

# SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

A brief summary of financial proposals filed with and actions by the S.E.C.



Washington, D.C. 20549

(In ordering full text of Releases from SEC Publications Unit cite number)

(Issue No. 70-240)

FOR RELEASE December 11, 1970

## NEW RULES AND RULE PROPOSALS

**SECO FEES INCREASED.** The SEC has amended its Form SECO-2, adopted pursuant to Rule 15b9-1 under the Securities Exchange Act, to increase the initial fee for associated persons of registered broker-dealers who are not NASD members from \$25 to \$35, effective December 15, 1970 (Release 34-9043).

## HOLDING COMPANY ACT RELEASES

**SOUTHWESTERN RECEIVES ORDER.** The SEC has issued an order under the Holding Company Act (Release 35-16933) authorizing the Southwestern Electric Power Company, subsidiary of Central and South West Corporation, to issue and sell 285,715 shares of its common stock to Central for \$4,000,010. Proceeds from the sale of the stock will be used by Southwestern to pay for additions or improvements to its electric utility system. Construction expenditures of Southwestern for 1971 are estimated at \$42,000,000.

**COLUMBIA GAS SEEKS ORDER.** The SEC has issued an order under the Holding Company Act (Release 35-16934) giving interested persons until December 28 to request a hearing upon intra-system transactions proposed by The Columbia Gas System, Inc., Wilmington, Del., holding company. Columbia Gas proposes to advance, on open-account, up to \$6,750,000 to Columbia Gas of West Virginia, Inc. to which three other subsidiaries recently transferred their retail properties and retail operations in West Virginia, namely, The United Fuel Gas Company, The Manufacturers Light and Heat Company, and Cumberland and Allegheny Gas Company. The West Virginia company will use \$3,200,000 to reimburse United Fuel and Manufacturers for certain short-term gas prepayments and \$3,550,000 to finance construction and other long-term requirements. Columbia Gas also proposes to make additional advances on open-account to United Fuel in the amount of \$11,025,000 to finance its construction and other long-term requirements.

## SECURITIES ACT REGISTRATIONS

**NYTRONICS SHARES IN REGISTRATION.** Nytronics, Inc., Alpha, N. J. 08866, filed a registration statement (File 2-38998) with the SEC on December 9 seeking registration of 505,893 shares of capital stock and warrants to purchase 902,600 shares. These securities are part of 1,065,000 shares and 1,900,000 warrants to be issued by Nytronics in connection with a proposal for the merger of Diversified Data Services and Sciences, Inc., with Nytronics, to be voted on by Nytronics stockholders at a meeting scheduled for December 21, 1970. The numerous, prospective recipients thereof include Donald Spreen, who may sell 168,135 shares and 300 warrants, and Anthony J. Stoeckert, who may sell 120,026 shares and 214,160 warrants.

Nytronics is engaged in the production and sale of various electronic and data communications equipment. In addition to indebtedness, it has outstanding 4,632,000 shares of capital stock. Bernard M. Goldsmith is board chairman and president. Diversified is engaged in the areas of data processing, systems analysis and programming.

**CAROLINA P&L PROPOSE OFFERINGS.** Carolina Power and Light Co., 336 Fayetteville St., Raleigh, N. C. 27602, filed a registration statement (File 2-39001) with the SEC on December 9 seeking registration of 350,000 shares of serial preferred stock (no par) to be offered for public sale through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith, Inc., 70 Pine St., New York 10005; the offering price, (\$101 per share maximum\*), dividend rate and underwriting terms are to be supplied by amendment. In addition, the company also filed a registration statement (File 2-39002) seeking registration of \$65,000,000 of first mortgage bonds, due 2001, to be offered for public sale at competitive bidding.

A public utility, the company generates and distributes electric power in North and South Carolina. Net proceeds of this financing will be applied to the payment of short-term loans (expected to approximate \$75,000,000 when the proceeds are received) incurred primarily for construction purposes, and for general corporate purposes, including construction. Construction expenditures for the 1971-73 period are estimated at \$744,476,000. In addition to indebtedness and preferred stock, the company has outstanding 13,970,241 common shares. Shearon Harris is board chairman and president.

**NATIONAL LEAD TO SELL DEBENTURES.** National Lead Company, 111 Broadway, New York 10006, filed a registration statement (File 2-38999) with the SEC on December 9 seeking registration of \$100,000,000 of debentures, due 1995, to be offered for public sale through underwriters headed by Kuhn, Loeb & Co., 40 Wall St., New York 10005. The interest rate, offering price and underwriting terms are to be supplied by amendment.

The company is engaged principally as a producer of metals and bearings, titanium pigments, die castings and chemicals and plastics. The net proceeds of its debenture sale will be used to repay bank indebtedness (amounting to \$139,500,000 on November 30) which was incurred to finance capital expenditures, investments and increases in working capital. In addition to indebtedness, the company has outstanding 24,177,168 common shares. Edward R. Rowley is board chairman and John B. Henrich is president.

OVER

**STATE MUTUAL PROPOSES OFFERING.** State Mutual Investors (the Trust), an affiliate of the State Mutual Life Insurance Co. (State Mutual), 440 Lincoln St., Worcester, Mass. 01650, filed a registration statement (File 2-39000) with the SEC on December 9 seeking registration of 1,250,000 shares of beneficial interest in the Trust and \$25,000,000 of convertible subordinated debentures, to be offered for public sale in units, each consisting of 5 shares and a \$100 debenture, and at \$200 per unit. The offering is to be made through underwriters headed by Bear, Stearns & Co., 1 Wall St., and Bache & Co., 36 Wall St., both of New York 10005; the interest rate on the debentures and underwriting terms are to be supplied by amendment.

The Trust was formed for the purpose of investing in professionally selected and managed portfolios of real property investments, with emphasis on long-term mortgage loans and mortgage loans relating to the development of real property. The American Group Management Corporation, also an affiliate of State Mutual, will serve as investment adviser. The Trust will seek to qualify as a real estate investment trust under the Internal Revenue Code. H. Ladd Plumley is board chairman of the Trust (and of State Mutual) and James T. Wilcox is president; they occupy similar positions with the adviser.

**GUARDSMARK FILES FOR OFFERING AND SECONDARY.** Guardsmark, Inc., 270 Park Ave., New York 10017, filed a registration statement (File 2-39002) with the SEC on December 9 seeking registration of 176,262 shares of Class A common stock, of which 75,000 shares are being offered for public sale by the company and 101,262 (being outstanding shares) by the holders thereof. The offering is to be made through underwriters headed by Stephens, Inc., 114 East Capitol Ave., Little Rock, Ark.; the offering price (\$15.13 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company is principally engaged in furnishing uniformed armed guard services, performing investigatory work and the installation of alarm systems for industrial, commercial and institutional clients. Of the net of its stock sale, \$350,000 will be used to retire bank indebtedness which was incurred to provide working capital; other proceeds will be used to retire a \$79,355 promissory note and to finance the opening of new locations. In addition to indebtedness, the company has outstanding 391,506 Class A common and 233,333 Class B shares. Ira A. Lipman, board chairman, owns 82% of the Class B stock; Alfred B. Gumm and Mark Lipman, directors, own 30% and 11%, respectively, of the Class A; and management officials as a group own 52% and 96% of Class A and Class B shares, respectively. Lipman may sell 20,000 Class A shares, Gumm 29,128, and several others the remaining shares held.

#### MISCELLANEOUS

**TRADING SUSPENSION CONTINUED.** The SEC has ordered the suspension of over-the-counter trading in the securities of Continental Vending Machine Corporation for a further ten-day period December 12-21, 1970, inclusive.

**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 (in ordering, please give month and year of report). 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 December 7 News Digest.

#### 8K Reports for Sept. 1970

Investment Property Builders, Inc. (12)	0-4260-2	Alumacraft Marine Products Corp (11,12,13)	2-30449-2
Rex Chainbelt Inc. (2,7,11,13)	1-373-2	Instrument Technology Corporation Aug 1970 (11,13)	0-4988-2
Package Products Company Inc (4,7,11,13)	2-34392-2	Compumedic Controls Corp (8,12,13)	2-30896-2
		Sysco Corporation (2,7,13)	2-34851-2

**SECURITIES ACT REGISTRATIONS.** Effective December 9: McDonald's Corp., 2-38815 (40 days); New York Telephone Co., 2-38858; A. & E. Plastk Pak Co., Inc., 2-38633.

Effective December 10: American Investment Co., 2-38812 (Jan 19); Associated Madison Companies, Inc., 2-37829 (40 days); Atlantic Richfield Co., 2-38888; Binks Manufacturing Co., 2-38857; Consolidated Edison Co. of New York, Inc., 2-38807; Dynafab, Inc., 2-35870 (90 days); Emery Industries, Inc., 2-38860; F. B. P. Publishing, Inc., 2-36912 (90 days); First Investment Securities Co., 2-34500 (90 days); H. B. Fuller Co., 2-38754; General American Transportation Corp., 2-38780; General Electric Credit Corp., 2-38965; Jacobs Engineering Co., 2-38728 (90 days); The Lee National Life Insurance Co., 2-34642 (Jan 19); Mission Equities Corp., 2-38080; J. P. Morgan & Co., Inc., 2-38958; National Western Mobile Parks & Modular Homes Inc., 2-37440 (90 days); Nortek, Inc., 2-38536; Oceanography Mariculture Industries, Inc., 2-38912; Peterson, Howell & Heather, Inc., 2-38796 (40 days); Republic Mortgage Investors, 2-36740 (40 days); Scott Paper Co., 2-38932; 1970 Treecrop Co., 2-38627 (90 days); Virginia Real Estate Investment Trust, 2-38440 (90 days); Wellington Credit Corp., 2-36919 (90 days); The West Co., Inc., 2-36705 (90 days).

**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.