

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 February 25, 1970

NARRAGANSETT ELECTRIC SEEKS ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16612) giving interested persons until March 13 to request a hearing upon an application of The Narragansett Electric Company, Providence subsidiary of New England Electric System, to issue and sell \$7,500,000 of first mortgage bonds, Series H, at competitive bidding. Narragansett Electric will apply the proceeds of its bond sale towards payment of \$10,000,000 of outstanding short-term promissory notes evidencing borrowings made for capitalizable construction expenditures or to reimburse its treasury therefor.

AMERICAN NATURAL GAS RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16613) authorizing Michigan Consolidated Gas Company, Detroit subsidiary of American Natural Gas Company, to amend its Articles of Incorporation so as to increase its authorized shares of common stock from 10,350,000 to 11,636,000 and to issue and sell 1,286,000 common shares to its parent for \$18,004,000. Michigan Consolidated will use the proceeds of its stock sale to pay a portion of some \$45,000,000 of bank notes. Additional permanent financing during 1970 will include the sale to the public of \$30,000,000 of first mortgage bonds. Construction expenditures for 1970 are estimated at \$43,000,000.

ALLEGHENY POWER RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16614) authorizing Allegheny Power System, Inc., New York holding company, to increase its short-term note borrowings and to make additional common stock investments in its subsidiaries, Monongahela Power Company, The Potomac Edison Company and West Penn Power Company. Allegheny proposes to sell up to \$20,000,000 of short-term notes to banks and to dealers in commercial paper prior to March 31, 1972. It will use the net proceeds thereof to purchase stock of its subsidiaries, as follows: Potomac, 400,000 shares for \$8,000,000; Monongahela, 100,000 shares for \$5,000,000 and West Penn, 350,000 shares for \$7,000,000. Net proceeds of the sale of West Penn common stock will be used to retire, at maturity, all of the \$3,500,000 of its first mortgage bonds, Series K, 3% due March 1, 1970, and to finance West Penn's construction program. Net proceeds to Potomac and Monongahela will be used to finance their respective construction programs. Construction expenditures are estimated for 1970, 1971 and 1972 at \$132,000,000 for Potomac, \$125,000,000 for Monongahela and \$178,000,000 for West Penn.

AMERICAN NATURAL GAS RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16616) authorizing American Natural Gas Company, New York holding company, to issue and sell \$40,000,000 of short-term promissory notes to two banks. American Natural will use the proceeds of its financing to acquire up to \$18,004,000 and \$21,000,000, respectively, of additional common stock, of two of its subsidiaries, Michigan Consolidated Gas Company and Michigan Wisconsin Pipe Line Company.

NEW ENGLAND POWER SEEKS ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16617) giving interested persons until March 18 to request a hearing upon an application of New England Power Company ("NEPCO"), Westboro, Mass. subsidiary of New England Electric System ("NEES"), to amend its by-laws to increase from 600,000 to 1,000,000 the aggregate number of shares of Dividend Series Preferred Stock that may be issued without a vote of holders of outstanding preferred shares. The amendment will require a two-thirds vote of the outstanding 6% preferred stock and common stock voting as one class. NEES, which owns all the outstanding common stock of NEPCO, has indicated that it will vote in favor of the amendment. The amendment also requires the affirmative vote of two-thirds of the outstanding 480,140 shares of Dividend Preferred Stock. NEPCO deems it advisable that additional authorized shares of its preferred stock be made available to meet its needs for permanent financing occasioned by its substantial construction program. NEPCO also proposes the issuance of short-term unsecured indebtedness in excess of the 10% limitation now set forth in its by-laws, which provides that, except as voted by holders of preferred stock, the short-term unsecured indebtedness of the company shall not exceed 10% of the sum of the principal amount of all bonds and other secured indebtedness and the capital, premium and surplus of the company. NEPCO states that the 10% limitation has been restricting its ability to finance its short-term capital needs.

RICHWOOD INDUSTRIES ADDED TO RESTRICTED LIST. The SEC has added Richwood Industries Ltd., a British Columbia corporation, to its Foreign Restricted List. The list is comprised of the names of foreign companies whose securities the Commission has reason to believe recently have been, or currently are being, offered for public sale and distribution within the United States in violation of the Securities Act registration requirement. With the addition of Richwood Industries, the list now comprises the names of 43 Canadian and other companies.

TRADING BAN CONTINUED. The SEC has issued an order under the Securities Exchange Act suspending over-the-counter trading in the securities of Continental Vending Machine Corporation for the further ten-day period February 26 to March 7, 1970, inclusive.

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DELISTING GRANTED. The SEC has issued an order under the Securities Exchange Act (Release 34-8828) granting an application of the National Stock Exchange to strike from listing and registration the common stock of Crown Industries, Inc., effective at the opening of business February 24, 1970. Trading in the stock was never commenced on the Exchange and the company requested delisting.

UTAH POWER FILES FOR OFFERING. Utah Power & Light Company, 1407 West North Temple St., Salt Lake City, Utah 84110, filed a registration statement (File 2-36342) with the SEC on February 20 seeking registration of \$30,000,000 of first mortgage bonds, due 2000, and 450,000 shares of common stock, to be offered for public sale at competitive bidding. An electric utility, the company will use part of the proceeds of this financing to pay some \$33,000,000 of bank notes outstanding, the proceeds of which were used for construction; the remaining proceeds will be used to carry forward the company's construction program, estimated at \$165,000,000 for 1970-72.

CHRYSLER FILES FINANCING PROPOSAL. Chrysler Corporation, 341 Massachusetts Ave., Highland Park, Mich. 48231, filed a registration statement (File 2-36343) with the SEC on February 20 seeking registration of \$100,000,000 of sinking fund debentures and \$100,000,000 of notes due 1975. These securities are to be offered for public sale through underwriters headed by The First Boston Corporation, 20 Exchange Place, New York, and two other firms; the interest rates, offering prices and underwriting terms are to be supplied by amendment.

The company, a major car manufacturer, will add the net proceeds of this financing to its general funds, to improve its working capital position. Lynn A. Townsend is board chairman and John J. Ricardo is president.

EDUCATIONAL DIMENSIONS TO SELL STOCK. Educational Dimensions, Inc., 261 S. La Brea Ave., Inglewood, Calif. 90301, filed a registration statement (File 2-36346) with the SEC on February 20 seeking registration of 110,000 shares of common stock, to be offered for public sale at \$6 per share. The offering is to be made through Fidler Securities Corp., 9025 Wilshire Blvd., Suite 300, Beverly Hills, Calif. 90211, which will receive a 54c per share commission plus \$6,600 for expenses. The company has agreed to sell the Fidler firm, for \$110, five-year warrants to purchase 11,000 shares, exercisable after one year at from \$6.94 to \$8.10 per share.

Organized in June 1962 as Cutler-Ball, Inc., the company is engaged primarily in the development and marketing of educational aids (charts, printed material, records and tapes) for classroom use. Of the net proceeds of its stock sale, \$180,000 will be applied to the development of planned new products, \$100,000 will be used for inventory of new products, \$110,000 for advertising, catalogs and other marketing expenses and \$87,000 for additional personnel and rental of a new facility; the balance will be added to the company's working capital to be used for general corporate purposes, including possible acquisitions of other product lines or businesses. In addition to indebtedness, the company has outstanding 166,000 common shares (with a 76c per share book value), of which Burton Cutler, president and board chairman, owns 55.6% and management officials as a group 100%.

OLYMPIA ARENAS PROPOSES OFFERING. Olympia Arenas of America, Inc., 3661 Brainerd Rd., Chattanooga, Tenn. 37411, filed a registration statement (File 2-36347) with the SEC on February 20 seeking registration of 150,000 shares of common stock and 150,000 common stock purchase warrants, to be offered for public sale in units of 1 share and 1 warrant and at \$10 per unit. The offering is to be made through Charles Plohn & Co., 200 Park Ave., New York, which will receive at \$1 per share commission plus \$17,500 for expenses. The company has agreed to sell 15,000 shares to the underwriter for \$5,000, nontransferable for two years.

Organized in December 1969, the company intends to construct, own and operate roller skating arenas. Of the net proceeds of its stock sale, \$160,000 will be used to purchase land and/or options thereon for four arena locations, all in the southeastern United States, \$800,000 to construct four roller skating arenas, and \$140,000 to purchase equipment for the four arenas; the balance will be added to the company's working capital and used for general corporate purposes. The company has outstanding 150,000 common shares (with a \$1.867 per share net tangible book value), of which Frank T. Cahill, president and board chairman, and G. B. Van Roekel, executive vice president, own 22.5% each and management officials as a group 80.24%. Purchasers of the shares being registered will acquire a 50% stock interest in the company for their investment of \$1,500,000 (they will sustain an immediate dilution of \$5.01 in per share book value from the offering price); present shareholders will then own 50%, for which they will have paid \$280,000, or an average of \$1.867 per share.

MINIT BURGER TO SELL STOCK. Minit Burger Corporation, 720 Murfreesboro Road, Nashville, Tenn. 37210, filed a registration statement (File 2-36348) with the SEC on February 20 seeking registration of 400,000 shares of common stock, to be offered for public sale at \$4 per share. No underwriting is involved.

Organized in February 1967, the company operates 10 retail fast-service food outlets of standard design on interstate highway interchanges in Tennessee and Georgia under the name "Minit Burger"; two additional units are operated in Georgia by a franchisee. Of the net proceeds of its stock sale, \$900,000 will be used to retire short term debt, \$400,000 to replenish decreases in working capital caused principally by financing construction of existing units, \$465,000 to finance construction and equipping of additional units on six undeveloped sites presently under lease and to modify certain existing units, \$90,000 to remodel existing units, and \$50,000 to purchase a site for a corporate office and distribution center; the balance will be used to construct and equip additional units. In addition to indebtedness, the company has outstanding 908,000 common shares (with an 87c per share book value), of which Robert A. McDowell, board chairman, owns 30.3% and management officials as a group 48.2%. Larry J. Hoffart is president. Purchasers of the shares being registered will acquire a 31% stock interest in the company for their investment of \$1,600,000 (they will sustain an immediate dilution of \$2.21 in per share book value from the offering price); present shareholders will then own 69%, for which the company received in cash and property a total of \$1,110,000 or an average of \$1.22 per share.

MR. WIGGS DEPARTMENT STORES FILES FOR OFFERING AND SECONDARY. Mr. Wiggs Department Stores, Inc., 23175 Commerce Park Road, Beachwood, Ohio 44122, filed a registration statement (File 2-36349) with the SEC on February 20 seeking registration of 165,000 shares of common stock, of which 50,000 are to be offered for public sale by the company and 115,000 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters headed by McDonald & Co., 1250 Union Commerce Bldg., Cleveland, Ohio 44115.

The company operates nine self-service department stores, commonly called "discount stores," in Ohio, Indiana and Kentucky. Net proceeds of its stock sale will be added to the company's general funds and will be available for general corporate purposes, including expenses in connection with the opening of additional stores and possible future acquisition. In addition to indebtedness, the company has outstanding 475,000 common shares, of which Joseph Felber, board chairman, owns 19.4%, Edwin Z. Singer, president, 19.7% and David Wiggins, chairman of the executive committee, 17.5%. Felber proposes to sell 40,000 shares, Singer 15,000 and Wiggins 60,000.

BRADFORD COMPUTER FILES FOR OFFERING AND SECONDARY. Bradford Computer & Systems, Inc., 1700 Broadway, New York 10019, filed a registration statement (File 2-36350) with the SEC on February 20 seeking registration of 190,000 shares of common stock, of which 100,000 are to be offered for public sale by the company and 90,000 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters headed by Kidder, Peabody & Co. Inc., 20 Exchange Pl., New York 10005; the offering price (\$75 per share maximum*) and underwriting terms are to be supplied by amendment.

Organized in 1967 as Software Associates, Inc., the company is engaged in the information systems business. Of the net proceeds of its sale of additional stock, the company may use \$4,000,000 for expansion of present computer and clerical services as well as development of new related services (including building and equipping a new computer-clerical processing facility), \$1,500,000 as further investments in Kramer Research, Inc., Instrumentation Engineering, Inc., and certain other companies, and \$1,000,000 for establishment of a training center to staff and train personnel; the balance will be used to increase working capital and for expansion of offices and systems development and facilities management services. In addition to indebtedness, the company has outstanding 1,444,842 common shares, of which Donald K. Lourie, board chairman, owns 7.4%, Peter Del Col, president 6.8% and management officials as a group 38.6%. Lourie, Del Col and two vice presidents propose to sell 22,500 shares each.

NEES RECEIVES ORDERS. The SEC has issued an order under the Holding Company Act (Release 35-16615) reciting, in accordance with Sections 1081 through 1083 of the Internal Revenue Code of 1954, as amended, that all steps and transactions involved in the consummation of the Plan, as amended, filed with the Commission by New England Electric System ("NEES"), Boston holding company, are necessary or appropriate to effectuate the provisions of Section 11(b) of the Act. The Plan provides that NEES will transfer shares of capital stocks and notes of its eight gas utility subsidiary companies which NEES may own at the time of its consummation to Massachusetts Gas System, a Massachusetts business trust organized by NEES for this purpose, in exchange for 1,466,275 common shares of Mass Gas (\$10 par).

In a separate decision and order (Release 35-16618), the Commission granted a separate request of NEES for a further, six-month extension, to April 2, 1970, of the period within which NEES must comply with a prior order of the Commission directing the divestment of its interests in the subsidiary gas utility companies. The extension request was filed pursuant to Section 11(d) of the Holding Company Act; this section, the Commission noted, requires that companies proceed with "due diligence" in complying with an SEC divestment order and does not provide for the grant of any additional extensions (beyond April 2). The Commission further commented: "On the record before us it is clear that no such diligence has been exercised by NEES and that the creation of Mass Gas System, the new subholding company, has been only a modest token in the direction of compliance. We shall reluctantly grant the pending application of NEES, but with the understanding that NEES will promptly take steps towards compliance with our order of March 19, 1964. Otherwise, we shall give serious consideration to initiate proceedings under Section 11(d) of the Act."

CORRECTION RE B B BRAXTON. The SEC News Digest of February 20 reported the conviction of Braxton B. Smith for fraud in the sale of securities. The title of the item incorrectly stated: "B B Braxton Found Guilty."

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 "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 February 5 News Digest.

8K Reports for Jan 1970

MEM Co, Inc (7)	1-5292-2	Overnite Transportation Co (12,13)	1-4747-2
Mankato Citizens Tel. Co (12)	0-673-2	Spang Ind., Inc (2,7,12,13)	1-5778-2
Monongahela Power Co (11,13)	1-5164-2	Granger Associates (7,11,12,13)	1-5321-2
Mutual Life Insurance Co of New York (2,4,5,7,8, 10,12)	2-25204-2	Investors Unlimited Inc (1,3,11,13)	0-2202-2
Oak Electro-Netics Corp (13)	1-4474-2	Life Securities of Iowa, Inc (2,3,11)	0-1203-2

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8K Reports for Jan 1970 (Con't)

Manhattan Ind., Inc (7,11,13)	1-241-2	Networks Electronic Corp	
Mohawk Airlines, Inc		(7)	0-1817-2
(12)	1-4198-2	Nodaway Valley Packing Co	
Northern Illinois Gas Co		(2,9,13)	0-2168-2
(10)	1-3821-2	Ocean Drilling & Exploration Co	
Omni Spectra, Inc		(12,13)	0-336-2
(11,13)	0-3386-2	Standun, Inc(4,7,9,13)	2-30655-2
Pacific & Southern Brdcastg. Co		NHA, Inc	
(12)	0-3795-2	Amdt. #1 to 8K for Oct. 1969	
Tanger Industries		(13) .	2-30321-2
(2,9,13)	0-4148-2	General United Corp	
		Amdt. #1 to 8K for	
		Dec. 1968(13)	0-2008-2
Garrett Freightlines, Inc		Midland Mortgage Investors Trust	
(12)	0-705-2	(12,13)	1-6255-2
Globe Capital Corp		Chas. Pfizer & Co. (3)	1-3619-2
(2,7,8,12,13)	0-3786-2	Teledata, Inc.(2,7,9,13)	0-4088-2
H. J. Heinz Co		Fabst Brewing Company(3)	0-466-2
(7)	1-3385-2	Weight Watchers International Inc	
Hyatt Intl. Corp		(11)	0-3389-2
(11,13)	0-4189-2	Yankee Plastics, Inc.(11)	0-3886-2
Jersey Central Power & Light		AAA Enterprises, Inc.(7,13)	2-32355-2
Co(12)	1-3141-2	Philadelphia and Reading Corp(13)	0-2150-2
		The Plaza Group Inc.(9)	1-4412-2
LFE Corp (2,13)	1-4571-2	Sunshine-Fifty, Inc.(2,13)	2-28923-2
New Jersey Power & Light Co		Schick Electric Inc.(11,13)	1-3594-2
(10,12)	1-3221-2	T R W Inc.(4,7,13)	1-2384-2
Olshen Overseas, Inc		Seafferro, Inc.(1,12)	2-32974-2
(12,13)	2-32217-2	Star Supermarkets, Inc.(8)	1-5108-2
Outdoor Supply Co Inc		Tiffany & Company (7)	0-2157-2
(1,2,7,13)	1-5639-2	Triumph Industries, Inc.(2)	0-2406-2
Pacific Tin Consolidated Corp		Western Union International Inc.	
(12)	1-228-2	(1,4,8,10,13)	1-5487-2
Signet Corp		McCrorry Corp (4,13)	1-2759-2
(11,13)	1-6191-2	Avco Corporation (7)	1-3152-2
Hach Chemical Co		Avco Delta Corp (7)	1-6119-2
(4,7,10)	0-3947-2	Avis Industrial Corp(7)	1-4472-2
IHC Inc		Sedco Inc.(3,7,11,13)	0-1819-2
(8)	1-4222-2	Tech Serv Inc.(1)	0-4074-2
Information Ind., Inc		Weiman Co., Inc.(2,7,13)	1-5953-2
(1,12,13)	0-4123-2		
Kansas City Southern Ind., Inc			
(3)	1-4717-2		
Kellogg Co (13)	1-4171-2		
Mobile Home Ind., Inc			
(11)	1-5891-2		

SECURITIES ACT REGISTRATIONS. Effective February 24: Chadbourn Inc., 2-36218; Guardian Mortgage Investors, 2-35427; Pacific Gas and Electric Co., 2-36232; Revell Inc., 2-35963.
Withdrawn February 20: Education & Leisure Systems Inc., 2-31956.
Withdrawn February 24: Programs & Analysis Inc., 2-31832.

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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