

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST



Washington, D. C. 20549

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

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

(Issue No. 68-241)

FOR RELEASE December 11, 1968

GENERAL PUBLIC UTILITIES RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16235) granting an application of General Public Utilities Corporation ("GPU"), a holding company, and its nonutility subsidiary, Laing-Vortex, Inc., New York, with respect to the refinancing of Laing and the sale of GPU's stock interest therein to two Swiss corporations. Laing-Vortex was organized in 1965 for the purpose of promoting the manufacture and marketing on a national scale of electric space heaters, air-conditioners, and other electrical equipment employing a fan called a "tangential blower" or "vortex fan."

PHILADELPHIA ELECTRIC RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16236) authorizing the Philadelphia Electric Power Company ("PEPCo") and its wholly-owned subsidiary, Susquehanna Power Company ("SPCo"), Philadelphia, to issue short term notes to banks. PEPCo proposes to increase the amount of short term notes issued to banks from time to time prior to December 31, 1969, from \$2.5 million (presently outstanding) to \$8 million to be outstanding at any one time. SPCo proposes to issue and sell from time to time through December 31, 1969, up to \$3 million of short term notes to banks. PEPCo will use the proceeds of its borrowings for construction expenditures, for sinking fund payments and for the purchase of additional common shares of SPCo. SPCo will use the proceeds of its borrowings for intermediate financing of its future improvements.

NATIONAL FUEL RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16237) authorizing Iroquois Gas Corporation ("Iroquois") and United Natural Gas Company ("United"), two subsidiaries of National Fuel Gas Company, a New York holding company, to purchase (for an estimated \$6,500,000) an 89.2-mile, 29-inch pipeline from The Tennessee Gas Pipeline Company. Of the \$6,500,000, Iroquois is to pay \$5,330,000 and United \$1,160,000. To finance the acquisition of its segment of the pipeline, Iroquois proposes to issue and sell to National an unsecured promissory note not to exceed \$4,000,000, due December 1969. In turn, National proposes to issue and sell to A. G. Becker & Co., Incorporated, commercial paper in an amount not to exceed \$4,000,000.

GRANITE STATE ELECTRIC RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16239) authorizing Granite State Electric Company, Lebanon, N. H., subsidiary of New England Electric System ("NEES"), to issue and sell 5,000 additional common shares to NEES at \$100 per share. Net proceeds of its stock sale will be applied toward the payment of \$4,370,000 of short-term notes evidencing borrowings made for construction purposes.

DEMING INVESTMENT SEEKS ORDER. The SEC has issued an order under the Investment Company Act (Release IC-5559) giving interested persons until December 31, 1968, to request a hearing upon an application of Deming Investment Corporation, Salem, Ohio, closed-end diversified investment company, for an order declaring that Deming has ceased to be an investment company. Deming represents that on August 30, 1968, all of its assets, exclusive of a cash reserve, were transferred to Massachusetts Investors Trust ("MIT"), in exchange for 123,170 shares of beneficial interest of MIT. Deming is now in the process of liquidation and dissolution. As of November 16, shareholders holding 97,697 of the 102,754 outstanding Deming shares had surrendered their certificates representing such shares, and 117,108 of the MIT shares and substantially all of Deming's cash not required for the payment of its obligations have been distributed to such shareholders. The remaining MIT shares have been registered in the names of 16 Deming shareholders entitled to receive them and will be distributed to such shareholders upon surrender of their certificates representing Deming shares.

MASS. INVESTORS GROWTH FUND RECEIVES ORDER. The SEC has issued an exemption order under the Investment Company Act (Release IC-5560) authorizing Massachusetts Investors Growth Stock Fund, Inc. ("MIG"), Boston mutual fund, to acquire substantially all of the assets of R. D. Britton and Associates, Inc. ("Britton"). Britton, a New York corporation, is a personal holding company all of whose common and preferred stock is held by fewer than 25 persons. MIG proposes to issue its shares at their net asset value for Britton's assets, which had a market value of \$465,360 on October 17, 1968. If the transaction been completed on that date, Britton would have received 35,769 MIG shares. Upon receipt by Britton, the MIG shares will be distributed to Britton shareholders on liquidation of Britton.

UNLISTED TRADING APPLICATION WITHDRAWN. The application of the Pacific Coast Stock Exchange for unlisted trading privileges in the common stock of Norton Simon, Inc., referred to in the SEC News Digest of December 4, has been withdrawn by the Exchange.

OVER

PHILADELPHIA BRONZE FILING QUESTIONED. The SEC has ordered proceedings pursuant to Section 8(d) of the Securities Act of 1933 involving the question of the accuracy and adequacy of informational disclosures contained in a registration statement filed with the Commission by Philadelphia Bronze Corporation, of Edgley, Pa.

The company was organized in October 1967 to engage in the business of inventorying and processing non-ferrous metals - the processing to be performed by others under the company's supervision. In its registration statement, filed on March 11, 1968, the company proposed the public offering of 870,000 common shares at \$1 per share. Of its 130,000 outstanding shares, 65,000 are owned by Gordon E. Keim, president, and 60,000 by Roy E. Kurtz, treasurer.

According to the company's prospectus, the net proceeds of its stock sale are to be used for general corporate purposes and the acquisition of an initial inventory of non-ferrous metals -- if all the shares are sold, an estimated 40% of the proceeds, or \$400,000, would be used to purchase additional metals. At a hearing scheduled for December 24, 1968, in the Commission's Washington Office, inquiry will be conducted into the question whether the representation as to the intended use of proceeds is accurate in view of information reported by the Commission's staff that a substantial portion of the proceeds were to be used by the company to purchase all of the outstanding stock of Robinson Steel Company from Keim. Also, whether there was a failure to disclose (as alleged by the staff) that the company was surety on a personal promissory note in the amount of \$365,000 given by Keim in March 1968 in partial payment of the purchase price of the Robinson Steel stock. If the evidence adduced at the hearing establishes that these allegations of the Commission's staff are correct, the question will be presented whether it is in the public interest for the Commission to issue a "stop order" suspending the Philadelphia Bronze registration statement.

HUGHES & HATCHER FILES FOR OFFERING AND SECONDARY. Hughes & Hatcher, Inc., 1300 Twelfth St., Detroit, Mich. 48216, filed a registration statement (File 2-30951) with the SEC on December 6 seeking registration of 437,500 shares of common stock, of which 250,000 are to be offered for public sale by the company and 187,500 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters headed by Shearson, Hammill & Co., Inc., 14 Wall St., New York 10005; the offering price (\$33 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is an independent retailer of medium and higher priced menswear. The net proceeds of its sale of additional stock will be used in part in connection with the opening of new store locations and the expansion of existing ones, including the financing of fixtures; the balance will be used for general corporate purposes. In addition to indebtedness, the company has outstanding 1,471,265 common shares, of which a Trust made by Jacob M. Pincus for the benefit of Ethel Pincus, et al. (and of which Trust Bernard E. Pincus, company president, is a trustee), owns 37.75% and management officials as a group (including the Trust holdings) own 46.66%. The Trust proposes to sell 122,500 of 555,390 shares held; several other members of the Pincus family propose to sell the balance of the shares being registered.

INTER-ISLAND MORTGAGEE TO SELL STOCK. Inter-Island Mortgagee Corp., 90-04 161st St., Jamaica, N. Y., filed a registration statement (File 2-30956) with the SEC on December 6 seeking registration of 172,000 shares of common stock, to be offered for public sale at \$5 per share. The offering is to be made through underwriters headed by A. J. Carno Co., Inc., 42 Broadway, New York, which will receive a 50¢ per share commission plus \$21,500 for expenses. Upon completion of the offering, the company also will sell to the Carno firm, for \$17.20, six-year warrants for the purchase of 17,200 shares, exercisable after one year at \$5.50 per share.

The company is engaged through subsidiaries in arranging, processing and issuing F.H.A. and V.A. insured mortgages, the servicing of mortgages for various lending institutions and in other related aspects of the mortgage leasing business. Of the net proceeds of its stock sale, \$125,000 will be invested in a Puerto Rican subsidiary expected to carry on the company's business in Puerto Rico, \$300,000 will be allocated to investment by the company in interim first mortgage financing of a conventional nature, \$225,000 will be reserved for investment in new construction loans in Puerto Rico, and the balance will be added to general working capital primarily to the payment of mortgage commitment fees. In addition to indebtedness, the company has outstanding 364,000 common shares (with a 95¢ per share book value), of which Stanley Sirote, president and board chairman, owns 75.5% and Michael Sirote, vice president and treasurer, 24.5%. Purchasers of the shares being registered will suffer an immediate \$3.05 per share dilution of their equity.

CONTINENTAL TESTING LABS. TO SELL STOCK. Continental Testing Laboratories, Inc., 763 U. S. Highway 17-92, Fern Park, Fla. 32730, filed a registration statement (File 2-30966) with the SEC on December 9 seeking registration of 135,000 shares of common stock, to be offered for public sale through underwriters headed by J. N. Russell & Co., Inc., 1582 Union Commerce Bldg., Cleveland, Ohio 44115. The offering price (\$4 per share maximum*) and underwriting terms are to be supplied by amendment. The company has agreed to sell to the Russell firm, for \$135, five-year warrants to purchase 13,500 common shares.

The company is engaged in the business of providing qualification and evaluation testing services on equipment assemblies and electronic component parts for Government agencies and other customers engaged in programs relating to national defense and space exploration. Of the net proceeds of the company's stock sale, \$100,000 will be used to prepay a portion of its long-term debt, which has been guaranteed by four officers and principal stockholders of the company, \$150,000 to purchase additional equipment to expand the company's general testing and "burn-in" and "screening" capabilities, and \$70,000 for product development, inventory and marketing expansion for a subsidiary which manufactures testing equipment; the balance may be used for working capital purposes. The company has outstanding 274,050 common shares, of which John P. Broderick, president, owns 37.56%, and three other officers 57.96%.

McDONOUGH CO. FILES FOR OFFERING AND SECONDARY. McDonough Co., Parkersburg, W. Va. 26101, filed a registration statement (File 2-30981) with the SEC on December 10 seeking registration of 500,000 shares of common stock, of which 250,000 are to be offered for public sale by the company and 250,000 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters headed by Bache & Co., Inc., 36 Wall St., New York 10005; the offering price (\$38 per share maximum*) and underwriting terms are to be supplied by amendment.

The company produces and sells lawn, garden and industrial hand tools, portland cement, ready-mix concrete, and sand and gravel aggregates, and operates a crane rental business which was expanded to include the rental of barges in December 1968. It has acquired a total of 219,673 shares (26.8%) of the outstanding common stock of Endicott Johnson Corporation, a manufacturer of men's and women's shoes. Part of the proceeds of its stock sale will be applied "to reduce proportionately" the \$8,521,134 of indebtedness incurred to finance the investment in Endicott stock; the balance will be used to repay \$1,498,000 of subordinated notes issued on November 29 to McDonough family interests in connection with the acquisition in November of the sand and gravel aggregates business of Kanawha S Company, a corporation owned by Bernard P. McDonough (board chairman) and his family, as well as 82 barges owned by McDonough family interests. In addition to indebtedness and preferred stock, the company has outstanding 1,546,245 common shares, of which management officials as a group own 83.01%. Bernard and Alma McDonough propose to sell 100,000 shares each and four others the balance of the shares being registered.

COMPUTER SYSTEMS OF AMERICA TO SELL STOCK. Computer Systems of America, Inc., 79 Milk St., Boston, Mass. 02109, filed a registration statement (File 2-30982) with the SEC on December 10 seeking registration of 225,000 shares of common stock, to be offered for public sale at \$5 per share. The offering is to be made by Charles Plohn & Co., 200 Park Ave., New York 10017, for which it will receive a 50¢ per share commission plus \$10,000 for expenses. The company has sold the underwriter 22,500 shares at 10¢ per share, which shares may not be resold for one year; and the company has agreed to pay \$5,000 to two individuals as a finder's fee and to issue its counsel 7,500 shares for legal services.

The company was organized under Massachusetts law in October and proposes to engage in the purchase and leasing of electronic data processing equipment, including computers. Net proceeds of its stock sale will be used principally for the acquisition of EDP equipment as and when lease commitments for the use of such equipment have been obtained. The company now has outstanding 362,500 common shares (sold at an average price of \$68 per share), of which 230,000 shares were sold at 10¢ per share to promoters and 110,000 to a group of private investors at \$2 per share. Harry T. Spence, president, owns 24.8% and management officials as a group 40%; another officer is president and principal stockholder of a company which owns 24.8%. Purchasers of the shares being registered will suffer an immediate dilution of \$2.94 per share acquired.

COLUMBIA NATIONAL LIFE INSURANCE PROPOSES OFFERING. Columbia National Life Insurance Company, 411 Hamilton Blvd., Peoria, Ill., filed a registration statement (File 2-30964) with the SEC on December 6 seeking registration of 400,000 shares of common stock, to be offered for public sale at \$5 per share. No underwriting is involved.

The company was organized under Illinois law in October 1964, under the name Standard Annuity Life Insurance Company, as a legal reserve life insurance company. In 1967, approximately 99.3% of its outstanding shares was acquired by Columbia National Corporation, following which the company assumed its present name. Net proceeds of its stock sale will be used to provide reserves for new insurance business written and, in general, to provide working capital. The company has outstanding 543,000 common shares, of which Columbia National owns 539,172. Leon Landon is board chairman and chief executive officer and Ray C. Gilbert president.

CONTINENTAL FILES EXCHANGE PLAN. The Continental Corporation, 80 Maiden Lane, New York 10038, filed a registration statement (File 2-30970) with the SEC on December 9 seeking registration of 1,094,096 shares of \$2.50 cumulative convertible preferred stock, Series B, \$4 par. It is proposed to offer this stock in exchange for common stock of Capital Finance Corporation, at the rate of 2 shares of the Series B preferred of Continental for every share of Capital Finance common. According to the prospectus, the Boards of Directors of both Continental and Capital Finance have adopted resolutions approving the exchange offer, which will become effective upon its acceptance by holders of not less than 80% of the outstanding shares of Capital Finance common.

STOCK PLANS FILED. The following have filed Form S-8 registration statements with the SEC seeking registration of securities to be offered under and pursuant to employee stock option and related plans:

- First Wisconsin Bankshares Corporation, Milwaukee, Wisc. 53202 (File 2-30967) - 34,091 shares
- Memorex Corporation, Santa Clara, Calif. 95052 (File 2-30971) - 30,562 \$4, Series A, preferred shares and 221,835 common shares (including 30,562 issuable upon conversion of the preferred)
- City Investing Company, Tuxedo, N. Y. 10987 (File 2-30974) - 849,064 common, 26,464 \$1.31 Series A preference, 17,184 \$2 Series B preference, and 92,450 units of contingent interest
- De Kalb AgResearch, Inc., DeKalb, Ill. 60115 (File 2-30975) - 10,000 Class B common shares
- De Kalb AgResearch, Inc., DeKalb, Ill. 60115 (File 2-30976) - 6700 Class A and 6700 Class B common shares
- Midwest Oil Corporation, Denver, Colo. 80202 (File 2-30977) - 25,000 stock options and the underlying common shares
- Vernitron Corporation, New York 10022 (File 2-30978) - 107,408 shares
- Marcor Inc., Wilmington, Del. 19809 (File 2-30984) - 574,290 common and 534,633 \$2, Series A preferred shares

YUM-YUM FILE NUMBER CORRECTED. The registration statement filed by Yum-Yum International Restaurants, Inc., referred to in the SEC News Digest of December 10, carries File No. 2-30957 (not 2-30951, as indicated in the News Digest).

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 December 3 News Digest.

Acme-Cleveland Corp Oct 68 (2,4,7,11,13)	1-1410-2	American Realty Trust Nov 68 (11,13)	0-1806-2
Amalgamated Leather Co Inc May 68 (2)	0-811-2	Black Hills Power & Light Co Apr 65,66,67 & '68	0-164-2
Cradock Terry Shoe Corp Oct 68 (7)	0-542-2	Jacobsen Mfg Co Oct 68 (7)	1-5557-2
Bankers Trust Oct 68 (3,13)	0-1610-2	Russell Mills Inc Sep 68 (1,11)	1-1790-2
Equitable Real Estate Investment Trust Oct 68 (3,13)	0-1605-2	Wood Industries Inc Nov 68 (11)	1-3656-2
Fidelity Real Estate Invest Inc Oct 68 (3,13)	0-1929-2	Roan Selection Trust Ltd (6K) Oct 23 to Nov 8 68	1-3873-2
California Liquid Gas Corp Amd #1 to 8K for Mar 68 (1,13)	1-5402-2	Tenneco Corp Nov 68 (4,11,13)	1-5398-2
C. W. Transport Inc Amd #1 to 8K for Aug 68 (13)	0-1914-2	Rollins Inc Nov 68 (12)	1-4422-2
Chicago Rivet & Machine Co Amd #1 to 8K for Mar 68 (2,13)	0-1227-2	Arvin Industries Inc Nov 68 (12)	1-302-2
Extencicare Inc Amd #1 to 8K for Oct 68 (2,13)	2-27662-2	General Public Utilities Corp Nov 68 (12)	1-3292-2
Clear Creek Corp Nov 68 (6)	0-1379-2	Northwestern Finance Co Oct 68 (4,7)	0-1997-2
Northern Chemical Industries Inc Oct 68 (11,13)	2-11305-2	Phoenix Steel Corp Nov 68 (7,12,13)	1-2908-2
Wichita River Oil Corp Oct 68 (2,7,13)	1-1637-2	Campbell Soup Co Nov 68 (11)	1-3822-2
Albee Homes Inc Nov 68 (11)	0-1896-2	Lenny's Restaurants Inc Amd #1 to 8K for Apr 68(9)	1-5124-2
City Investing Co Oct 68 (2,7,11)	1-5651-2		
Peerless Tube Co Nov 68 (7,13)	0-514-2		
Servo Corp of America Oct 68 (7,8,12)	1-3925-2		
Dorsett Electronics Inc Nov 68 (11)	1-5761-2		
Equity Capital Co Oct 68 (11,13)	2-17926-2		
Reynolds Metals Nov 68 (13)	1-1430-2		

SECURITIES ACT REGISTRATION STATEMENTS. During the week ended December 5, 1968, 74 registration statements were filed, 55 became effective, 3 were withdrawn, and 1,012 were pending at the week-end.

SECURITIES ACT REGISTRATIONS. Effective December 10: American Can Co. and Skelly Oil Co., 2-30567 (40 days); Chris-Craft Industries, Inc., 2-30627 (40 days); Equidata, Inc., 2-29891 (90 days); Falcon Seaboard Drilling Co., 2-30686 (40 days); Gulfstream Land & Development Corp., 2-29825 (90 days); Industrial Air Products Co., 2-30431 (90 days); Masco Corp., 2-30707 (Jan 20); Micromation Systems, Inc., 2-29237 (90 days); Mid-Wis Bankshares, Inc., 2-29830 (Mar 10); 60 Minute Systems, Inc., 2-30577 (Jan 18); Nation-Wide Auto Auction, Ltd., 2-30052 (90 days); North American Data Systems, Inc., 2-29312 (90 days); Numerical Control Education & Consulting Inc., 2-30253 (90 days); Parklane Hosiery Co., Inc., 2-30262 (Mar 10); Premier Photo Service, Inc., 2-30304 (Mar 10); Sales Follow-Up Corp., 2-30096 (Jan 19); Saturn Industries, Inc. 2-30644 (Jan 19); Tod Hunter-Mitchell & Co., Ltd. 2-29980 (90 days); Western Reserve Holding Corp., 2-30715.

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.