

sec news digest

a daily summary from the securities and exchange commission

Issue 73-205

(SEC Docket, Vol. 2, No. 19 - Nov. 6)

October 24, 1973

COMMISSION ANNOUNCEMENTS

SEC ORDER CITES TENNESSEE SECURITIES, INC. The SEC has ordered administrative proceedings under the Securities Exchange Act of 1934 against Tennessee Securities, Inc. ("Registrant"), a registered broker-dealer of Nashville, Tennessee. Also named as respondents are Charles Roy Gaw, President and Lloyd Edward Gaw, Vice President of Registrant.

The proceedings are based upon allegations of the Commission's staff that during the period from on or about October 1, 1969 to on or about June 30, 1972, Registrant sold stock of Southeastern Inns Corporation and of Scottish Inns of America, Inc. in violation of the registration requirements of the Securities Act of 1933. Registrant and the Gaws are also charged with employing deceptive and manipulative devices by charging customers unreasonable markups on securities and by hypothecating customers' securities under a lien for a loan made to Registrant. It is also alleged that Registrant and the Gaws violated the extension of credit provisions of the Exchange Act and of Regulation T, certain of the bookkeeping provisions of the Exchange Act and also filed false and misleading information with the Commission concerning Registrant's financial condition. (Rel. 34-10447)

SEC CITES KIRSCH, CHANDLER, FEENEY & CO., INC. et al. The SEC has instituted public administrative proceedings against Kirsch, Chandler, Feeney & Co., Inc., a registered broker-dealer of Des Moines, Iowa; Arthur J. Kirsch; Roderic W. Chandler; Robert E. Feeney; Michael J. Kroneberger; Francis P. Takes; Harvey L. Velgersdyk; Charles G. Sickmon; Michael T. Phalen; Jack R. Willer; John R. Patterson; Earl W. Takes; James L. Blood; Maurice L. Oehler; George H. Halma; Hugh Nocton and James M. McBroom.

The Commission's order is based upon alleged violations of the registration and anti-fraud provisions of the Federal securities laws. In addition, Kirsch, Chandler, Feeney & Co., Arthur J. Kirsch and Roderic W. Chandler are charged with failure to supervise.

The hearing will be scheduled by further order to take evidence on the staff's allegations for the purpose of determining whether the allegations are true and to afford the respondents an opportunity to offer any defenses and whether any action of a remedial nature should be ordered by the Commission. (Rel. 34-10448)

HERITAGE SECURITIES CORP. CITED. The Commission has announced that it had ordered public administrative proceedings involving The Heritage Securities Corporation, Oklahoma City, Oklahoma, and its president, George P. Bishop, involving staff allegations that the respondents violated registration provisions, bookkeeping and financial reporting provisions of the Securities Exchange Act of 1934.

A hearing will be scheduled to take evidence on the staff allegations and to afford the respondents an opportunity to offer any defenses. The purpose of the hearing is to determine whether the allegations are true, and if any action of a remedial nature should be ordered by the Commission. (Rel. 34-10449)

TEMPORARY SUSPENSION OF THE REGULATION A EXEMPTION OF WORLD WHOLESALE, INCORPORATED. The SEC has issued an order temporarily suspending the Regulation A exemption from registration under the Securities Act of 1933 with respect to a public offering of securities by World Wholesale, Incorporated (World Wholesale) of Salt Lake City, Utah. Continental Securities Company of Omaha, Nebraska, was designated as the underwriter of the offering.

Pursuant to a notification filed on December 17, 1971, World Wholesale offered 1,000,000 shares of its 1-cent par value common stock at 25-cents per share for an aggregate offering price of \$250,000. According to the order, the Commission has reason to believe that: (a) the terms and conditions of Regulation A have not been complied with, in that, among other things, the offering circular failed to state accurately the use to which the proceeds of the offering were to be applied, the nature of the World Wholesale's business, the actual underwriters of the offering, and the actual plan for the distribution of the offering; (b) the notification and offering circular filed by World Wholesale contained untrue statements of material facts and omitted to state material facts necessary in order to make, the statements made, in light of the circumstances under which they were made, not misleading, particularly with respect to, among other things, the actual and undisclosed underwriters of the offering, the use to be made of the proceeds of the offering and the plan of distribution; and (c) the offering was made in violation of Section 17 of the Securities Act of 1933, as amended. (Full Text - Rel. 33-5433)

COURT ENFORCEMENT ACTIONS

RAYMOND I. WEISS PLEADS NOLO CONTENDERE. The SEC Washington Regional Office announced that on October 17, 1973, before the Federal court in Maryland, Raymond I. Weiss pleaded nolo contendere to one count of conspiracy of a 14 count indictment charging violations of the registration and anti-fraud provisions of the Federal securities laws, mail fraud, fraud by wire, interstate transportation of stolen property, and conspiracy to commit the aforementioned offenses all in connection with the sale of the unregistered stock of American Continental Industries, Inc. (IR-6108)

HOLDING COMPANY ACT RELEASES

NEW ENGLAND POWER COMPANY. A notice has been issued giving interested persons until November 23, 1973, to request a hearing on an application-declaration filed by New England Electric System, a registered holding company, and one of its subsidiary companies, New England Power Company, regarding the proposed issue and sale by the subsidiary company of \$40,000,000 principal amount of first mortgage bonds at competitive bidding and of 500,000 shares of common stock to the holding company. (Rel. 35-18132)

SECURITIES ACT REGISTRATIONS FILED

AMERICAN METAL CLIMAX, INC., 1270 Avenue of the Americas, New York, N.Y. 10020 - 20,000 shares of Series A convertible preferred stock (\$1 par), to be offered for sale by a selling stockholder. The company explores for and mines ores and minerals and smelts, refines and treats minerals and metals. (File 2-49222 - Oct. 1)

THE DAYTON POWER AND LIGHT COMPANY, 25 North Main St., Dayton, Ohio 45401 - \$40 million of first mortgage bonds, due 2003, to be offered for sale at competitive bidding. (File 2-49223 - Oct. 2)

FIRST NEW MEXICO BANKSHARE CORPORATION, 123 Central Ave., N.W., Albuquerque, New Mexico 87101 - 83,200 shares of common stock. It is proposed to offer these shares in exchange for the outstanding stock of The Clovis National Bank, at the rate of 1.1875 shares for each Bank share. Bankshare is a bank holding company. (File 2-49225 - Oct. 2)

ECC OIL COMPANY, Suite 725 Del Webb Center, Fresno, Cal. 93721 - \$585,000 of units of fractional undivided interests in oil and gas leases in W 1/2 and NE 1/4 of Osage National #109 and N 1/2 of #171 Prospects, to be offered for sale at \$5,850 per unit through selected NASD members. The company is engaged in the exploration for and production of oil and gas. (File 2-49226 - Oct. 1)

PENNSYLVANIA POWER & LIGHT COMPANY, Two North Ninth St., Allentown, Pa. 18101 - 2,000,000 shares of common stock, to be offered for sale through underwriters headed by The First Boston Corp. (File 2-49227 - Oct. 2)

CITIZENS FIDELITY CORPORATION, 500 W. Jefferson St., Louisville, Ky. 40202 - 2,000,000 shares of common stock. It is proposed to offer these shares in exchange for the outstanding shares of Citizens Fidelity and Trust Company, on a share-for-share basis. (File 2-49228 - Oct. 2)

MEDITEL, INC., 1600 Two Girard Plaza, Philadelphia, Pa. 19102 - 120,000 shares of common stock, to be offered for sale at \$5 per share. No underwriting is involved. The company produces and implements computer software systems for use by multiple subscribers in medical practice and related fields. (File 2-49229 - Oct. 2)

THE COCA-COLA BOTTLING COMPANY OF NEW YORK, INC., 411 Hackensack Ave., Hackensack, N.J. 07601 - 1,832,895 shares of common stock. It is proposed to issue these shares in connection with the acquisition of substantially all of the assets and the assumption of substantially all the liabilities of Franzia Brothers Winery. Franzia will then be liquidated and its shareholders will receive 1.35 Bottling Company shares for each Franzia share held. Bottling Company primarily produces and markets soft drinks. Franzia produces and sells wines. (File 2-49230 - Oct. 2)

BEST PRODUCTS CO., INC., U. S. Highway One North, Ashland, Va. 23005 - 351,584 shares of common stock, of which 300,000 are to be offered for sale by the company and 51,584 by certain shareholders. The offering is to be made through underwriters headed by Goldman, Sachs & Co., 55 Broad St., New York, N.Y. The company primarily sells nationally advertised and brand name hardgoods at catalog showrooms. (File 2-49233 - Oct. 3)

WEST PENN POWER COMPANY, 800 Cabin Hill Dr., Greensburg, Pa. 15601 - 100,000 shares of preferred stock, Series I (\$100 par), to be offered for sale at competitive bidding. (File 2-49236 - Oct. 3)

COMMONWEALTH EDISON COMPANY, One First National Plaza, P. O. Box 767, Chicago, Ill. 60690 - \$125 million of first mortgage bonds, Series 26, to be offered for sale at competitive bidding. (File 2-49237 - Oct. 3)

SECURITIES ACT REGISTRATION. Effective October 23: Applied Digital Data Systems, Inc., 2-48605; Boston Edison Company, 2-49162; Central Illinois Public Service Company, 2-49217; The GNMA Mortgage-Backed Securities Fund, Series I, 2-48550; Lake Shore Financial Corporation, 2-49093; Municipal Investment Trust Fund, 18th Monthly Payment Series 2-49196.

MISCELLANEOUS

THE FLINTKOTE COMPANY. An order has been issued granting an application of The Flintkote Company for a finding that the trusteeship of Bankers Trust Company under two existing indentures dated as of October 1, 1960 and July 15, 1971 qualified under the Trust Indenture Act of 1939, one existing indenture dated January 1, 1973 not so qualified under the Act and a new indenture not to be so qualified are not so likely to involve a material conflict of interest as to make it necessary in the public interest or for the protection of investors to disqualify Bankers Trust Company from acting as trustee under any of these indentures. (Rel. TI-346)

TRADING SUSPENSIONS CONTINUED. The SEC has suspended exchange and over-the-counter trading in the securities of Equity Funding Corporation, Giant Stores Corporation and Sanitas Service Corporation and over-the-counter trading in the securities of Industries International, Inc. for the further ten-day period October 24 through November 2, 1973, inclusive.

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
ABERDEEN MANUFACTURING CORP	7,10	09/73
ADVANCED SYSTEMS INC	9	09/73
AFFILIATED BANKSHARES OF COLUMBIA INC	2,4,7,9,14	09/73
AFFILIATED CAPITAL CORP	13	09/73
AIRWICK INDUSTRIES INC	13	09/73
ALASKA AIRLINES INC	12,14	09/73
ALBERTSONS INC	7,9,13	09/73
ALDEN SELF TRANSIT SYSTEMS CORP	11	09/73
ALLEGHANY CORP	3	09/73
ALLIED CHEMICAL CORP	3,7,10,14	09/73
ALLIED NUCLEAR CORP	13	09/73
ALLIED PROPERTIES	13	09/73
ALTIVUS CORP	2,14	09/73
AMAREX INC	2,11	09/73

8K REPORTS CONT.

AMERADA HESS CORP	3	09/73
AMERICAN APPRAISAL ASSOCIATES INC	4,7,14	09/73
AMERICAN DIVERSIFIED INDUSTRIES CORP	3	09/73
AMERICAN EQUITY INVESTMENT TRUST	2,7,14	09/73
AMERICAN FINANCIAL CORP	4,11,13,14	09/73
AMERICAN FUNERAL HOMES INC	2,7	09/73
AMERICAN HEALTH INDUSTRIES INC	2,4,7,11	09/73
ANACONDA CO	8	09/73
APECU CORP	11,13,14	09/73
APPLEBAUMS FOOD MARKETS INC	10,11,13,14	09/73
APPLIED DIGITAL DATA SYSTEMS INC	10,14	09/73
ARKANSAS POWER & LIGHT CO	11	09/73
AKLEN REALTY & DEVELOPMENT CORP	4,7,14	09/73
ARMADA CORP	2,3,7,14	09/73
ASHLAND OIL INC	3	09/73
ASSOCIATED MORTGAGE INVESTORS	13	09/73
ASTRA CORP	11,12,14	09/73
AVCO COMMUNITY DEVELOPERS INC	3,13	09/73
AVIS INC	3,7,14	09/73
AYDIN CORP	4,8,14	09/73
BALTIMORE & OHIO RAILROAD CO	3,8	09/73
BATES MANUFACTURING CO INC	13	09/73
BAUSCH & LOMB INC	10,14	09/73
BENTLEY NATIONAL CORP	2,14	09/73
BIO MEDICAL SCIENCES INC	7,13,14	09/73
BOEING CO	7	09/73
BRAND INSULATIONS INC	2,7,14	09/73
BROWN CO	13	09/73
BUEHLER CORP	7	09/73
BUNTING STERISYSTEMS INC	8	09/73
BURTON HAWKS INC	13	09/73
BUXTONS COUNTRY SHOPS	4,8,13,14	09/73
CAVENCE INDUSTRIES CORP	3,7,10,14	09/73
CALIFORNIA TIME PETROLEUM INC	3	10/73
CAMPTOWN INDUSTRIES INC	9,13	09/73
CANAL RANDOLPH CORP	7,14	09/73
CAPITAL RESOURCES REAL ESTATE PARTNERSHI	2,7,13,14	09/73
CAREER ACADEMY INC	6,13	09/73
CENTRAL BANKING SYSTEM INC	13	09/73
CENTRAL MORTGAGE & REALTY TRUST	13	09/73
CHANCE A B CO	4,7,14	08/73
CHARTER NEW YORK CORP	13	09/73
CHELSEA INDUSTRIES INC	4,7,8,14	09/73
CHESAPEAKE & PUTUMAL TELEPHONE CO OF VIR	7	09/73
CHESSCO INDUSTRIES INC	3,10,13,14	09/73
CHICAGO & NORTH WESTERN TRANSPORTATION C	3,7,11,14	09/73
CITIES SERVICE CO	3	09/73
CLINICAL SCIENCES INC	8	09/73
CLINTON OIL CO	13	09/73
COASTAL STATES GAS CORP	3,13,14	09/73
COASTAL STATES GAS PRODUCING CO	3,13,14	09/73
COMPUTER HORIZONS CORP	12,14	09/73
COMPUTER MACHINING TECHNOLOGY CORP	12	09/73
CONSOLIDATED TOMOKA LAND CO	2,14	09/73
CONSUMERS POWER CO	3,13	09/73
CONTINENTAL OIL CO	3,13	09/73
COSMOPOLITAN SPA INTERNATIONAL INC	11,14	09/73
CREDIT SYSTEMS INC	3	09/73
CRUTCHER RESOURCES CORP	13	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.