

## 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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FOR RELEASE June 28, 1967

**IDS SEEKS ORDER.** Investors Diversified Services, Inc. ("IDS"), Investors Variable Payment Fund, Inc. ("Variable") and Investors Selective Fund, Inc. ("Selective"), Minneapolis, have applied to the SEC for an exemption order under the Investment Company Act with respect to a proposed exchange of shares of Variable and Selective; and the Commission has issued an order (Release IC-5012) giving interested persons until July 19 to request a hearing thereon. IDS is the investment adviser and sole distributor of the shares of Variable, Selective, Investors Mutual, Inc. ("Mutual") and Investors Stock Fund, Inc. ("Stock Fund"). Shares in Selective are offered to the public at their net asset value plus a maximum sales charge of 7 per cent of the public offering price, whereas the shares of Variable, Mutual and Stock Fund are offered to the public at net asset value plus a maximum sales charge of 8 percent of their respective public offering prices. Shareholders of each of the funds, except Selective, are accorded the privilege of converting shares of one fund into shares of any of the other funds at any time at their respective net asset values without paying any additional sales charge. This privilege is available to shareholders of Selective only after they have held their shares for five months. In 1954, the Commission issued an order permitting shareholders of Selective to exchange their shares into the shares of Stock Fund or Mutual within five months after the date of acquisition upon the payment to IDS of an amount equal to the difference between the sales charge paid on the purchase of the Selective shares and the charge that would have been paid if the shares of Stock or Mutual had been purchased initially rather than shares of Selective (Release IC-1997). Applicants now propose to extend to Selective shareholders the same privilege in exchanging their shares for those of Variable.

**JADE OIL & GAS TRADING BAN CONTINUED.** The SEC has issued an order under the Securities Exchange Act suspending exchange and over-the-counter trading in securities of Jade Oil & Gas Company, for the further ten-day period June 29 through July 8, 1967, inclusive.

**ARMCO STEEL PROPOSES OFFERING.** Armco Steel Corporation, 703 Curtis St., Middletown, Ohio 45042, filed a registration statement (File 2-26799) with the SEC on June 27 seeking registration of \$60,000,000 of sinking fund debentures, due 1992. The debentures are to be offered for public sale through underwriters headed by Smith, Barney & Co. Incorporated, 20 Broad St., New York. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

The company is an integrated steel producer. Net proceeds of this financing will be added to the general funds of the company and available for capital expenditures (estimated at \$205,000,000 for 1967) for additions to property, plant and equipment. In addition to indebtedness, the company has outstanding 14,804,638 common shares. Logan T. Johnston is board chairman and C. William Verity, Jr. is president.

**GENERAL ACCEPTANCE SHARES IN REGISTRATION.** General Acceptance Corporation, 1105 Hamilton St., Allentown, Pa. 18101, filed a registration statement (File 2-26800) with the SEC on June 27 seeking registration of 51,534 shares of voting preference stock \$1.00 Convertible Series. The company proposes to offer these shares in exchange for the outstanding shares of common stock of Kahr Bearing Corporation (KAHR), at the rate of one-half share of the convertible preference stock for each KAHR share tendered. General Acceptance owns 388,312 or 80% of the common stock of KAHR. This prospectus also covers an additional 95,050 shares of convertible preference stock of which 83,300 shares are owned by the former controlling stockholders of KAHR and certain of their associates and 11,750 shares are owned by an institutional investor. These shares (and the common shares into which they are convertible) may be offered for sale from time to time on the New York Stock Exchange at prices prevailing at the time of sale.

The company is primarily engaged in making instalment loans to individuals; financing retail purchases of automobiles, trucks, truck trailers and mobile homes; wholesale financing of dealers' inventories (principally automobiles and mobile homes); rediscounting receivables of other finance and loan companies; and general commercial financing of manufacturers and distributors. It also writes insurance, manufactures and sells truck trailers and utility equipment, and owns and operates a bank in Atlanta, Ga. In addition to indebtedness and preferred stock, the company has outstanding 2,398,625 common shares, of which management officials hold 12.61%. S. Hayward Wills is board chairman and president.

**CON ED OF NEW YORK PROPOSES OFFERING.** Consolidated Edison Company of New York, Inc., 4 Irving Pl., New York 10003, filed a registration statement (File 2-26801) with the SEC on June 27 seeking registration of \$80,000,000 of first and refunding mortgage bonds, Series EE, due 1997. In a separate statement (File 2-26802), Consolidated Edison seeks registration of 400,000 shares of \$100 par cumulative preferred stock, Series F. The bonds and preferred shares are to be offered for public sale through underwriters headed by Morgan Stanley & Co., 2 Wall St., New York 10005, and The First Boston Corp., 20 Exchange Pl., New York 10005. The interest and dividend rates, public offering prices and underwriting terms are to be supplied by amendment.

The company is engaged in the sale of electricity, gas and steam. It will use the net proceeds of its bond sale to retire some \$56,000,000 of short-term bank loans incurred in connection with its construction program or to reimburse the company for capital expenditures and the payment at maturity on July 1, 1967

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of \$24,158,000 principal amount of General Mortgage Bonds of Westchester Lighting Company (a former subsidiary). On August 1, 1967 the company's short-term bank loans are expected to aggregate \$56,000,000. The company's construction program during the period 1967-1971 is estimated at \$1,340,000,000. In addition to indebtedness and preferred stock, it has outstanding 37,257,292 common shares. Charles E. Eble is board chairman and John V. Cleary is president.

**DIAMOND INTERNATIONAL FILES FOR SECONDARY.** Diamond International Corporation, 733 Third Ave., New York 10017, filed a registration statement (File 2-26804) with the SEC on June 27 seeking registration of 45,000 outstanding shares of common stock. The present holders thereof may offer the stock for public sale on the New York or Cincinnati Stock Exchanges at prices prevailing at the time of sale (or they may donate the stock to charitable institutions which may sell the shares in like manner).

The company is a holding company whose subsidiaries are engaged in the manufacture and sale of lumber and other wooden products, machinery, metal containers and other products. In addition to indebtedness, it has outstanding 9,448,202 common shares, of which management officials own approximately 7%. The selling stockholders are William H. Walters (board chairman), who may sell 40,000 of 198,600 shares held, and Richard J. Walters (president), 5,000 of 25,230.

**MONONGAHELA POWER FILES FOR OFFERING.** Monongahela Power Company, 1310 Fairmont Ave., Fairmont, W. Va. 26554, filed a registration statement (File 2-26806) with the SEC on June 27 seeking registration of \$15,000,000 of first mortgage bonds, due 1997 and 50,000 shares of \$100 par cumulative preferred stock, Series D, to be offered for public sale at competitive bidding.

Net proceeds of this financing will be used to provide for expenditures in connection with the construction program of Monongahela and its subsidiary (including payment of some \$13,500,000 of short-term bank borrowings incurred therefor). The 1967-69 construction program is estimated at \$91,000,000. Cecil G. McVay is president.

**GOLDFIELD, CHEMALLOY REPORT ON MINING PROPERTIES.** The SEC today announced that it had determined not to continue the ban on trading in securities of The Goldfield Corporation (of New York City) and Chemalloy Minerals Ltd. (of Toronto) beyond July 2, 1967. Accordingly, trading in such securities may be resumed at the opening of business on Monday, July 3.

Trading in Goldfield common on the American Stock Exchange (where it is admitted to unlisted trading privileges) and in Chemalloy common on the Canadian Stock Exchange was halted by action of the respective Exchanges on June 21 (the Goldfield common also is registered on the San Francisco Mining Exchange). Exchange and over-the-counter trading in securities of both companies was suspended on June 22 by the Commission pending the issuance of a clarifying statement by the two companies concerning their exploration and development, under a joint venture agreement, of certain mining claims held by Chemalloy in the Bernic Lake Area of Manitoba. Whether because of certain published reports about these properties or otherwise, the market price of Goldfield shares on the American Stock Exchange had increased from 2-1/4 on January 3, 1967, to 6-7/8 on June 20; and between March 9 and June 21, 1967, over-the-counter market quotations for Chemalloy stock rose from \$1.40 asked to \$3.65 bid-\$3.85 asked.

Goldfield and Chemalloy today issued a joint statement reporting current information concerning Chemalloy's mining claims in Manitoba and the nature and extent of their exploration and testing, the full text of which should be considered by those undertaking an evaluation of the securities of the two companies. In the statement, it is reported (among other things): . . . the work done to date at Chemalloy's Bernic Lake property in Manitoba, Canada has not been sufficient to establish that this property contains a commercially mineable tantalum ore body. Accordingly it is not known whether a commercially mineable ore body exists on the property . . .

Another factor which has an important bearing on the evaluation of the possibilities of these two areas is the ability to produce a merchantable Ta<sub>2</sub>O<sub>5</sub> concentrate from the material found in these areas.

Ordinarily the merchantability is determined by taking appropriate samples from various parts of a deposit and subjecting such samples to mill testing in order to determine, among other things, whether a product of merchantable standards can be obtained. Such samples have not been taken and accordingly there is no basis for knowing whether a merchantable grade of Ta<sub>2</sub>O<sub>5</sub> concentrate could be produced.

**STOCK PLANS FILED.** Registration statements have been filed with the SEC proposing the offering of securities under employee savings, stock option and other plans, as follows:

Foremost-McKesson, Inc., New York 10017 (File 2-26793) - 112,163 shares of cumulative preferred stock,

Series A and 1,055,459 common shares

Kimberly-Clark Corporation, Neenah, Wisc. 54956 (File 2-26798) - \$9,000,000 of plan interest and an unspecified number of common shares

**TEXACO PROPOSES OFFERING.** Texaco, Inc., 135 E. 42nd St., New York 10017, today filed a registration statement (File 2-26807) with the SEC seeking registration of \$200,000,000 of debentures due 1997. The debentures are to be offered for public sale through underwriters headed by Morgan, Stanley & Co., Two Wall St., New York 10005. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

The company is engaged in the production, transportation, refining (including petrochemicals), and marketing of crude oil and products thereof. The net proceeds from its sale of debentures will be applied to prepay the company's outstanding 5-1/2% notes due 1968 (\$150 million plus accrued interest), and the balance will be added to the general funds and used for general corporate purposes including capital and exploratory expenditures and working capital requirements. Capital and exploratory expenditures for 1967 are expected to exceed those of 1966 which amounted to some \$737,000,000. J. Howard Rabin, Jr. is board chairman and M. J. Epley, Jr. is president.

**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 June 1 News Digest.

Winkelman Stores May 67 (4,11,13) 1-5243-2	G C Computer Corp May 67 (12,13) 1-5294-2
Winslow Tele-Tronics Inc May 67 (7,8) 0-2483-2	General Development Corp May 67 (7,9,11,13) 1-4080-2
Wise Homes Inc May 67 (2,11,13) 0-1007-2	General Motors Corp May 67 (11,13) 1-143-2
Wolverine Aluminum Corp May 67 (11,13) 1-5074-2	Goldfield Corp May 67 (2) 1-2618-2
Zapata Off-Shore Co May 67 (2,4,7,12,13) 1-4219-2	GRain Belt Breweries Inc Formerly: Minneapolis Brewing Co Apr 67 (11) 1-2078-2
Aberdeen Petroleum Corp May 67 (1) 1-3989-2	May 67 (11) 1-2078-2
Alco Oil & Gas Corp Apr 67 (11) 0-945-2	Great American Industries Inc May 67 (2,3,13) 1-3782-2
American Financial Corp May 67 (7,13) 0-839-2	Greenblet Consumer Services Inc May 67 (2,7,13) 0-1608-2
American Hospital Supply Corp May 67 (11,13) 1-4275-2	H & B American Corp May 67 (7,13) 1-4089-2
American Safety Equipment Corp May 67 (11,13) 1-4829-2	Hager Inc May 67 (11) 0-2611-2
American Standard Inc May 67 (2,12,13) 1-470-2	C M Hall Lamp Co May 67 (11,13) 1-377-2
Apache Corp May 67 (4,8,11,13) 1-4300-2	Handleman Co May 67 (2) 1-4808-2
Appalachian Power Co May 67 (13) 1-3547-2	Harvard Industries Inc May 67 (12,13) 1-1044-2
Aqua Chem Inc May 67 (1,2,4,7,13) 1-4833-2	Harvey Radio Co Inc May 67 (1,13) 1-4626-2
Ashland Oil & Refining Co May 67 (7,13) 1-2918-2	Harvey's Stores Inc May 67 (11) 1-4553-2
Aurora Plastics Corp May 67 (11,13) 1-4250-2	Hazeltine Corp May 67 (3) 1-230-2
Automation Ind Inc May 67 (7,13) 0-804-2	House Of Fabrics Inc May 67 (13) 1-5093-2
Avnet Inc May 67 (8,13) 1-4224-2	Household Finance Corp May 67 (3) 1-75-2
Berman Leasing Co May 67 (4,12,13) 1-4739-2	Instrument Systems Corp May 67 (7,8,12) 0-116-2
Budd Co May 67 (4,11,12,13) 1-2127-2	Intercontinental Industries Inc May 67 (1,2,3,7,11,12,13) 1-4538-2
CBK Industries Inc Jan 67 (12) 1-3096-2	International Bank May 67 (3,11,13) 0-1302-2
CF&I Steel Corp May 67 (11,13) 1-2743-2	International Business Machines Corp June 67 (12) 1-2360-2
Canadian Pacific Railway Co May 67 (11,13) 1-1342-2	International Industries Inc May 67 (2,13) 1-5036-2
Capital Finance Corp May 67 (7,8) 0-813-2	Iowa Southern Utilities Co May 67 (12,13) 0-849-2
Cenco Instruments Corp May 67 (4,7,12,13) 1-3730-2	Jewel Companies Inc May 67 (7,13) 1-385-2
Chatham Corp May 67 (8) 0-1540-2	Kaysor Roth Corp May 67 (4,7,12,13) 1-415-2
Colorado Interstate Gas Co May 67 (4,13) 1-4874-2	LTV Electrosystems Inc May 67 (4,7,8,13) 1-5237-2
Congressional Life Insurance Co May 67 (11) 2-23584-2	Lunkenheimer Co May 67 (3,7,11,13) 0-342-2
Consultants & Designers Inc May 67 (7,11,13) 1-5302-2	Macke Co May 67 (4,7,8,13) 1-4341-2
Continental Baking Co May 67 (11,13) 1-786-2	Madison Square Garden Corp May 67 (7,8,11) 1-1144-2
DMH Corp May 67 (11,13) 1-4818-2	Manpower Inc May 67 (7) 1-5395-2
Danac Real Estate Investment Corp May 67 (7,13) 0-1361-2	Master Consolidated Inc May 67 (11,13) 2-22422-2
Dextra Corp May 67 (2,7,13) 0-1602-2	Mattel Inc May 67 (11,13) 1-4777-2
Dorchester Gas Producing Co May 67 (4,7,9) 0-613-2	Max Factor & Co May 67 (11,13) 1-3875-2
Driver Harris Co June 67 (11) 1-1212-2	McGraw Hill Inc May 67 (7,8) 1-1023-2
Electro Voice Inc May 67 (12) 1-4655-2	Meister Brau Inc May 67 (12,13) 0-2086-2
Eltra Corp May 67 (12) 1-842-2	Methode Electronics Inc May 67 (12,13) 2-24987-2
Epsco Inc May 67 (7) 0-1102-2	Middle South Utilities Inc May 67 (11,13) 1-3517-2
Farmland Industries Inc May 67 (8) 2-7250-2	Middlesex Water Co May 67 (11) 0-422-2
Firestone Tire & Rubber Co May 67 (8) 1-484-2	Missouri Fidelity/Union Trust Life Ins Co May 67 (11) 2-18951-2
First Western Financial Corp May 67 (3,10,12,13) 1-4938-2	National Equities Inc May 67 (7,8,13) 0-2140-2
Fred F French Investing Co Inc May 67 (2,7,11,13) 0-1321-2	Natural Gas Pipeline Co of America May 67 (12) 2-14243-2
Fulton Industries Inc May 67 (2,3,13) 1-4800-2	New Jersey Life Ins Co May 67 (11,13) 2-22069-2
	New York & Honduras Rosario Mining Co May 67 (2,7,13) 1-1189-2
	Newark Electronics Corp May 67 (4,13) 1-5156-2
	Papert Koeig Lois Inc May 67 (12) 1-4997-2
	Patrician Paper Co Inc May 67 (6) 0-1261-2
	Penn Dixie Cement Corp May 67 (2,13) 1-884-2

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Perini Corp May 67 (11)	0-905-2	Wagner Electric Corp	
Radio Corp of America		May 67 (2,4,8,11,13)	1-2290-2
May 67 (7,11,13)	1-978-2	Waite & Bond Inc May 67 (13)	1-3411-2
Randolph Computer Corp		Welded Tube Co of America May 67 (11)	0-2682-2
May 67 (2,11,13)	2-24634-2	Wheeling Steel Corp	
Raymond International Inc		Apr 67 (3,6,11,12,13)	1-2394-2
May 67 (9,11,13)	1-4314-2	Williams Bros Co May 67 (11)	1-4174-2
Richman Bros Co Apr 67 (11,13)	1-1371-2		
Roadway Express Inc May 67 (11,12)	0-600-2	Archer Daniels Midland Co	
Roblin Steel Corp May 67 (4,13)	1-5213-2	Amd #1 to 8K for Apr 67 (7,8)	1-44-2
Roxbury Carpet Co May 67 (11)	1-4058-2	General Time Corp	
St Johnsbury Trucking Co Inc		Amd #1 to 8K for May 67 (4,7,13)	1-2591-2
May 67 (7,8,11)	1-5040-2	Tridair Industries	
Silver King Mines Inc May 67 (12,13)	0-2274-2	Amd #1 to 8K for Jan 67 (13)	2-24955-2
Smith Industries International Inc		Union Pacific RR Co	
Apr 67 (12)	0-1124-2	Amd #1 to 8K for May 67 (11)	1-1324-2
Southern Airways Inc			
May & June 67 (7)	0-842-2	Acme Missiles & Construction Corp	
Southern Pacific Co May 67 (11)	1-3441-2	May 67 (12,13)	1-4297-2
Southland Racing Corp May 67 (11)	0-64-2	Acme Precision Products Inc	
Southland Royalty Co		May 67 (7,13)	1-3327-2
May 67 (7,11,12,13)	1-495-2	Air Products & Chemicals Inc	
Spencer Shoe Corp May 67 (2,13)	1-2604-2	May 67 (4,13)	1-4534-2
Struthers Scientific & Internatl Corp		Angelica Uniform Co	
May 67 (2,13)	0-2702-2	Amend #1 to 8K for Apr 67 (4,13)	0-4-2
Superior Oil Co May 67 (7,11,12,13)	1-4744-2	Beneficial National Life Ins Co	
T F H Publications Inc May 67 (7,13)	0-2245-2	May 67 (11)	2-21537-2
Tidelands Capital Corp May 67 (3,13)	0-1487-2	Canaveral International Corp	
Tracor Inc May 67 (7,11)	0-528-2	May 67 (3)	1-4486-2
Trans Canada Pipe Lines Ltd		Cavitron Corp	
May 67 (7,8)	2-12927-2	May 67 (8,10)	0-2022-2
Trans Continental Telephone & Electronics Inc		Central Foundry Co	
May 67 (12)	1-5282-2	May 67 (11)	1-2764-2
Trans World Airlines Inc May		Central Telephone Co	
May 67 (2,3,7,9,13)	1-975-2	May 67 (7,11,13)	0-751-2
Transogram Co Inc May 67 (11)	1-5216-2	Central Telephone Co of Illinois	
20th Century Guardian Life Insurance Co		May 67 (7,11,13)	0-750-2
May 67 (11,12)	2-22657-2	Cerro Corp	
U S Industries Inc May 67 (2,3,7,13)	1-3772-2	May 67 (7,13)	1-1518-2
Universal Container Corp Apr 67 (11)	1-4277-2	Chematron Corp	
May 67 (12)	1-4277-2	May 67 (12,13)	1-3061-2
Universal Oil Products Co		Clark Oil & Refining Corp	
May 67 (11,13)	1-4162-2	May 67 (11)	1-5233-2
Villager Inc May 67 (7,11,13)	1-5382-2	Colonial Board Co	
Volume Merchandise Inc		May 67 (11)	0-1137-2
May 67 (10,12,13)	1-5170-2	Columbia Pictures Corp	
W Liquidating Corp Formerly:		May 67 (7,13)	1-3108-2

**SECURITIES ACT REGISTRATION STATEMENTS.** During the week ended June 22, 1967, 37 registration statements were filed, 45 became effective, 1 was withdrawn, and 439 were pending at the week-end.

**SECURITIES ACT REGISTRATIONS.** Effective June 26: The Shearson Capital Fund, Inc., 2-26389. Effective June 27: American Safety Equipment Corp., 2-26515 (Aug 7); The American Tobacco Co., 2-26705; Apco Oil Corp., 2-26645 (40 days); The Bendix Corp., 2-26640; Bergstrom Paper Co., 2-26706; Carefree Resorts, Inc. and Carefree Resort Managers, Inc., 2-26553 (90 days); Chesapeake Instrument Corp., 2-26444 (40 days); Columbia Broadcasting System, Inc., 2-26760; Gulf & Western Industries Inc., 2-26728 (40 days); Northern Illinois Gas Co., 2-26652; Province of Nova Scotia, 2-26686; Ramada Inns, Inc., 2-26648 (40 days); Rohr Corp. 2-26725; Jos. Schlitz Brewing Co., 2-26623 (40 days); Shelby Williams Industries Inc., 2-26614 (40 days); Skil Corp., 2-26662 (40 days); United Financial Corp. of Calif., 2-26437.

**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.