co., 2-25807 (Feb 21).
Withdrawn January 11: Panax Corporation, 2-25460.

NOTE TO DEALERS. The period of time dealers are required to use the prospectus in trading transactions is shown above in parentheses after the name of the issuer.

*As estimated for purposes of computing the registration fee.