

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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NEW RULES AND RULE PROPOSALS

PROPOSED RULE CALLS FOR NOTICE WHEN DUTY TO FILE REPORTS IS SUSPENDED. The SEC today announced a proposal to adopt a new Rule 15d-6 under the Securities Exchange Act calling for the filing of a brief notice with the Commission by issuers whose duty to file annual and other reports has been suspended; and it invited the submission of views and comments thereon not later than December 28 (see Release 34-9025). Under Section 15(d) of the Exchange Act, certain companies which have registered securities for public offering under the Securities Act must thereafter file annual and other reports with the Commission. However, if the number of record holders of a particular company's securities is reduced to less than 300 persons at the beginning of any fiscal year, the duty to file reports is suspended for such year. At the present time the Commission has no way of knowing when a particular issuer's duty to file such reports is suspended, since the issuer may discontinue the filing of reports without informing the Commission as to the reason therefor. In order that the Commission may know whether an issuer's duty to file reports is suspended or whether the issuer is delinquent in filing reports, the Commission is considering a rule which would require issuers to file a notice with the Commission whenever their duty to file reports is suspended. It is also proposed to adopt a short form (Form 15d-6) for the filing of such notices.

RULES RE TRANSCRIPTS OF TESTIMONY MODIFIED. The SEC today announced the amendment of its Rule Relating to Investigations (Release 33-5110) so as to provide that witnesses whose testimony is to be taken in private Commission investigations in the future will have the right not only to inspect (as heretofore) but also to purchase a copy of the transcript of their testimony. Requests of witnesses to purchase the transcript of their testimony previously taken in private investigation are still subject to approval by the Commission or an officer with delegated authority to grant such requests.

HOLDING COMPANY ACT RELEASE

EASTERN UTILITIES SEEKS ORDER. Eastern Utilities Associates, Boston holding company, has joined with four subsidiaries in the filing of a financing proposal with the SEC under the Holding Company Act; and the Commission has issued an order (Release 35-16916) giving interested persons until December 15 to request a hearing thereon. Under the proposal, EUA will borrow up to \$17,000,000 from a bank; and the subsidiaries will borrow from banks and/or obtain advances from EUA in maximum, aggregate amounts, as follows: Blackstone Valley Electric Company, \$11,100,000; Brockton Edison Company, \$13,500,000; Fall River Electric Light Company, \$7,900,000; and Montaup Electric Company, \$9,500,000. The funds will be used in part by the respective companies to meet cash requirements for construction and to pay short-term loans at or prior to maturity.

SECURITIES ACT REGISTRATIONS

HALLIBURTON TO SELL DEBENTURES. Halliburton Company, 3211 Southland Center, Dallas, Tex. 75201, filed a registration statement (File 2-38875) with the SEC on November 23 seeking registration of \$50,000,000 of sinking fund debentures, due 1995, to be offered for public sale through underwriters headed by Lehman Bros. Incorporated, One William St., and Blyth & Co., Inc., 20 Exchange Place, both of New York, N. Y. The interest rate, offering price and underwriting terms are to be supplied by amendment.

The company is a diversified service and sales organization primarily engaged in rendering oil field, engineering, construction and other services in the petroleum industry, onshore and offshore, on a world-wide basis. Of the net proceeds of its debenture sale, \$6,000,000 will be used to retire outstanding Eurodollar borrowings due in 1975, which were incurred principally to finance domestic capital expenditures and to provide domestic working capital; the balance will be available for working capital, capital expenditures, possible acquisitions of other businesses and other general corporate purposes, including retirement of certain outstanding short-term borrowings incurred principally to finance current operations. In addition to indebtedness, the company has outstanding 17,385,505 common shares.

GREAT NORTHERN NEKOOSA TO SELL STOCK. Great Northern Nekoosa Corporation, 522 Fifth Ave., New York, N. Y. 10036, filed a registration statement (File 2-38876) with the SEC on November 23 seeking registration of 500,000 shares of common stock, to be offered for public sale through underwriters headed by Lehman Brothers Incorporated, One William St., New York, N. Y. 10004. The offering price (\$44 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is one of the leading paper manufacturers in the United States. Net proceeds of its stock sale will be added to its general funds and used for capital expenditures and other general corporate purposes. In addition to indebtedness and preferred stock, the company has outstanding 4,146,482 common shares. Peter S. Paine is board chairman and president.

OVER

BTA OIL PRODUCERS PROPOSES OFFERING. BTA Oil Producers (a general partnership), 104 South Pecos, Midland Tex. 79701, filed a registration statement (File 2-38877) with the SEC on November 23 seeking registration of \$900,000 of fractional undivided interests in oil and gas leases in 709-B JV-S, DeWitt Prospect, Pecos County, Tex., to be offered for public sale in minimum interests of \$9,000. No underwriting is involved. The purchase price includes acquisition costs and estimated costs of drilling and completing into the tanks two wells to be drilled on the tracts. Carlton Beal, Sr., Carlton Beal, Jr. and Barry Beal are the partners of BTA.

FARMLAND INDUSTRIES FILES OFFERING PROPOSAL. Farmland Industries, Inc., 3315 N. Oak Trafficway, Kansas City, Mo. 64116, filed a registration statement (File 2-38878) with the SEC on November 24 seeking registration of \$58,000,000 of subordinated certificates of investment, 80,000 shares of \$25 par preferred stock and 400 shares of \$25 par common stock, to be offered for sale at their principal or par amount. The company (formerly The Consumers Cooperative Association) is organized and operated on a cooperative basis as a supply source for local farmers' cooperative associations. Proceeds of this financing will be used for facility expansion, investments in subsidiaries and affiliates, and the redemption of securities.

SCRAMBLER & SEISMIC SCIENCES FILES. Scrambler and Seismic Sciences, Inc., 105 Main St., Hempstead, L.I., N.Y. 11550, filed a registration statement (File 2-38879) with the SEC on November 24 seeking registration of 200,000 shares of common stock. The shares are to be offered for public sale at \$3 per share; the offering is to be made by Memme & Company, Inc., 37 Wall St., New York, N. Y., which is to receive a commission of 30¢ per share plus \$18,000 for expenses. The underwriter will be entitled to purchase, for \$200, five-year warrants to purchase 20,000 shares, exercisable after one year, at \$3.30 per share.

The company was organized in April 1969 for the purpose of designing, producing and marketing various electronic devices and systems. Net proceeds of its stock sale will be used for the purchase and installation of equipment, leasehold improvements and office equipment, purchase of materials, research and development, labor and working capital (including officers' salaries). The company now has outstanding 473,600 common shares (with a book value of \$.024 per share); Bernard Rivkin, president, and Irving E. Melnick, vice president, received 450,100 shares in exchange for services rendered and the assignment of certain patent rights.

ADA 1971 OIL & GAS PROPOSES OFFERING. ADA 1971 Oil & Gas Program (the "Partnership"), Adams Petroleum Center, 6910 Fannin, Houston, Tex. 77025, filed a registration statement (File 2-38880) with the SEC on November 24 seeking registration of \$15,000,000 of limited partnership interests in ADA 1971 Oil & Gas Program, to be offered for public sale at \$12,000 per unit. The offering is to be made on a best efforts basis by Ada Securities Corporation, an affiliate of the Partnership, which will receive a 7½% selling commission, all or part of which may be reallocated to members of its selling group. The Partnership was organized to engage worldwide in exploring for and producing oil and gas with particular emphasis on the United States and Canada. Ada Oil Exploration Corporation, a wholly-owned subsidiary of Ada Oil Company, will serve as the general partner. K. S. Adams, Jr., is board chairman, John P. Collins, vice chairman, and George C. Hardin, Jr., president of the general partner.

LCA CORP. FILES FOR SECONDARY. The LCA Corporation, G St. and Erie Ave., Philadelphia, Pa. 19134, filed a registration statement (File 2-38881) with the SEC on November 24 seeking registration of 750,000 outstanding shares of common stock, to be offered for public sale by Walter E. Kidde Company, which owns all of LCA's 4,750,000 outstanding common shares. The offering is to be made by underwriters headed by Goldman, Sachs & Co., 55 Broad St., New York, N. Y. 10004; the offering price (\$26 per share maximum*) and underwriting terms are to be supplied by amendment. Simultaneously with and subject to the public offering, Maurice M. Rosen, LCA president, and certain officers and key employees of LCA have accepted an offer by LCA to exchange their holdings of Kidde common and preference shares for approximately 250,000 LCA common shares. Upon completion of this public offering of LCA shares and the exchange of the Kidde shares for LCA shares, Kidde will own 4,000,000 shares or approximately 80% of the outstanding LCA shares.

LCA was acquired by Kidde in 1967; its principal business is the design, manufacture and distribution of lighting products, fixtures and equipment. Frank R. Sullivan is board chairman of both companies.

WAXMAN INDUSTRIES PROPOSES OFFERING AND SECONDARY. Waxman Industries, Inc., 24455 Aurora Road, Cleveland, Ohio 44145, filed a registration statement (File 2-38882) with the SEC on November 24 seeking registration of 200,000 shares of common stock, of which 125,000 are to be offered for public sale by the company and 75,000 (being outstanding shares) by the holders thereof. The offering is to be made through underwriters headed by Edwards & Hanly Securities, Inc., 1 Whitehall St., New York; the offering price (\$8.00 per share maximum*) and underwriting terms are to be supplied by amendment. The company has agreed to sell the Hanly firm, for \$200, 5-year warrants to purchase 20,000 shares.

Waxman designs, assembles and distributes household plumbing and electrical products which are sold throughout the United States to mass merchandisers, lumber, drug and supermarket chains. Of the net proceeds of its sale of additional stock, \$150,000 will be used for additional plumbing and electrical inventory, \$75,000 to purchase packaging equipment, and the balance for research and development in improving product lines, the design of new catalogues and other general corporate purposes. In addition to indebtedness, the company has outstanding 730,000 common shares of which Stanley Waxman, board chairman, owns 7.0% and Melvin Waxman and Armond Waxman, president and executive vice president, respectively, own 41.5% each. Stanley Waxman proposes to sell 9,000 shares and Melvin and Armond Waxman propose to sell 30,000 shares each. Two others will sell the remaining shares being registered.

CHEMED CORPORATION TO SELL STOCK. Chemed Corporation, DuBois Tower, Cincinnati, Ohio 45202, filed a registration statement (File 2-38883) with the SEC on November 24 seeking registration of 350,000 shares of capital stock, to be offered for public sale through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith, 70 Pine St., New York 10005. The offering price (\$20 per share maximum*) and underwriting terms are to be supplied by amendment.

Chemed is a wholly-owned subsidiary of W. R. Grace and Company; it manufactures and sells specialized industrial chemicals, institutional food service cleaning chemicals and other services. The net proceeds of its stock sale will be used to repay all short-term borrowings (\$3,000,000 outstanding as of September 30) and to restore working capital to a level consistent with that required for its operations. Upon completion of the offering, The W. R. Grace Company will own 96% of the then outstanding capital stock (8,342,500 shares) of Chemed. E. L. Hutton is president.

NEEDLECRAFT ENTERPRISES TO SELL STOCK. Needlecraft Enterprises, Inc., 1040 Avenue of the Americas, New York 10018, filed a registration statement (File 2-38884) with the SEC on November 24 seeking registration of 84,000 shares of common stock, to be offered for public sale at \$6.00 per share. The offering is to be made on a "best efforts," 42,000 shares or none basis by Maynard, Merel & Co., Inc., 160 Broadway, New York, which will receive a selling commission of 60¢ per share plus 18¢ per share for expenses. The company has agreed to sell to the Maynard firm five year warrants to purchase 8,400 shares, exercisable after one year at \$6 per share.

Needlecraft was organized in August 1968 and has been substantially inactive to date. It intends to engage in the manufacture and sale of pre-cut garments and the operation of retail fabric stores. Of the net proceeds of its stock sale, approximately \$120,000 will be used to lease, equip and purchase inventory for retail fabric stores to be opened by the company, \$100,000 will be used to purchase inventory and raw materials and the balance will be used for packaging design, marketing and advertising expense and for working capital and other corporate purposes. The company has outstanding 216,000 common shares, of which management officials as a group own 90.9%. Arthur Schreiber is president. Purchasers of the shares being registered will acquire a 28% stock interest in the company for their investment of \$504,000, and the original investors will own 216,000 shares or 72% for which they paid an aggregate of \$2,160.

AMERICAN CAPITAL MTG. PROPOSES OFFERING. American Capital Mortgage Investors, 75 Federal St., Boston, Mass. 02110, filed a registration statement (File 2-38885) with the SEC on November 24 seeking registration of 250,000 shares of Beneficial Interest, with warrants to purchase 50,000 shares (at \$25 per share), to be offered for public sale in units, each consisting of 20 shares and 5 warrants and at \$500 per unit. The offering is to be made on a best efforts, all or none basis by Kelly & Morey, Inc., 6780 E. Hampden Ave., Denver, Colo. 80222, which will receive a selling commission of \$42.50 per unit. An affiliate of the underwriter will receive a management fee from the Trust; and it also will receive a \$25,000 fee for expenses incurred on behalf of the Trust prior to the offering.

The Trust was recently organized and plans to qualify as a real estate investment trust under Sections 856-858 of the Internal Revenue Code. It intends to acquire construction and development loans directly from developers, rather than through participation in loans organized by other lenders; it also may acquire equity interests in real estate or in borrowers which it finances. The net proceeds of this financing will be applied to such purposes. Integrated Realty Management Corporation will serve as investment ^{advisor} and manager; both it and the underwriter are wholly-owned subsidiaries of Integrated Resources, Inc. Selig A. Zises, president of the board of trustees of the Trust, also is president of Integrated Resources.

DEMETRIOS PROPOSES OFFERING. Demetrios Incorporated, 1801 National Building, Albuquerque, N. Mexico 87101, filed a registration statement (File 2-38886) with the SEC on November 24 seeking registration of 200,000 shares of common stock, to be offered for public sale at \$5 per share. The offering is to be made by Doherty & Co., 209 Gold Ave. Southwest, Albuquerque, N. Mexico 87101; the underwriting terms are to be supplied by amendment.

The company was organized in March for the primary purpose of building and operating restaurants (to be known by the trade name of "YoYo's"). It intends initially to construct and place four restaurants into operation, two in Albuquerque and one each in Santa Fe and Las Cruces, N. Mexico. The primary purpose of this offering is to finance this construction. The company now has outstanding 620,000 common shares (with a 16¢ per share book value), of which Chris A. Corondoni, president, owns 64.5% and management officials as a group 96.8%. Purchasers of the shares being registered will sustain an immediate dilution of \$3.78 in per share book value from the offering price. They will acquire a 24.4% stock interest in the company for an investment of \$1,000,000; present stockholders will then own 75.6%, for which they will have paid \$110,000.

LIBERTY LOAN TO SELL DEBENTURES. Liberty Loan Corporation, 7438 Forsyth Blvd., St. Louis, Mo. 63105, filed a registration statement (File 2-38887) with the SEC on November 24 seeking registration of \$15,000,000 of subordinated debentures, due 1981. The debentures are to be offered for public sale through underwriters headed by The Chicago Corp., 208 S. LaSalle St., Chicago, Ill. 60604, and Edward D. Jones & Co., 101 N. 4th St., St. Louis, Mo.; the interest rate, offering price and underwriting terms are to be supplied by amendment.

The company is engaged primarily in the consumer finance business. It will apply the net proceeds of its debenture sale to a reduction of outstanding short-term bank borrowings and commercial paper, or both, which amounted to \$241,512,000 on October 31 and was incurred primarily to provide funds to carry on the company's consumer finance operations.

ATLANTIC RICHFIELD FILES FOR OFFERING. Atlantic Richfield Company, 717 5th Ave., New York 10022, filed a registration statement (File 2-38888) with the SEC on November 24 seeking registration of \$100,000,000 of thirty-year debentures, due 2000, and \$100,000,000 of notes, due 1976. It is proposed to offer these securities for public sale through underwriters headed by Smith, Barney & Co., Inc., 20 Broad St., New York 10005; the interest rates, offering prices and underwriting terms are to be supplied by amendment.

The company and its subsidiaries are engaged in the exploration for, and development, production, purchase, transportation and sale of, crude petroleum and natural gas, and in manufacturing, transportation and marketing of petroleum products derived from crude oil. The net proceeds of this financing will be added to its general funds and used to reduce short term notes payable as they become due (and amounting to \$279,000,000 on October 31). In addition to indebtedness and preferred stock, the company has outstanding 45,002,036 common shares. Robert O. Anderson is board chairman and chief executive officer and T. F. Bradshaw is president.

RADIATION DYNAMICS SHARES IN REGISTRATION. Radiation Dynamics, Inc., 1800 Shames Drive, Westbury, N. Y. 11590, filed a registration statement (File 2-38889) with the SEC on November 24 seeking registration of 24,800 outstanding shares of common stock. The 26 holders thereof may offer the shares for sale from time to time, at prices current at the time of sale (\$10 per share maximum*). The company is primarily engaged in the manufacture and sale of high energy particle accelerators. It has outstanding 1,942,481 common shares.

MISCELLANEOUS

UNLISTED TRADING SOUGHT. The SEC has issued an order under the Securities Exchange Act (Release 34-9032) giving interested persons until December 9 to request a hearing upon an application of the Boston Stock Exchange to strike from listing and registration the common stocks or specified securities of the named companies: Abbott Laboratories, Inc., Arkansas-Louisiana Gas Company, Austral Oil Company Incorporated, The Bank of New York Company, Inc., CNA Financial Corporation, California Computer Products, Inc., Central Illinois Public Service Company, Chemical New York Corporation, Consolidated Freightways, Inc., Delmarva Power & Light Co., International Telephone & Telegraph Corporation - \$2.25 cumulative convertible preferred stock, Series N, Levin-Townsend Computer Corporation, Manufacturer's Hanover Corporation, Northern States Power Company, Norton Simon, Inc., Peoples Gas Company, Perkin-Elmer Corp., Potter Instrument Company, Inc., and Kellogg Co.

DELISTING GRANTED. The SEC has issued orders under the Securities Exchange Act (Release 34-9032) granting applications of (a) the New York Stock Exchange to strike from listing and registration the common stock of Bermec Corporation (effective at the opening of business on November 25, 1970) and the 1927 and 1928 issues of 6% external sinking fund gold bonds, due January and October 1961, respectively, of The Republic of Colombia (effective November 27, 1970) and of (b) the Pacific Coast Stock Exchange to strike from listing and registration the common stock of Guidance Technology, Inc. (formerly Summers Gyroscope Co.) (also effective November 27, 1970). According to the NYSE, reliable sources indicate virtual elimination of the net tangible assets available to the common stock of Bermec and substantial losses with an average net earnings deficit of \$6,719,733 per year for the three fiscal years ended June 30, 1968, 1969 and 1970. In the case of the Colombia bonds, only \$57,000 principal amount of the 1927 bonds and \$73,500 of the 1928 bonds remain outstanding. The delisting of Guidance Technology stock was granted upon the request of the issuer. The stock has been suspended from trading on the PCSE since August 5, 1970 because of a lack of current information concerning the ability of the company to meet its financial obligations and its failure to maintain a separate transfer agent and registrar. On October 9, 1970, the company filed petitions under the provisions of Chapter XI of the National Bankruptcy Act in the U.S.D.C. of the Central District of California.

SECURITIES ACT REGISTRATIONS. Effective November 25: Artonic Information Systems, Inc., 2-35927 (90 days); Citizens Bancshares of Florida, Inc., 2-37760 (90 days); Devon Apparel, Inc., 2-38760 (Jan 5); The Felsway Corp., 2-38405; Mississippi Power Co., 2-38755; Pacesetter Management Systems, Inc., 2-37524 (90 days); Southeast Bancorporation, Inc., 2-38479 (40 days); United Merchants and Manufacturers, Inc., 2-38723.

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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