

# 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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**FLORIDA TELEPHONE TO SELL DEBENTURES.** Florida Telephone Corporation, 302 South East Broadway, Ocala, Fla. 32670, filed a registration statement (File 2-35737) with the SEC on December 23 seeking registration of \$12,000,000 of convertible subordinated debentures, due 1990, to be offered for public sale through underwriters headed by Kidder, Peabody & Co. Inc., 20 Exchange Pl., and Merrill Lynch, Pierce, Fenner & Smith, Inc., 70 Pine St., both of New York 10005. The interest rate, offering price and underwriting terms are to be supplied by amendment. A public utility, the company will use \$9,000,000 of the net proceeds of its debenture sale to pay outstanding short-term bank loans, commercial paper and indebtedness to suppliers of equipment, all incurred in connection with its 1969 construction program, and will add the balance to its general funds for use in connection with its 1970 construction program. Construction expenditures are estimated at \$14,750,000 for 1969 and \$15,000,000 for each of the years 1970-1972.

**ORANGE AND ROCKLAND UTILITIES TO SELL BONDS.** Orange and Rockland Utilities, Inc., 75 West Route 59, Spring Valley, N. Y. 10977, filed a registration statement (File 2-35738) with the SEC on December 23 seeking registration of \$20,000,000 of first mortgage bonds, Series J, due 2000, to be offered for public sale through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith Inc., 70 Pine St., New York 10005. The interest rate, offering price and underwriting terms are to be supplied by amendment. A public utility, the company will apply the net proceeds of its bond sale and the proposed sale of 700,000 common shares in January 1970 to reduction of some \$48,585,000 of outstanding short-term indebtedness incurred in connection with its construction program. Construction expenditures are estimated at \$94,600,000 for the period 1969 through 1971.

**LENDMAN ASSOCIATES FILES FOR OFFERING AND SECONDARY.** Lendman Associates, Ltd., 1516 Harmon St., Norfolk, Va., 23518, filed a registration statement (File 2-35740) with the SEC on December 23 seeking registration of 150,000 shares of common stock, of which 100,000 are to be offered for public sale by the company and 50,000 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters headed by Mason & Company Inc., 1100 17th St., N. W., Washington, D. C. 20036; the offering price (\$12 per share maximum\*) and underwriting terms are to be supplied by amendment.

Organized in October 1964, the company is a job placement service engaged principally in obtaining civilian employment for junior military officers with college degrees who are terminating their military service. Of the net proceeds of its sale of additional stock, \$100,000 will be used to finance the establishment of new offices in Houston and Atlanta and to purchase furniture and equipment therefor, \$150,000 to pay debt incurred to purchase automobiles for use in a recently acquired automobile leasing business, and \$350,000 to establish 15 "satellite" placement offices in other major cities and to establish and finance a training program to provide the personnel for such offices; the balance will be added to the company's working capital and used for general corporate purposes, including financing of possible acquisitions. In addition to indebtedness, the company has outstanding 339,000 common shares, of which Ernest M. Lendman, president and board chairman, owns 91.5%. Purchasers of the shares being registered will acquire a 34.2% stock interest in the company for their investment of \$1,980,000\*; present shareholders will then own 65.8%, for their investment of \$26,000.

**AMERICAN BANCSHARES FUND PROPOSES OFFERING.** American Bancshares Fund, Inc., 33 North La Salle St., Chicago, Ill. 60602, filed a registration statement (File 2-35741) with the SEC on December 18 seeking registration of 300,000 shares of capital stock, to be offered for public sale at net asset value plus an 8.5% sales charge on purchases of less than \$25,000. The Fund is an open-end management investment company, specializing exclusively in the securities of commercial banks and bank holding companies of the United States whose bank deposits are insured by the Federal Deposit Insurance Corporation. American Bancshares Management Corporation will act as investment adviser. Bernard A. Mitchell, president and board chairman of the Fund and of the adviser, owns 80% of the outstanding stock of the adviser and Herbert L. Werner, treasurer of the Fund and of the adviser, owns 20% of the outstanding stock of the adviser.

**DYNASIL TO SELL STOCK.** Dynasil Corporation of America, Taunton Ave. and Cooper Road, West Berlin Township, Camden County, N. J., filed a registration statement (File 2-35742) with the SEC on December 23 seeking registration of 300,000 shares of common stock (including shares to be issued to the underwriter), to be offered for public sale on a "best efforts, 50% or none" basis through Patterson, Matzkin & Co., Inc. The offering price (\$3 per share maximum\*) and underwriting terms are to be supplied by amendment. The company has agreed to pay the underwriter \$5,000 for expenses.

The company was organized in March 1964 to acquire the assets and continue the business of its predecessor, Dynasil Corporation, which had become insolvent. It is engaged in the business of manufacturing synthetic fused silica, sometimes referred to as synthetic quartz. Of the net proceeds of its stock sale,

\$285,000 will be applied towards the modernization and expansion of existing facilities and the acquisition of new production and quality control equipment and \$75,000 towards the building of a marketing organization; the remainder will be applied to the company's working capital and will be used for general corporate purposes. In addition to indebtedness, the company has outstanding 827,890 common shares (with a 21¢ per share book value), of which Porter Engineering Company owns 200,000 (24%). George K. Porter, Sr., owns all the outstanding stock of Porter Engineering. Martin Saepoff is president and Harold Berlin board chairman.

**CAPITAL SOUTHWEST PROPOSES RIGHTS OFFERING.** Capital Southwest Corporation, 750 Hartford Bldg., Dallas, Tex. 75201, filed a registration statement (File 2-35746) with the SEC on December 23 seeking registration of \$10,678,500 of convertible debentures, Series A, due 1990, to be offered to holders of its outstanding common stock at the rate of a \$100 debenture for each 14 shares held. Eastman Dillon, Union Securities & Co., 1 Chase Manhattan Plaza, New York 10005, will head a group of underwriters who will purchase the debentures not subscribed for pursuant to the rights offering.

The company is a closed-end, non-diversified investment company of the management type, the primary objective of which is investment for capital appreciation, principally through venture investments of an equity nature. Net proceeds of its debenture sale will be used primarily for additional investments in accordance with the company's investment objectives and for repayment of outstanding bank indebtedness (\$3,000,000 at November 30) incurred for such purpose. The company has outstanding 1,495,000 common shares, of which Mercantile National Bank at Dallas owns 10.2%. M. E. Singleton, Jr., is president and board chairman.

**ARBY'S FILES FOR OFFERING AND SECONDARY.** Arby's, Inc., 17 Colonial Drive, Youngstown, Ohio 44505, filed a registration statement (File 2-35747) with the SEC on December 23 seeking registration of 480,000 shares of common stock, of which 200,000 are to be offered for public sale by the company and 280,000 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters headed by Bear, Stearns & Co., 1 Wall St., New York 10005; the offering price (\$20 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company is engaged primarily in franchising to others and providing equipment for limited menu, fast food service restaurants of standardized design, which are operated under the name "Arby's" and feature Arby's roast beef sandwich. Of the net proceeds of its sale of additional stock, \$2,500,000 will be applied to the reduction of its short-term indebtedness incurred for working capital purposes; the balance will be used for working capital and general corporate purposes, including the investigation and development of methods of expanding the company's products and services. The company has outstanding 1,000,440 common shares, of which Leroy B. Raffel, president, and the Forrest B. Raffel Family Trust own 43.8% each; each proposes to sell 100,000 shares of 438,320 shares held and 8 others the remaining shares being registered. Forrest B. Raffel is board chairman.

**CAR TAPES PROPOSES OFFERING.** Car Tapes Incorporated, 320 West Ohio St., Chicago, Ill. 60610, filed a registration statement (File 2-35748) with the SEC on December 23 seeking registration of 200,000 shares of common stock, to be offered for public sale through underwriters headed by H. L. Federman & Co., Inc., 50 Broadway, and Bruns, Nordeman & Co., 115 Broadway, both of New York. The offering price (\$7.50 per share maximum\*) and underwriting terms are to be supplied by amendment. The company has agreed to sell the Federman and Bruns firms, at 1¢ per warrant, five-year warrants to purchase a total of 15,000 shares.

Organized in January 1966, the company is primarily engaged in the national distribution and sale of pre-recorded stereo music tape cartridges and cassettes and stereo tape players and accessories for use in automobiles. Of the net proceeds of its stock sale, \$570,000 will be used to prepay in full the principal amount of all the company's outstanding subordinated debentures and \$250,000 to reduce the principal amount of notes payable to a bank, proceeds of which were utilized to purchase increased inventories; the balance will be added to working capital and used for general corporate purposes. In addition to indebtedness, the company has outstanding 451,429 common shares (with a \$1.36 per share book value), of which James L. LeVitus, president, owns 19.3%, management officials as a group 24.1% and Irving B. Green 19.9%.

**MARVIN JOSEPHSON ASSOCIATES TO SELL STOCK.** Marvin Josephson Associates, Inc., 1301 Avenue of the Americas, New York 10019, filed a registration statement (File 2-35749) with the SEC on December 23 seeking registration of 300,000 shares of common stock, to be offered for public sale through underwriters headed by Bear, Stearns & Co., 1 Wall St., New York 10005. The offering price (\$15 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company is principally engaged in business as a talent agency representing more than 2,000 clients, both individuals and companies, in all phases of the entertainment industry and in the literary world. Net proceeds of its stock sale, together with cash on hand and proceeds of certificates of deposit owned by it, will be applied to the repayment of the entire bank indebtedness incurred at the time of its acquisition of International Famous Agency, Inc., in April 1969. In addition to indebtedness and preferred stock, the company has outstanding 250,000 Class A shares (convertible on a share-for-share basis into common stock) and 1,200,000 common shares; of both classes of stock combined, Marvin Josephson, president, owns 70% and management officials as a group 78%.

**HILTON HOTELS TO SELL DEBENTURES.** Hilton Hotels Corporation, 720 S. Michigan Ave., Chicago, Ill., filed a registration statement (File 2-35750) with the SEC on December 23 seeking registration of \$50,000,000 of convertible subordinated debentures, due 1995, to be offered for public sale through underwriters headed by Salomon Brothers & Hutzler, 60 Wall St., New York. The interest rate, offering price and underwriting terms are to be supplied by amendment.

The company operates 40 hotels and inns in the United States and is engaged in related activities. Of the net proceeds of its debenture sale, from \$19,350,000 to \$33,350,000 will be used in connection with Hilton's expansion program; the balance will be added to the company's working capital and used for general corporate purposes. In addition to indebtedness, the company has outstanding 7,327,954 common shares.

**DANA LABORATORIES FILES FOR OFFERING AND SECONDARY.** Dana Laboratories, Inc., 500 Newport Center Drive, Newport Beach, Calif. 92660, filed a registration statement (File 2-35751) with the SEC on December 23 seeking registration of 300,000 shares of common stock, of which 232,500 are to be offered for public sale by the company and 67,500 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters headed by Blyth & Co., Inc., 14 Wall St., New York 10005; the offering price (\$16 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company is engaged in the design and manufacture of precision electronic test equipment, principally digital multimeters, FM monitors and differential amplifiers. Part of the net proceeds of its sale of additional stock will be used to repay bank borrowings aggregating \$800,000 at December 22; the balance will be used for capital expenditures and to provide additional working capital. In addition to indebtedness, the company has outstanding 2,004,979 common shares, of which John F. Bishop, president and board chairman, owns 9.5%, management officials as a group 31.2%, E. I. du Pont de Nemours and Co. 36.3%, LeRoy T. Cushman 12.5% (plus an additional 10.5% held in escrow). Cushman proposes to sell 62,500 shares and Norman C. Walker, vice president, 5,000 shares.

**DRESSER INDUSTRIES SHARES IN REGISTRATION.** Dresser Industries, Inc., Republic National Bank Bldg., Dallas, Tex., filed a registration statement (File 2-35752) with the SEC on December 24 seeking registration of 200,000 shares of common stock, issuable pursuant to the company's Deferred Compensation Plan.

**R-T-W COMPUTER NETWORK TO SELL STOCK.** R-T-W Computer Network Corp., 1212 Avenue of Americas, New York 10036, filed a registration statement (File 2-35753) with the SEC on December 24 seeking registration of 100,000 shares of common stock, to be offered for public sale through Blair & Co., Inc., 20 Broad St., New York. The offering price (\$10 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company was organized in April 1969 by TBS Computer Centers Corporation ("TBS") and Kayser-Roth Corporation ("Kayser-Roth") principally for the installation and processing of a management information system, the R-T-W System, developed for application in the apparel manufacturing industry. It is engaged in the field of management information services, principally the collection, assembly, processing, interpretation and display of data relating to the operations of manufacturers of wearing apparel. Of the net proceeds of its stock sale, \$360,000 will be used to purchase presently leased equipment or to lease or purchase additional data processing equipment, \$70,000 to increase its sales engineering force, \$300,000 for research and development and \$50,000 for advertising and promotion; the balance will be added to the company's general funds and used for working capital and other corporate purposes. The company has outstanding 2,400,000 common shares (with a 27¢ per share book value), of which TBS owns 72.5% and Kayser-Roth 25%. Jack Rothschild, president.

**NORTHERN & CENTRAL GAS TO SELL STOCK.** Northern and Central Gas Corporation Limited, 4600 Toronto-Dominion Centre, Toronto 111, Ontario, Canada, filed a registration statement (File 2-35754) with the SEC on December 24 seeking registration of 1,500,000 shares of common stock, to be offered for public sale through underwriters headed by Bear, Stearns & Co., 1 Wall St., and Hornblower & Weeks-Hemphill, 8 Hanover St. both of New York. The offering price (\$13.50 per share maximum\*) and underwriting terms are to be supplied by amendment. A public utility, the company will use the net proceeds of its stock sale to reduce outstanding borrowings under bank lines of credit incurred to pay for utility construction. Utility construction expenditures are estimated at \$42,600,000 in 1969 and \$20,000,000 in 1970.

**BULOVA WATCH TO SELL DEBENTURES.** Bulova Watch Company, Inc., 630 5th Ave., New York 10020, filed a registration statement (File 2-35755) with the SEC on December 24 seeking registration of \$20,971,600 of convertible subordinated debentures, due 1990. It is proposed to offer the debentures for subscription by common stockholders of record January 21, 1970, at the rate of a \$100 debenture for each 17 shares then held. The principal underwriter is Goldman, Sachs & Co., 55 Broad St., New York 10004. The interest rate, offering price and underwriting terms are to be supplied by amendment.

The company manufactures and sells watches and other timepieces for consumer use, as well as timing devices and other products for industrial and defense use. Net proceeds of its debenture sale will be added to the company's working capital and used principally to reduce short-term borrowings. In addition to indebtedness, the company has outstanding 3,565,181 common shares. Omar N. Bradley is board chairman and Harry B. Henshel president.

**CONNECTICUT L&P RECEIVES ORDER.** The SEC has issued an order under the Holding Company Act (Release 35-16571) authorizing The Connecticut Light and Power Company ("CL&P"), Berlin subsidiary of Northeast Utilities, to issue and sell, at competitive bidding, \$40,000,000 of first and refunding mortgage bonds, Series V, due 2000, and 300,000 shares of Series H preferred stock (\$50 par). CL&P will use the net proceeds of its financing to repay short-term borrowings, consisting of bank and commercial paper notes, estimated to aggregate \$55,600,000 at the time of such sales. Such borrowings have been or will be incurred to finance, in part, CL&P's construction program and to supply funds in 1969 for its investments in regional nuclear generating companies. Construction expenditures are estimated at \$123,000,000 for 1970.

**SOUTHERN CO. PROPOSES FINANCING.** The Southern Company, Atlanta holding company, has filed a proposal with the SEC under the Holding Company Act for bank and other borrowings and for additional equity investments in subsidiaries; and the Commission has issued an order (Release 35-16572) giving interested persons until January 23, 1970, to request a hearing thereon. Southern proposes during 1970 to issue and sell unsecured notes to banks and to a dealer in commercial paper in amounts not exceeding \$75,000,000 to be outstanding at any one time. The borrowed funds would be used for additional common stock purchases of

subsidiaries, as follows: Alabama Power Company, \$20,000,000, Georgia Power Company, \$45,500,000, Gulf Power Company, \$4,500,000, and Mississippi Power Company, \$2,000,000. The subsidiaries will use the proceeds of their stock sales for construction expenditures, to pay short-term borrowings for such purposes, and for other corporate purposes. Their 1970 construction expenditures are estimated at \$149,587,000, \$229,499,000, \$21,664,000 and \$19,431,000, respectively.

**TRAVELERS EQUITIES FUND RECEIVES ORDER.** The SEC has issued an order under the Investment Company Act (Release IC-5948) exempting Travelers Equities Fund, Inc. ("Fund"), Hartford, Conn., mutual fund, and Travelers Equities Sales, Inc. ("Distributor"), the principal underwriter for Fund shares and a wholly-owned subsidiary of The Travelers Corporation, a Connecticut stock insurance company, from provisions of Section 22 (d) of the Act so as to permit Fund shares to be sold without the usual sales charge to The Travelers Corporation and its subsidiaries and affiliates ("The Travelers Companies"), the eligible employees, officers and directors of The Travelers Companies which participate in programs providing benefits for eligible employees and contract sales representatives, life insurance agents of such companies and eligible employees of such agents, and any trust, pension, profit sharing, deferred compensation, stock purchase and savings, or other benefit plan for such persons.

**UNLISTED TRADING GRANTED.** The SEC has issued an order under the Securities Exchange Act (Release 34-8792) granting applications of the following exchanges for unlisted trading privileges in the common stock or specified securities of the named companies: Cincinnati Stock Exchange - Vulcan Corporation; Detroit Stock Exchange - UAL, Inc.; Pacific Coast Stock Exchange - American South African Investment Co., Ltd., Campbell Red Lakes Mines Limited, Canadian Breweries Limited, Granby Mining Company Limited, KLM Royal Dutch Airlines, Massey-Ferguson Limited, Molybdenite Corporation of Canada Limited, Schlumberger, Supercrete Limited, Union Pacific Corporation, Electrical & Musical Industries Limited-American Shares, Roan Selection Trust Limited - American Shares, Tubos de Acero de Mexico, S. A. - American Depositary Receipts; Philadelphia-Baltimore-Washington Stock Exchange - Circuit Foil Corporation, Lykes-Youngstown Corporation, Rohr Corporation, Union Pacific Corporation.

**DELISTINGS GRANTED.** The SEC has issued an order under the Securities Exchange Act (Release 34-8792) granting an application of the National Stock Exchange to strike from listing and registration the common stock of Roto American Corporation, effective at the opening of business December 29, 1969. According to the application, the financial and operating conditions of the company do not warrant its continued listing.

An order has also been issued granting applications of the New York Stock Exchange to strike from listing and registration, effective at the opening of business December 31, 1969, the specified securities of the following companies: The Flintkote Company - \$4 Cumulative Preferred Stock; Genesco Inc. - \$4.50 Cumulative Convertible Preferred Stock; The Greyhound Corporation - 3% Second Cumulative Preference Stock (Convertible) (\$100 par); Houdaille Industries, Inc. -  $4\frac{1}{2}\%$  Convertible Voting Preferred stock (\$25 par); Merck & Co., Inc. - \$3.50 Cumulative Preferred Stock; Transamerica Corporation - \$4.80 Convertible Preferred Stock (\$100 par). In each instance, the number of shares of the specified securities publicly held is less than 50,000.

**WESTRANS 1970 PROGRAM PROPOSES OFFERING.** Westrans 1970 Program Corporation ("Westrans"), 250 Park Ave., New York 10017, filed a registration statement (File 2-35756) with the SEC on December 24 seeking registration of \$6,000,000 of participation units in its 1970 Oil and Gas Program ("Program"), to be offered for public sale at \$10,000 per unit. Participating NASD members will receive a 5% selling commission. The Program is to be organized for the acquisition, testing and development of oil and gas wells. Westrans was organized in November to conduct oil and gas operations and is a wholly-owned subsidiary of Westrans Petroleum Inc., which is a wholly-owned subsidiary of Westrans Industries, Inc. (formerly Western Transmission Corporation). Joseph A. D'Andrea is president of Westrans, Westrans Industries and Westrans Petroleum.

**SECURITIES ACT REGISTRATIONS.** Effective December 31: Agway, Inc., 2-35625; Allstate Enterprises Stock Fund, Inc., 2-33082; B.T.B. Corp., 2-35890 (40 days); Civic Finance Corp., 2-34690 (40 days); Giant Paper and Film Corp., 2-33996 (90 days); Lum's Inc., 2-35441; Michigan Ave. Financial Group, Inc., 2-33575 (90 days); Monsanto Co., 2-35349; The Ohio Bell Telephone Co., 2-35646; Pay'N Save Corp., 2-35315; The Rank Organization Ltd., 2-35647; SCM Corp., 2-35452.

**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.

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