

# sec news digest

a daily summary from the securities and exchange commission

Issue 73-195

(SEC Docket, Vol. 2, No. 17 - Oct. 23)

October 9, 1973

## COMMISSIONER OWENS DISCUSSES SEC ENFORCEMENT

Progress and cooperation were the two principal themes in an address given yesterday by Commissioner Hugh F. Owens in which he reviewed the current status of the Commission's enforcement program.

Speaking before the North American Securities Administrators Association in San Antonio, Texas, Mr. Owens focused on the variety of challenges which have recently confronted the SEC's enforcement staff. In this context, specific mention was made of the emergence of investment vehicles such as whiskey warehouse receipts, pyramid promotions and commodity options. Commissioner Owens also touched upon the recent regulatory problems emanating from the municipal bond industry and from the rapid internationalization of the securities markets.

In outlining the SEC's approach to these developments, Mr. Owens commented on several enforcement actions filed by the Commission within the last few years and discussed the Commission's continuing efforts to structure new types of decrees which would be more responsive to the victims, both individual and corporate, of securities law violators.

Particular emphasis was also placed by Mr. Owens on the valuable assistance the Commission has received in the enforcement area from other regulatory agencies, both at the Federal and state levels. While acknowledging that a great deal has been accomplished through cooperative enforcement, Commissioner Owens called for more to be done and encouraged other regulators to develop further lines of communication and cooperation with the Commission's staff. Such efforts, he stated, will be mutually rewarding.

## DECISIONS IN ADMINISTRATIVE PROCEEDING

ASSET SHELTERS GROUP AND OFFICERS ENJOINED AND SUSPENDED. The SEC today announced that the U.S. District Court for New York has permanently enjoined The Asset Shelters Group, Inc. (ASG), Austin B. Speed, Jr., president, and Earl C. Sherry, vice-president, from conducting business as a broker-dealer in securities without being registered with the Commission. Defendants consented to the injunction as part of a settlement offer submitted to the Commission, without admitting or denying the allegations of the Commission's complaint.

In a related action also based on the settlement offer, the Commission instituted administrative proceedings against respondents under the Securities Exchange Act and, on the basis of the injunction, suspended them from association with any broker-dealer or investment adviser for 60 days. (LR-6080) (Rel. 34-10416)

## COMMISSION ANNOUNCEMENTS

FIRST MINNEAPOLIS INVESTMENT CORP. FORMER MANAGEMENT CITED. Administrative proceedings have been ordered against James J. Chica, Carrol F. Teig, Wilfred H. Williams, and Peter R. Super, former officers and directors of First Minneapolis Investment Corp., a broker-dealer for which a SIPC trustee was appointed on March 2, 1973. The order is based on allegations by the staff that Chica and Teig aided and abetted violations by First Minneapolis of the net capital rule, rules relating to prompt amendment of the company's application for registration and with failure to supervise. The staff also charged Chica and the company with violating rules and regulations relating to the extension of credit, including Regulation T of the Federal Reserve System.

A hearing will be scheduled to take evidence on the staff charges and afford respondents an opportunity to offer any defenses. The purpose of the hearing is to determine whether the allegations are true, and, if so, whether any action of a remedial nature is necessary or appropriate in the public interest. The hearing will also determine what action, if any, should be taken about respondents in the public interest under the Securities Investor Protection Act. (Rel. 34-10426)

TRADING IN OMNI-RX HEALTH SYSTEMS BANNED. Over-the-counter trading in all securities of Omni-Rx Health Systems of Los Angeles, California has been suspended for a ten-day period October 5 through 14, 1973.

The Commission initiated the trading suspension because of erratic price movements in Omni-Rx stock during the week prior to October 4. The price moved from 5 to 10 during that week and from 10 to 4 on October 4, 1973. The company has said that it knows of no reason for the price movement. (Rel. 34-10425)

## INVESTMENT COMPANY ACT RELEASES

COUNSELORS INVESTMENT FUND, INC. An order has been issued declaring that Counselors Investment Fund, Inc. of Los Angeles, California, has ceased to be an investment company. (Rel. IC-8024)

## SECURITIES ACT REGISTRATIONS FILED

MCDONALD'S CORPORATION, One McDonald's Plaza, Oak Brook, Ill. 60521 - 952,312 shares of common stock, to be offered for sale by certain shareholders through underwriters headed by Faine, Webber, Jackson & Curtis, Inc., 140 Broadway, New York, N.Y. 10005. Also included in the statement are 16,500 shares to be transferred by Ray A. Kroc, board chairman, to certain employees of the company. The company licenses fast food restaurants. (File 2-49071 - Sept. 18)

PRAIRIE STATES EGG FARMS, Gibson City, Ill. - \$3,200,000 of partnership interests, to be offered for sale at \$1000 per unit with a minimum purchase of five units by Mullaney, Wells & Co., 135 So. LaSalle St., Chicago, Ill. The Partnership proposes to engage in the egg farming business. (File 2-49072 - Sept. 18)

DREYFUS MANAGED CASH FUND, INC., 767 Fifth Ave., New York, N.Y. 10022 - 50,000 shares of common stock, to be offered for sale at net asset value without a sales charge. The Fund is a no-load, diversified, open-end investment company, whose objective is current income and preservation of capital. The Dreyfus Corporation is investment adviser. (File 2-49073 - Sept. 18)

WOMETOC ENTERPRISES, INC., 306 North Miami Ave., Miami, Fla. 33128 - 138,488 shares of Class A common stock, which may be offered for sale from time to time by certain shareholders at prices prevailing at the time of sale. (File 2-49074 - Sept. 18)

MINNESOTA MINING AND MANUFACTURING COMPANY, 3M Center, St. Paul, Minn. 55101 - 57,575 shares of common stock, which may be offered for sale from time to time by certain shareholders at prices current at the time of sale. (File 2-49077 - Sept. 17)

BROADWAY-HALE STORES, INC., 600 South Spring St., Los Angeles, Cal. 90014 - 56,817 shares of common stock, which may be offered for sale from time to time by certain shareholders or their pledgees or donees. (File 2-49079 - Sept. 19)

THE MANITOBA HYDRO-ELECTRIC BOARD, Province of Manitoba (U.S. Agent: Hon. Bruce I. Rankin, Canadian Consulate General, 1251 Avenue of the Americas, New York, N.Y. 10020) - \$60 million of Series 30 bonds, due 2003, to be offered for sale through underwriters headed by Salomon Brothers, 60 Wall St., New York, N.Y. 10005. (File 2-49080 - Sept. 19)

ATLANTIC CITY ELECTRIC COMPANY, 1600 Pacific Ave., Atlantic City, N.J. 08404 - 500,000 shares of common stock, to be offered for sale at competitive bidding. (File 2-49081 - Sept. 19)

MONONGAHELA POWER COMPANY, 1310 Fairmont Ave., Fairmont, W. Va. 26554 - 100,000 shares of cumulative preferred stock, Series I (\$100 par), to be offered for sale at competitive bidding. (File 2-49084 - Sept. 19)

COM-SHARE, INCORPORATED, 2395 Huron Parkway, Ann Arbor, Mich. 48104 - 146,836 shares of common stock, of which 121,940 may be offered for sale from time to time by certain shareholders and 24,896 are issuable pursuant to warrants. The company provides computer timesharing services. (File 2-49086 - Sept. 20)

LIAL-A-DIET INTERNATIONAL, INCORPORATED, 645 Madison Ave., New York, N.Y. 10022 - 200,000 shares of common stock and 200,000 Series "A" warrants, to be offered for sale in units, each consisting of one share and one warrant. The offering is to be made at \$2 per unit by Davis Securities Co., Inc., 50 Broadway, New York, N.Y. 10004. Organized in December 1972, the company will offer a medically supervised program of weight reduction. (File 2-49089 - Sept. 20)

UNIONAMERICA, INC., 445 South Figueroa St., Los Angeles, Calif. 90017 - 5,501,730 shares of common stock. These shares are to be issued in connection with a plan of reorganization under which Unionamerica will be reorganized into two new corporate entities, one of which (Union Bancorp) will own Union Bank (and certain bank-related activities) and the other of which (New Unionamerica) will own the remaining non-banking activities of Unionamerica, one of which will own Union Bank and the other of which

will own the remaining non-banking activities of Unionamerica. Under the Plan, shareholders of Unionamerica will receive one share of common stock of Union Bancorp and one-half share of common stock of New Unionamerica for each Unionamerica common share held at the effective date of reorganization (December 31, 1973). New Unionamerica will acquire from Unionamerica in the reorganization the mortgage banking and real estate activities, the insurance activities, and the business service activities. (File 2-49088 - Sept. 20)

UNION BANCORP, INC., 445 South Figueroa St., Los Angeles, Calif. 90017 - 11,553,634 shares of common stock. These shares are to be issued in connection with a plan of reorganization under which Unionamerica will be reorganized into two new corporate entities, one of which (Union Bancorp) will own Union Bank and the other of which (New Unionamerica) will own the remaining non-banking activities of Unionamerica. See Unionamerica, Inc., above. (File 2-49088 - Sept. 20)

ACS INVESTORS, INC., 1171 Empire Central, Dallas, Tex. 75247 - 1,965,329 shares of common stock. ACS proposes to acquire all of the property, assets, goodwill and business and to assume all the liabilities of Information Systems Development, Inc., in exchange for the issuance to ISD of 3.022 ACS shares for each outstanding ISD common share and the agreement of ACS to reserve for issuance to holders of ISD stock options, warrants and bonuses 805,444 ACS common shares. ACS, through subsidiaries, offers data processing services and engages in commercial feeding of cattle. ISD processes information through the use of electronic data processing equipment. (File 2-49097 - Sept. 20)

CALDERONE-CURRAN RANCHES, INC. (the general partner), 4749 Willis Road, Grass Lake, Mich. 49240 - \$5 million of partnership interests in a series of partnerships, to be offered for sale at \$1000 per unit with a minimum purchase of five units. The Partnerships will engage in cattle breeding, cattle feeding and cattle ranching operations. (File 2-49098 - Sept. 20)

INTERCONTINENTAL DIVERSIFIED CORP., 999 South Bayshore, Miami, Fla. 33131 - 13,881,145 shares of common stock. It is proposed to offer these shares in exchange for shares of Benguet Consolidated, Inc., on a share-for-share basis. Intercontinental was organized in 1970 under Panama laws to succeed to all of the assets of Benguet which are located outside the Philippines. Benguet is engaged in mining, steel fabrication, and merchandising and services. (File 2-49099 - Sept. 20)

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

International Telephone and Telegraph Corp., New York, N. Y. (File 2-49075) - 1,000,000 shares  
 Debron Corporation, St. Ann, Mo. (File 2-49076) - 124,800 shares  
 Earl Scheib, Inc., Beverly Hills, Cal. (File 2-49078) - 125,000 shares  
 AVX Corporation, Braintree, Mass. (File 2-49082) - 21,562 shares  
 National Patent Development Corporation, New York, N. Y. (File 2-49083) - 50,000 shares  
 The Toro Company, Minneapolis, Minn. (File 2-49085) - 169,350 shares  
 Global Marine Inc., Los Angeles, Cal. (File 2-49090) - \$750,000 of interests  
 General Electric Company, New York, N. Y. (File 2-49091) - 2,500,000 shares  
 Lake Shore Financial Corporation, Muskegon, Mich. (File 2-49093) - 23,472 shares  
 Versa Technologies, Inc., Racine, Wis. (File 2-49096) - 32,980 shares  
 The Procter & Gamble Company, Cincinnati, Ohio (File 2-49095) - 54,272 shares  
 Pet Incorporated, St. Louis, Mo. (File 2-49103) - 100,000 shares

SECURITIES ACT REGISTRATIONS. Effective October 4: Hoover & Bracken Oil Properties, Inc., 2-47574 (90 days); Westvaco Corporation, 2-48957.

Effective October 5: Adams-Millis Corp., 2-48717; American Metal Climax, Inc., 2-49222; Brother International Corp., 2-48586; Colorcon, Inc., 2-48643 (90 days); First American Equity Associates (1973), 2-46462 (90 days); Florida Power & Light Co., 2-49052; Hitachi, Ltd., 2-48000; International Funeral Services, Inc., 2-48887; Mutual Benefit Variable Contract Account-3, 2-45475; Narda Microwave Corp., 2-49058; National Patent Development Corp., 2-49037; Pan American Bancshares, Inc., 2-48452; Patagonia Corp., 2-48492; Sheller-Globe Corp., 2-49010; Southeast Banking Corp., 2-49247; Texas Commerce Bancshares, Inc., 2-49159, 2-49158 and 2-49160.

Effective October 9: E. I. Du Pont De Nemours and Co., 2-49070.

NOTE TO DEALERS: The period of time dealers are required to use the prospectus in trading transactions is shown in parentheses after the name of the issuer.

## RECENT FORM 8-K FILINGS

Form 8K is a report which must be filed with the SEC by the 10th of the month after any of the following important events or changes changes in control of the registrant, acquisition or disposition of assets, legal proceedings, changes in securities (i.e., collateral for registered securities), defaults upon senior securities, increase or decrease in the amount of securities outstanding, options to purchase securities, revaluation of assets, submission of matters to a vote of security holders, and any newly enacted requirements effecting registrant's business.

The companies listed below have filed Form 8-K reports for the month indicated, responding to the item of the form specified. Photocopies may be purchased from the Commission's Public Reference Section (in ordering, please give month and year of report). An index of the captions of the items of the form was included in Monday's News Digest.

| COMPANY                                   | ITEM NO. | MONTH |
|---|----------|-------|
| LEVITZ FURNITURE CORP                     | 13,14    | 09/73 |
| LEXTON ANCIERA REAL ESTATE INCOME FUND LT | 13,14    | 08/73 |
| LINCOLN PLAZA CORP                        | 11,14    | 09/73 |
| LITTLE MINT INC                           | 1,14     | 07/73 |
| LOUISIANA BEVERAGE SERVICES INC           | 13       | 09/73 |
| LVO CABLE INC                             | 7,14     | 04/73 |
| LVO CABLE INC                             | 7        | 05/73 |
| MANSON INDUSTRIES INC                     | 3        | 09/73 |
| MAULE INDUSTRIES INC                      | 13       | 08/73 |
| MICKNETIC SYSTEMS INC                     | 11,13,14 | 07/73 |
| MID CONTINENTAL REALTY CORP               | 8        | 10/72 |
| MISSISSIPPI POWER & LIGHT CO              | 7,14     | 09/73 |
| NATIONWIDE NURSING CENTERS INC            | 13,14    | 08/73 |
| NORTH AMERICAN CAR CORP                   | 7,8      | 08/73 |
| OCEAN SCIENCE & ENGINEERING INC           | 11       | 08/73 |
| ORMONT DRUG & CHEMICAL CO INC             | 13,14    | 09/73 |
| PACIFIC ASBESTOS CORP                     | 6        | 09/73 |
| PATAGONIA CORP                            | 7,14     | 08/73 |
| PENTRON INDUSTRIES INC                    | 13       | 07/72 |
| PORTLAND CANNING CO INC                   | 1,7,14   | 08/73 |
| PREMIER ATHLETIC PRODUCTS CORP            | 3,14     | 08/73 |
| PROJECT SEVEN INC                         | 2,13,14  | 06/73 |
| RAYCOMM INDUSTRIES INC                    | 13,14    | 08/73 |
| REEVES BROTHERS INC                       | 7        | 09/73 |
| RLC INVESTMENTS INC                       | 7,11     | 08/73 |
| SLATER WALKER OF AMERICA LTD              | 4,7,14   | 10/72 |
| SUPRONICS CORP                            | 7,8,9,14 | 08/73 |
| TRANSITRON ELECTRONIC CORP                | 13       | 08/73 |
| TRIANGLE HOME PRODUCTS INC                | 11,14    | 09/73 |
| UNION SERVICE INDUSTRIES INC              | 13,14    | 09/73 |
| UNITED FIRST FLORIDA BANKS INC            | 13,14    | 09/73 |
| UTAH POWER & LIGHT CO                     | 7,14     | 09/73 |
| WALSTON AVIATION INC                      | 14       | 08/73 |
| WELLINGTON MANAGEMENT CO                  | 8        | 09/73 |
| WISCONSIN PUBLIC SERVICE CORP             | 7,14     | 09/73 |

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Copies of registration statements may be ordered from the Commission's Public Reference Section. All other referenced material is available in the issue of the SEC Docket indicated in parentheses below the News Digest Issue No. Both the News Digest (\$33.00 a year, first class mail, \$8.25 additional for foreign mailing; \$25.00 additional for air mail) and the SEC Docket (\$17.00 a year, first class mail, \$4.25 additional for foreign mailing) are for sale by the Superintendent of Documents, Government Printing Office, Washington, D. C. 20402.