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ADMINISTRATIVE PROCEEDINGS

U.S. SECURITIES AND
EXCHANGE COMMISSION

NINE OPTION FLOOR MEMBERS AND TWO MEMBER FIRMS OF THE PACIFIC STOCK EXCHANGE SANCTIONED

Administrative Law Judge Irving Schiller has issued an initial decision suspending the registrations as broker-dealers of nine individual option floor members and two member firms of the Pacific Stock Exchange for a period of twenty business days.

The suspensions were imposed on Steven S. Mitchell, Clyde Reynolds Mahnke, Lawrence Dennis Dougherty, Michael W. Engmann, Noam Rand, Richard James French, Geoffrey B. Haynes, Herbert C. Kurlan, Jose C. Pascual and on the firms of Rainbow Options and Ethan Aldridge Co., Inc. The sanctions were based on findings that the respondents, as floor members of the Exchange, wilfully violated the anti-manipulation provisions of the Securities Exchange Act of 1934 in that, for the purpose of creating a false and misleading appearance of active trading in call options in Houston Oil and Minerals Corp. and a similar appearance with respect to the market for the Houston options, effected wash sales of such call options which involved no change in beneficial ownership.

The individual respondents were also found to have effected a series of transactions in the Houston options which created actual or apparent active trading in the Houston call options for the purpose of inducing the purchase or sale of such options by others in violation of other provisions of the anti-manipulative section of the Exchange Act.

Respondents' option trades were found to constitute a fraudulent scheme or device and a course of business which operated as a fraud in violation of the antifraud provisions of the Act. Their failure to disclose that the purpose of their trades was to show increased volume of trading in the Houston options on the Pacific Stock Exchange was also found to constitute a violation of the antifraud provisions of the Exchange Act.

In assessing the sanctions imposed, consideration was given to the sanctions heretofore imposed on the respondents by the Exchange for the same conduct which formed the basis of the charges of violations of the securities laws, the dismissal of certain charges and their prior unblemished records.

The decision is subject to review by the Commission on its own motion or on petition of a party.

JAMES M. CHIPMAN, OTHERS SANCTIONED

The Commission has entered an order sanctioning James M. Chipman, Gail J. Connelly and Philip J. Dalman, all from Chicago, Illinois. They each consented to the imposition of the sanctions and to the Commission's findings without admitting or denying the allegations of the order for proceedings. Each of the sanctions discussed below applies to the respondents' ability to be associated with a broker, dealer, investment company, and investment adviser (regulated entities).

Chipman was suspended for a period of six months, followed by a bar from association in any capacity other than as a supervised employee in a non-supervisory capacity, provided that after a period of one year he may apply to the Commission to become association with a regulated entity in a supervisory or proprietary capacity. The Commission imposed this sanction based upon its finding that Chipman wilfully aided and abetted violations of the antimanipulative, antifraud and broker-dealer registration provisions of the Securities Exchange Act of 1934.

Connelly was barred from association for a period of three years, after which she may apply to the Commission to become associated with a regulated entity. The Commission imposed this sanction based upon its finding that Connelly wilfully aided and abetted violations of the broker-dealer registration provisions of the Exchange Act.

Dalman was barred from association for a period of 18 months, after which he may apply to become associated with a regulated entity as a supervised employee in a non-supervisory capacity. After he has been associated as a supervised employee in a non-supervisory capacity for a period of 18 months, he may apply to the Commission to be associated in a supervisory or proprietary capacity. The Commission imposed this sanction based upon its finding that Dalman wilfully violated and aided and abetted violations of the antimanipulative, antifraud and broker-dealer registration provisions of the Exchange Act. (Rel. 34-15668)

CIVIL PROCEEDINGS

CONSENT INJUNCTIONS ENTERED IN FLORIDA BANK FUND LITIGATION

The Atlanta Regional Office and the Miami Branch Office announced that on March 22 the Federal Court in Tampa, Florida, permanently enjoined Lancer Management Corporation, a former registered investment adviser, Frank J. Brennan, Majorie S. Stewart and LaMar M. Silver from violations of the antifraud provisions of the Investment Advisers Act of 1940 and the bonding, contracting, lending, redemption, reporting, recordkeeping and obstruction provisions of the Investment Company Act of 1940. The individuals were also enjoined from being associated with any registered investment company. The defendants consented to entry of the injunction orders without admitting or denying the allegations of the Commission's complaint. The violative conduct complained of arose out of the defendants' management of Florida Bank Fund, Inc., a registered investment company, for which they were its management company, acting president, secretary, and vice-president, respectively. (SEC v. Florida Bank Fund, Inc., M.D., Fla., Civil Action No. 78-759-CIV-TH). (LR-8710)

HOLDING COMPANY ACT RELEASES

CENTRAL POWER AND LIGHT COMPANY

A notice has been issued giving interested persons until April 26 to request a hearing on a proposal of Central Power and Light Company, Southwestern Electric Power Company (SWEPCO), Public Service Company of Oklahoma (PSO), and West Texas Utilities Company (collectively the Companies), all of which are subsidiaries of Central and South West Corporation, that the Companies amend their respective charters to increase their authorized shares of preferred stock. PSO further proposes to increase its authorized shares of common stock. SWEPCO proposes to amend its charter to eliminate the right of its preferred stock to vote with respect to future increases in authorized shares of preferred stock. An order has also been issued permitting the solicitation of proxies in connection with the above transactions. (Rel. 35-20982 - Mar. 30)

CENTRAL AND SOUTH WEST FUELS, INC.

A supplemental order has been issued authorizing fuel budgets for Central and South West Fuels, Inc., and five subsidiaries of Central and South West Corporation, for the period April 1 through May 31, 1979, and continuing a reservation of jurisdiction over their proposed fuel budgets for the period June 1, 1979 through March 31, 1980. (Rel. 35-20983 - Mar. 30)

APPALACHIAN POWER COMPANY

An order has been issued authorizing a proposal of Appalachian Power Company, subsidiary of American Electric Power Company, Inc., that Appalachian extend the period in which it may have unsecured short-term debt exceeding 10% total capitalization. Appalachian is also authorized to solicit proxies from its preferred stockholders with regards to the above debt. (Rel. 35-20984 - Mar. 30)

SELF-REGULATORY ORGANIZATIONS

NOTICE OF PROPOSED RULE CHANGE

The Midwest Stock Exchange, Inc. (MSE) has filed a proposed rule change under Rule 19b-4 (SR-MSE-79-6) to provide for the on-floor identification of orders to be executed under Section 11(a)(1)(G) of the Act and Rule 11a1-1(T) thereunder, and to conform the MSE Rules to the requirements of Section 11(a)(1) of the Act. Publication of the proposal is expected to be made in the Federal Register during the week of April 2. (Rel. 34-15690)

The Commission has approved proposed rule changes filed by the New York Stock Exchange, Inc. (NYSE). The rule changes concern standards for becoming an associated person of a member of the NYSE (SR-NYSE-77-13) and standards for formation and approval of a member organization (SR-NYSE-77-14). Certain of the rule changes in those two filings have not been approved pending further study. (Rel. 34-15689)

SECURITIES ACT REGISTRATIONS

The following registration statements have been filed with the SEC pursuant to the Securities Act of 1933. The information noted below has been taken from the cover page and the facing sheet of the prospectus and registration statement and will appear as follows: Form; Name, address and phone number (if available) of the issuer of the security; Title and the number or face amount of the securities being offered; Name of the managing underwriter (if applicable); Whether the offering is a rights offering; and File number and date filed.

- (S-7) WEST TEXAS UTILITIES COMPANY, 1062 North Third St., Abilene, Tex. 79604 (915) 672-3251 - \$25 million of first mortgage bonds, Series I. The company is engaged in generating, purchasing, transmitting, distributing and selling electricity. (File 2-63931 - Mar. 30)
 - (S-14) BARTACO INDUSTRIES LIMITED, 255 West Street South, Orillia, Ontario Canada L3V 6L3 (705) 325-6121 - 1,877,855 shares of common stock. (File 2-63932 - Mar. 30)
 - (S-7) MAY PETROLEUM INC., One Energy Sq., Suite 1000, 4925 Greenville Ave., Dallas, Tex. 75206 (214) 691-6100 - \$5,500,000 of promisory notes. The company is engaged in exploration for, and development and production of, oil and gas reserves. (File 2-63933 - Mar. 30)
 - (S-14) SOVEREIGN COAL GROUP, INC., 525 Federal St., Bluefield, West Va. 24701 (304) 327-5124 - 216,562 shares of common stock. (File 2-63934 - Mar. 30)
 - (S-16) NICOR INC., 1700 West Ferry Rd., P.O. Box 200, Naperville, Ill. 60540 (312) 242-4470 - 528,318 shares of common stock. (File 2-63935 - Mar. 30)
 - (S-16) UNION ELECTRIC COMPANY, 1901 Gratiot St., St. Louis, Mo. 63103 (314) 621-3222 - 4,000,000 shares of common stock. (File 2-63936 - Mar. 30)
 - (S-8) CRONUS INDUSTRIES, INC., 12700 Park Central Dr., Suite 300, Dallas, Tex. 75251 (214) 386-2900 - 135,000 shares of common stock. (File 2-63938 - Mar. 30)
 - (S-8) MEDIA GENERAL, INC., 333 East Grace St., Richmond, Va. 23219 (804) 644-7851 - \$6 million of interests. (File 2-63939 - Mar. 30)
 - (S-8) AMERICAN CAN COMPANY, American Lane, Greenwich, Conn. 06830 (203) 552-3227 - 500,000 shares of common stock. (File 2-63940 - Mar. 30)
- In a separate statement the company seeks registration of 1,024,378 shares of common stock. (File 2-63941 - Mar. 30)
- (S-1) DAMSON 1979-80 DRILLING PROGRAM, 366 Madison Ave., New York, N.Y. 10017 - \$15 million of preformation limited partnership interests. (File 2-63942 - Mar. 30)
 - (S-11) BUILDERS INVESTMENT GROUP, Irwin Bldg., North Gulph Rd., P.O. Box 848, Valley Forge, Pa. 19482 - 1,000,000 common shares of beneficial interest. (File 2-63943 - Mar. 30)
 - (S-8) BAXTER TRAVENOL LABORATORIES, INC., One Baxter Parkway, Deerfield, Ill. 60015 - 600,000 shares of common stock. (File 2-63944 - Mar. 30)
 - (S-1) CHOMERICS, INC., 77 Dragon Court, Woburn, Mass. 01801 - 223,591 shares of common stock. The company develops and manufactures electronic packaging components. (File 2-63945 - Mar. 30)
 - (S-1) JAMAICA WATER SUPPLY COMPANY, 410 Lakeville Rd., Lake Success, N.Y. 11042 - 60,000 shares of common stock. Underwriter: Fahnestock & Co. The company is engaged in the business of the purification, distribution and sale of water. (File 2-63946 - Mar. 30)

- (S-1) THE MORRIS PLAN COMPANY, 319 S. Broadway, Wichita, Kan. 67202 - \$30 million of investment certificates. The company is engaged in the direct consumer finance business. (File 2-63947 - Mar. 30)
- (S-1) OKLAHOMA MORRIS PLAN COMPANY, 201 West Fifth St., Tulsa, Okla. 74101 - \$30 million of investment certificates. The company is engaged in the direct consumer finance business. (File 2-63948 - Mar. 30)
- (S-8) THE GILLETTE COMPANY, Prudential Tower Bldg., Boston, Mass. 02199 (617) 421-7000 - \$30 million of participations. (File 2-63949 - Mar. 30)
- In a separate statement the company seeks registration of 600,000 shares of common stock. (File 2-63951 - Mar. 30)
- (S-8) LEISURE DYNAMICS, INC., 4400 West 78th St., Minneapolis, Minn. 55435 (612) 835-3000 - 250,000 shares of common stock. (File 2-63950 - Mar. 30)
- (S-16) LOGETRONICS INC., 7001 Loisdale Rd., Springfield, Va. 22150 (703) 971-1400 - 18,900 shares of common stock. The company's basic business is engineering, manufacturing and marketing improved technology for graphic reproduction. (File 2-63952 - Mar. 30)
- (S-8) ALASKA INTERSTATE COMPANY, 5051 Westheimer, Houston, Tex. 77056 (713) 621-8710 - 150,000 shares of common stock. The company segregates its principal businesses into an Energy Group and a Manufacturing Group. (File 2-63953 - Apr. 2)
- In a separate statement the company seeks registration of 250,000 shares of common stock. (File 2-63954 - Apr. 2)

REGISTRATIONS EFFECTIVE

Mar. 30: McDonnell Douglas Corp., 2-63681 & 2-63682; Virginia Electric and Power Co., 2-63699.
 Apr. 2: Alleghany Corp., 2-63912; Texas Gas Transmission Corp., 2-63849.

ACQUISITIONS OF SECURITIES

Companies and individuals must report to the Commission within 10 days on Schedule 13D if after the acquisition of equity securities of a public company their beneficial interest therein exceeds 5%. Persons eligible to use the short form (Form 13-G) may in lieu of filing a Schedule 13D file a Form 13-G within forty-five days after the end of the calendar year in which the person became subject to Section 13(d)(1). The following companies or individuals filed Schedule 13D's during the period (No 13D listings). The number of shares of the security which are beneficially owned, and the number of shares concerning which there is a right to acquire are sent forth for each beneficial owner. *Amended Acquisition Reports.

The following companies or individuals have filed Form 13G on February 13, 1979.

<u>REPORTING COMPANY OR INDIVIDUAL</u>	<u>ISSUER & NUMBER OF SHARES</u>	<u>DATE FILED</u>
William F. Holdner	Data Systems Inc (Portland, OR) Common Stock - 125,000 (20%)	2-13-79
A. E. Walker	Delta Natural Gas Co . Inc (Winchester, KY) Common Stock - 7,460 shs (10%)	2-13-79
T. Rowe Price Associates, Inc	Denny's Inc (La Mirad., CA) Common Stock - 859,250 shs.	
Jeanne E. Thalacker	Detrex Chemical Industries Inc. (Detroit, MI) Common Capitol Stock- 37,060 shs.	2-13-79
Charles E. Harris	Dial Corp. (Des Moines, IA) Common Stock -561,255 shs (12.27%)	2-13-79
Englehard Hanovia Inc	Engelhard Minerals & Chemicals Corp (NYC) Common Stock - 2,426,116 shs	2-13-79

ACQUISITION REPORTS CONT.

T. C. Frost, Jr.	Cullen/Frost Bankers, Inc. (San Antonio, TX) Common Stock - 172,143 shs.	2-13-79
Ray A. Shapiro	Cunningham Drug Stores Inc. (DEtroit, MI) Common Stock - 102,385 shs	2-13-79
Marsh & McLennon Mgt. Co. Marsh & McLennon Cos. Inc	Data General Corp (Westboro, MA) Common Stock -537,000 shs	2-13-79
Otto Eckstein	Data Resources Inc. (MLexington,MA) Common Stock - 274,486 shs.	2-13-79
	(Included above are shs held by his wife as custodian	
T.J. Norman, Jr.	Engraph Inc. (Charlotte, NC) Common Stock - 154,840 shs, (11.6%)	2-13-79
F. D. Gottwald F. D. Gottwald, Jr. B. C. Gottwald	Ethyl Corp (Richmond, VA) Common Stock - 2,816,381 shs (15%)	2-13-79
Theodore N. Law	Falcon Seaboard Inc (Houston, TX) Common Stock - 609,560 shs	2-13-79
Cleveland Trust Co.	Firestone Bancorp Inc. (Akron, OH) Common Stock - 218,463 shs. (38.9%)	2-13-79
Cleveland Trust Co	Firestone Tire & Rubber Co. (Akron, OH) Common Stock- 6,860,774 shs. (11.9%)	2-13-79
Chase Manhattan Corp Chase Manhattan Bank	First Mortgage Investors (Miami Beach, FL) Common Stock - 193,914 shs. on conv of pfd stk.	2-13-79
Carl D. Newton, Jr.	Fox - Stanley Photo Products Inc. (San Antonio, TX) Common Stock - 482,192 shs (13.88%)	2-13-79
Stanley Wurtz	Fox - Stanley Photo Products, Inc (SanAntonio , TX) Common Stock - 208,682 shs.	2-13-79
F. Thurlow Wyne	Frantz Manufacturing Co. (Sterling, IL) Common Stock - 86,292 shs	2-13-79
Ruth I. Wyne	Frantz Mfg Co. (Sterling, IL) Common Stock - 134,709 (14.6%)	2-13-79
Frank E. Gannett Newspaper Foundation, Inc	Garrett Co. Inc. (Rochester, NY) Common Stock - 4,013,282 shs. (14.9%)	2-13-79
Richard King Mellon Foundation	General Reinsurance Corp (Greenwich, CT) Capital Stock - 404,450 shs	2-13-79
Marsh & McLennon Mgt. Co Marsh & McLennon Cos In. Putnam Advisory Co Inc.	General Reinsurance Corp (Greenwich, CT) Common Stock - 493,550 shs.	2-13-79
Ruane, Cunniff & Co Inc.	P. H. Glatfelter Co. (Spring Grove, PA) Com Stk - 241,050 shs	2-13-79
Gleason Memorial fund, Inc	Gleason Works (Rochester, NY) Common Stock - 264,625 shs.	2-13-79
Norma Glover Smith	Glover, Inc. (Roswell, NM) Common Stock - 197,991 shs (24.9%)	2-13-79
Leo J. Dreiling	Golden Oil Co. (Denver, CO) Common Stock - 838,167 shs.	2-13-79
Florence M. Friesendorf	Handschy Industries Inc (Chicago, IL) Common Stock -171,052 shs, (13.4%)	2-13-79

ACQUISITION REPORTS CONT.

Richard E. Friesendorf	Handschy Industries Inc (Chicago, IL) Common stock -116,150 shs.	2-13-79
Edwin C. Friesendorf	Handschy Industries Inc. (Chicago, IL) Common Stock - 277,244 shs (21.7%)	2-13-79
Henry J. Heinz II, Individually Drue E. Heinz, Individually H. John Heinz, Individually Joseph W. Olive Individually & William H. Rea, Individually & Trustee	H. J. Heinz Co. (Pittsburgh, PA) Common Stock - 3,841,863 (17.2%)	2-13-79
Victoria Hall	C. H. Heist Corp (Clearwater, FL Common Stock - 81,270 shs.	2-13-79
David Packard	Hewlett - Packard Co. (Palo Alto, CA) Common Stock - 6,248,301 shs. (21.5%)	2-13-79
Cleveland Trust Co	Higbee Co. (Cleveland, OH) Common Stock - 134,743 shs	2-13-79
Kenneth M. Arenberg Vanguard Capital Corp.	Hospital Financial Corp (Barrington, IL) Common Stock - 122,904 shs Common Stock - 15,500 shs on exer of options	2-13-79
Will J. Lepeska	Hospital Financial Corp (Barrington, IL) Common Stock - 109,500 shs (13.5%)	2-13-79
Ruane Cunniff & Co. Inc.	Houghton Mifflin Co (Boston, MA) Common Stock - 163,000 shs.	2-13-79
* Sun Banks of Florida, Inc.	Hughes Supply, Inc (Orlando, FL) Common Stock - 392,495 shs. (29%)	2-13-79
Russell S. Hughes	Hughes Supply Inc (Orlando, FL) Common Stock - 189,624 shs. (14%)	2-13-79
Harry C. Hughes	Hughes Supply Inc (Orlando, FL) Common Stock - 174,072 shs. (12.9%)	2-13-79
* Security Pacific Corp Security Pacific National Bank	IHOP Inc (No. Hollywood, CA) Common Stock - 1,379,337 (26.2%)	2-13-79
Safeco Corp Safeco Insurance Co. of America	Illinois Power Co. (Decatur, IL) 4.70% pfd stk - 18,700 shs.	2-13-79
Sam Sharko	Intercontinental Dynamics Corp. (Englewood, NJ) Common Stock - 167,772 shs. (18%)	2-13-79
John H. Andresen	Intercontinental Dynamics Corp (Englewood, NJ) Common Stock - 80,109 shs.	2-13-79
Rothchild Co.	Interpace Corp. (Parsippany, NJ) Common Stock - 19,180 shs.	2-13-79
Stanford Z. Rothschild, Jr.	Interpace Corp (Parsippany, NJ) \$5.00 Conv pfd stk- 19,180 shs.	2-13-79
Ruane Cunniff & Co. inc	Interpublic Group of Companies Inc.(NYC) Common Stock - 336,279 shs.	2-13-79
Ruth W. Freeman Ind & Co- Trustee & Co- Executor	Jamesbury Corp (Worcester, MA) Common - Stock- 173,337 shs.	2-13-79

ACQUISITION REPORTS CONT.

Kaiser Aluminum Supplemental Savings & Retirement Plan	Kaiser Aluminum & Chemical Corp (Oakland, CA) Plan Common Stock - 3,849,800 shs.	2-13-79
Kaiser Cement & Gypsum Corp Savings & Profit Sharing Plan Trust Dean R. Canham John F. Burns, Et al	Kaiser Cement & Gypsum Corp(Oakland, CA) Common Stock - 386,649 shs.	2-13-79
Kaiser Steel Savings & Profit Sharing Plan	Kaiser Steel Corp. (Oakland, CA) Common Stock - 484,591 shs.	2-13-79
Joel Friedman	Kenai Cirp (NYC) Common Stock -183,100 shs. (Included above are shares owned by his wife as custodian.)	2-13-79
George J. Ehne	Kent - Moore Corp (Warren, MI) Common Stock - 99,847 shs.	2-13-79
Coleman Burke Ind. & Co- Trustee	Keuffel & Esser Co (Morristown, NJ) Common Stock - 91,200shs.	2-13-79
L.P. McAuliffe Jerome W. Page James D. Tracy, Trustees	Kewanee Scientific Equipment Corp(Statesville, NC) Common Stock - 130,828 shs (11.61%)	2-13-79
Stanford Z. Rothschild, Jr.	Walter Kidde & Co Inc (Clifton, NJ) \$1.64 Conv pfd stk - 107,010 shs.	2-13-79
Rothschild Co.	Kidde & Co. Inc (Clifton, NJ) \$1.64 Conv pfd stk - 107,010 shs	2-13-79
Doris B. Spector	La Quinta Motor Inns, Inc. (San Antonio, TX) Common Stock - 764,186 shs (13.6%)	2-13-79
Samuel E. Barshop	La Quinta Motor Inn Inc (San Antonio, TX) Common Stock - 1,108,394 shs.(19.8%)	2-13-79
Philip M. Barshop	La Quinta Motor Inns Inc(San Antonio, TX) Common Stock - 573,611 shs (10.2%)	2-13-79



NOTICE

Many requests for copies of documents referred to in the SEC News Digest have erroneously been directed to the Government Printing Office. Copies of such documents and of registration statements may be ordered from the Public Reference Section, Securities and Exchange Commission, Washington, D.C. 20549. When you are ordering more than one, we prefer that the documents be listed in alphabetical order to expedite service. The reproduction cost is 10c per page plus postage (\$3.50 minimum); 20c per page plus postage for expedited service (\$5.00 minimum) and 30c per page plus postage for priority service (\$5.00 minimum). Cost estimates are given or request. All other reference material is available in the SEC Docket.

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