

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST



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UNEEDA VENDING SUSPENSION SUPPORTED. SEC Hearing Examiner Sidney Ullman has filed an "Initial Decision" concluding that, in view of "substantial, serious and flagrant" violations of Section 17(a) (the anti-fraud provision) and other provisions of the Securities Act by the underwriter (Fabrikant Securities Corp.) in the offering and sale of stock of Uneeda Vending Service, Inc., of Brooklyn, N. Y., the Commission's order of August 20, 1964, temporarily suspending a Regulation A exemption from Securities Act registration with respect to the offering and sale of Uneeda stock should be made permanent. Under the Commission's Rules of Practice, this decision may be appealed to the Commission. (Fabrikant's broker-dealer registration was revoked by the Commission on May 14, 1965)

HOUSES OF PLASTIC, OTHERS ENJOINED. The SEC Atlanta Regional Office announced May 19 (LR-3242) the entry of a Federal court order (USDC, SD Fla.) permanently enjoining Houses of Plastic, Inc., an Idaho corporation, Robert N. Ackles, its president, and International Brokerage Corporation of Haiti, a Florida corporation operating out of Port Au Prince, Haiti, from further violations of the Securities Act registration provisions in the sale of common stock of Houses of Plastic. The defendants consented to the entry of the order.

BURRUPS SENTENCED. The SEC Denver Regional Office announced June 7 (LR-3243) that, following their conviction in a jury trial, Jay Melvin Burrup of Scottsdale, Ariz., and John Richard Burrup of Idaho Falls, Ida., were each sentenced to a two-year prison term (USDC, Cheyenne, Wyo.) for violations of the anti-fraud provisions of the Securities Act and the conspiracy statute in the sale of option certificates that had been issued to the defendants by Pacific-Atlantic Life Insurance Co. of Cheyenne, Wyo. (The insurance company was not involved in any of the criminal charges.)

ROBERT T. POLLARD SENTENCED. The SEC Boston Regional Office announced June 8 (LR-3244) that Robert T. Pollard (president of Cabeza Petroleum Corporation, now defunct) was sentenced to a six-month jail term, execution of which was suspended, and was placed on probation for one year, following his plea of guilty to violating the Securities Act anti-fraud provisions in the sale of interests in oil and gas leases located in Oklahoma, Kentucky and Kansas.

HORACE E. WATKINS ENTERS NOLO CONTENDERE PLEAS. The SEC Denver Regional Office announced June 8 (LR-3245) the entry of nolo contendere pleas by Horace E. Watkins of Scottsdale, Ariz. (USDC, Phoenix), to two counts of an indictment charging him with violations of the Securities Act and registration provisions and the wire fraud statute in the sale of interests in oil and gas leases.

BLOSSMAN HYDRATANE GAS RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-4271) declaring that Blossman Hydratane Gas, Inc., Covington, La., is not controlled by The Equity Corporation, a closed-end, non-diversified management investment company, or by Bell Intercontinental Corporation, a majority-owned subsidiary of Equity. Blossman Hydratane states that to its best knowledge and belief, 1,157 shares of its common stock are owned by Equity and 345,087 shares by Bell, aggregating 36.95% ownership in the company. Neither Equity nor Bell is represented on the present board of directors and neither is a party to the board's determinations, either formally or informally.

CONSTITUTION MUTUAL FUND SEEKS ORDER. Constitution Mutual Fund, Inc., 3156 Wilshire Blvd., Los Angeles, Calif. 90005, has applied to the SEC for an exemption order under the Investment Company Act permitting delayed stockholder approval of an investment adviser contract, election of a board of directors and ratification of the selection of independent accountants. The Commission has issued an order (Release IC-4270) giving interested persons until June 29 to request a hearing thereon. According to the application, the Fund was organized under California law in 1964 and has not commenced operations. It proposes to make a public offering of 400,000 shares of its common stock and until the sale thereof will not have any stockholders. The Fund has entered into a management contract with the firm of Constitution Investment Management Co. and has appointed the firm of William C. Harker, CPA, as independent public accountant. At the first annual meeting of the Fund's stockholders scheduled for December 13, 1965, stockholders will vote on the foregoing matters.

IMPERIAL FUNDS PROPOSE SETTLEMENT. The SEC has issued an order under the Investment Company Act (Release IC-4273) giving interested persons until June 28th to request a hearing upon an application for an exemption order with respect to certain transactions incident to an agreement proposing a resolution of conflicting claims by and between Imperial Equity Corporation, Imperial Fund, Inc., both of Minnetonka, Minn., and Imperial Capital Corporation, of Minneapolis, Minn., involving securities of Imperial Land Company, also of Minnetonka. According to the application, Imperial Fund owned 2,240 shares of common stock and \$700,000 of debentures of Imperial Land. In 1962 Imperial Fund converted such debentures into 7,000 shares of common stock, thus increasing its holdings of Imperial Land stock to 9,240 shares. Thereafter, Imperial Fund organized Imperial Equity, to which it transferred all of its non-marketable securities and certain other assets (including the 9,240 shares of Imperial Land common); and the shares of Imperial Equity received in exchange therefor were distributed pro rata to Imperial Fund shareholders. Subsequently, Imperial Equity challenged

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the conversion of the \$700,000 of debentures by Imperial Fund as being violative of the Investment Company Act, following which Imperial Equity surrendered the 7,000 Imperial Land shares received upon the initial conversion and resumed its position as holder of \$700,000 of convertible debentures. Imperial Capital, as holder of \$350,000 of Imperial Land debentures acquired in 1962, objected to this reinstatement of the \$700,000 of convertible debentures. The proposed settlement agreement seeks to compromise their differences.

IMPERIAL FUND SEEKS ORDER. Imperial Fund, Inc., of Minnetonka, Minn., has applied to the SEC for an exemption order under the Investment Company Act with respect to the proposed offer of its shares at net asset value to shareholders of Imperial Equity Corporation, also of Minnetonka; and the Commission has issued an order (Release IC-4272) giving interested persons until June 28 to request a hearing thereon. According to the application, shareholders of Imperial Equity in September 1964 approved a resolution to sell its assets and distribute the proceeds to shareholders. A plan for its complete liquidation will be submitted to shareholders for approval in the near future. If the plan is approved, Imperial Equity proposes to make liquidating cash distributions to its shareholders. Imperial Fund proposes to offer such shareholders the opportunity to invest their liquidating cash distributions in its shares at the net asset value thereof. Imperial Fund had caused the organization of Imperial Equity, whose shares were spun-off to Imperial Fund shareholders. Thus, this offer will be made to essentially the same group of shareholders who originally received Imperial Equity shares.

GIBCO RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-4274) declaring that Gibco, Inc., 515 W. Williams St., Greenville, Mich., has ceased to be an investment company. The application states that pursuant to a Plan of Liquidation adopted on August 23, 1961, the company has distributed all of its assets.

PNEUMO DYNAMICS FILES FOR OFFERING AND SECONDARY. Pneumo Dynamics Corporation, 3781 E. 77th St., Cleveland, Ohio 44105, filed a registration statement (File 2-23690) with the SEC on June 9 seeking registration of \$6,000,000 of 5½% subordinated debentures (due 1985) and warrants to purchase 90,000 shares of common stock, to be offered for public sale in units consisting of a \$1,000 debenture and warrants to purchase 15 common shares. The registration statement also includes 200,000 outstanding shares of common stock, to be offered for public sale by the present holders thereof. Hornblower & Weeks-Hemphill, Noyes, 8 Hanover St., New York 10004, and Estabrook & Co., 15 State St., Boston, Mass. 02109, are listed as the principal underwriters. The public offering price of the units and the stock (\$24 per share maximum*) and underwriting terms are to be supplied by amendment.

The company designs and manufactures components, systems and assemblies for aircraft, missiles, space vehicles, jet engines, ordnance and marine equipment, and produces machine tools and thermo-electric heat sensing devices. Of the net proceeds from its financing, the company will apply \$3,702,435 to the retirement of indebtedness; approximately \$1,250,000 for the purchase of production and test equipment; and the balance for general corporate purposes. The prospectus lists three selling stockholders, as follows: The 77th Street Trust, offering 70,000 of its holdings of 292,855 shares; The CPT Trust, 70,000 of 281,370; and 60,000 shares are to be acquired by the underwriters from State Mutual Life Assurance Co. of America (which will exercise purchase warrants entitling the insurance company to purchase such number of shares at \$9 per share). Sam S. Mullin is president.

DIAMOND INTERNATIONAL FILES FOR SECONDARY. Diamond International Corporation, 733 Third Ave., New York 10017, filed a registration statement (File 2-23694) with the SEC on June 8 seeking registration of 60,000 outstanding shares of common stock. The present holders thereof may offer such shares for public sale from time to time through the New York or Cincinnati Stock Exchanges at prices prevailing at the time of sale, or may donate the shares to charitable institutions which may sell such shares in like manner.

The company is engaged in the manufacture and sale of wooden products, molded pulp packaging, paper, paperboard products, matches, machinery and metal containers. In addition to indebtedness, it has outstanding 9,682,019 common shares, of which management officials own 8.3%. The prospectus lists two selling stockholders: William H. Walters (board chairman), offering 40,000 of 216,850 shares held; and Richard J. Walters (president), 20,000 of 43,230.

MERCO ENTERPRISES FILES FOR OFFERING AND SECONDARY. Merco Enterprises, Inc., 750 Stewart Ave., Garden City, N. Y., filed a registration statement (File 2-23695) with the SEC on June 9 seeking registration of 140,000 shares of Class A stock. Of this stock, 60,000 shares are to be offered for public sale by the company and 80,000 shares by the present holders thereof. Walston & Co., Inc., 74 Wall St., New York 10005, is listed as the principal underwriter. The public offering price (\$10 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is principally engaged in the business of selling phonograph records to, and providing merchandising services for, retail record departments, including leased departments operated by its wholly-owned subsidiaries. Net proceeds from the company's sale of additional stock will be added to working capital for general corporate purposes, and may be used to establish additional leased record departments. It has outstanding 84,690 Class A and 205,310 Class B shares. Management officials own 81.57% of the company's outstanding stock. The prospectus lists four selling stockholders, as follows: Jack Grossman (president), offering 40,000 of 40,810 Class A shares held; Grossman, as trustee for his children, 5,000 of 5,560; Marvin Rossman (vice president), 30,000 of 30,960; and Rossman, as trustee for his children, 5,000 of 5,560.

STERNCO INDUSTRIES FILES FOR SECONDARY. Sternco Industries, Inc., 53 Cottage Pl., Allendale, N. J., filed a registration statement (File 2-23696) with the SEC on June 10 seeking registration of 50,000 outstanding shares of Class A stock, to be offered for public sale by the present holder thereof, Leonard Stern (executive vice president). The offering is to be made through White, Weld & Co. Inc., 20 Broad St., and Oppenheimer & Co., Five Hanover Sq., both of New York. The public offering price (\$22 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is engaged in the manufacture and distribution of fish foods and remedies and the distribution of fish, animals and general pet supplies. It operates in the United States through two divisions, Aquarium Supply Co. and Longlife Fish Food Products Co., and in Canada through Dominion Bird & Pet Supply Ltd., a wholly-owned subsidiary. In addition to indebtedness, the company has outstanding 357,428 Class A and 325,000 Class B shares. Leonard Stern is offering 50,000 of his holdings of 108,000 Class A shares. Upon completion of the offering, he will own 47.3% of the company's outstanding capital stock (he owns 81.4% of the outstanding Class B shares); and other company officials, members of their families and their affiliates will own 21.9%. Max Stern is president.

VON'S GROCERY FILES FOR SECONDARY. Von's Grocery Co., 1050 Lower Azusa Rd., El Monte, Calif., 91734, filed a registration statement (File 2-23697) with the SEC on June 10 seeking registration of 500,000 outstanding shares of common stock, to be offered for public sale by the present holders thereof. The offering is to be made through an underwriting group headed by Hornblower & Weeks-Hemphill, Noyes, 8 Hanover St., New York 10004. The public offering price (\$37 per share maximum*) and underwriting terms are to be supplied by amendment.

The company operates 93 supermarkets, primarily in the Los Angeles Metropolitan Area. Since 1960 it has operated its stores under the names "Von's" and "Shopping Bag". In addition to indebtedness, it has outstanding 3,147,286 common shares, of which management officials own 39.2%. The prospectus lists three selling stockholders, as follows: W. R. Hayden (senior vice president) and Virginia Hayden, joint tenants, offering 200,000 of 406,253 shares held; Theodore A. Von der Ahe (president), 150,000 of 254,052; and Wilfred L. Von der Ahe (executive vice president), 150,000 of 384,752. Charles T. Von der Ahe is board chairman.

LIFE INS. OF KY. FILES STOCK PLANS. Life Insurance Company of Kentucky, 231 W. Main St., Louisville, Ky., filed a registration statement (File 2-23698) with the SEC on June 9 seeking registration of 154,900 shares of common stock, to be offered pursuant to the company's Restricted Stock Option Plan for Key Employees, Qualified Stock Option Plan for Key Employees, and Stock Option Plan for Sales Agents.

BURLINGTON INDUSTRIES PROPOSES DEBENTURE OFFERING. Burlington Industries, Inc., 301 N. Eugene St., Greensboro, N. C., filed a registration statement (File 2-23699) with the SEC on June 10 seeking registration of \$50,000,000 of sinking fund debentures, due 1990. The debentures are to be offered for public sale through underwriters headed by Kidder, Peabody & Co. Inc., 20 Exchange Pl., New York 10005. The public offering price, interest rate and underwriting terms are to be supplied by amendment.

The company is engaged in producing textile mill products. Net proceeds from its debenture sale will be added to general funds and used in the company's continuing capital improvement and expansion program and to increase working capital. In addition to indebtedness, the company has outstanding 12,493,522 common shares, of which management officials own 1.85%. Charles F. Myers, Jr., is president and Henry E. Rauch is board chairman.

ANSUL CO. PROPOSES OFFERING. The Ansul Company, Marinette, Wisc. 54143, today filed a registration statement (File 2-23700) with the SEC seeking registration of 75,000 shares of common stock, to be offered for public sale through underwriters headed by Hayden, Stone, Inc., 25 Broad St., New York. The public offering price (\$28 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is a diversified equipment manufacturer, chemical producer and marketing company; its principal business is the manufacture and sale of fire protection equipment and systems. Net proceeds of its stock sale will be used in its construction program (which includes new administrative offices, a building to house new data processing equipment and new warehousing materials handling facilities) and for working capital. The company has outstanding (in addition to indebtedness) 555,431 common shares, of which management officials own 23%. Robert C. Hood is president.

INDICTMENT NAMES FRASER FIRM OFFICERS. The SEC Washington Regional Office announced June 4 (LR-3246) the return of an indictment in the Philadelphia state court charging Gilbert Golden and Harold Diamond, former officers of Fraser & Company, Inc., with violations of the Pennsylvania criminal statutes and the Pennsylvania Securities Act in connection with the Fraser firm's activities. The firm was enjoined by Federal court order in October 1961 from further violating the SEC net capital rule; and on motion of the Commission the court appointed a receiver for the firm by reason of its insolvency.

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's "Issue No." in ordering). Invoice will be included with the requested material when mailed. An index of the caption of the several items of the form was included in the June 4 News Digest.

Paul Hardeman Inc			
Apr 65 (13)	1-596-2	Worthington Corp	
Lenox Inc		Apr 65 (4,7,11,13)	1-437-2
Apr 65 (11)	1-4856-2	Western Equities Inc	
Nuclear Corp of America		Apr 65 (11,13)	1-4371-2
Apr 65 (11)	1-4119-2		
The Phila Balt & Wash RR Co		Bloomfield Building Industries Inc	
Apr 65 (11)	1-1580-2	Amend #1 to 8K for Mar 65 (12,13)	1-4608-2
Phila & Trenton RR Co		Mt Clemens Industries Inc	
Apr 65 (11)	1-1561-2	Amend #1 to 8K for Dec 64 (13)	1-3726-2
Pitts Ft Wayne & Chic Ry Co		Scope Industries	
Apr 65 (11)	1-1671-2	Amend #2 to 8K for Nov 64 (13)	1-3552-2
Pitts Youngstown & Ashtabula Ry Co			
Apr 65 (11)	1-1262-2		

Walter Kidde & Co Inc Apr 65 (2,11,13)	1-3226-2	Calgary & Edmonton Corp Ltd Apr 65 (11)	1-3498-2
Public Service Co Of Indiana Apr 65 (3)	1-3543-2	Champion Papers Inc Apr 65 (3,11,13)	1-2412-2
Scott Paper Co Apr 65 (11,13)	1-2300-2	Crane Co Apr 65 (11,13)	1-1657-2
Yates American Machine Co Apr 65 (7)	1-2925-2	Genl Bronze Corp Apr 65 (2,13)	1-142-2
Ampco Metal Inc Apr 65 (11,13)	1-4840-2	H L Klion Inc Apr 65 (12)	1-4830-2
Dorsey Corp Apr 65 (11)	1-1982-2	Lilli Ann Corp Apr 65 (11)	1-5032-2
Emhart Corp Apr 65 (4,7,11,12,13)	1-4012-2	Overnite Transportation Co Apr 65 (11,12)	1-4747-2
Nevada Pwr Co Apr 65 (3,7,13)	1-4698-2	Peabody Coal Co Apr 65 (11)	1-1468-2
Progress Mfg Co Inc Apr 65 (7,10,11,13)	1-3889-2	Peoria & Eastern Ry Co Apr 65 (11)	1-1610-2
A G Spalding & Bros Inc Feb 64 (11,13)	1-3084-2	Phila Elec Pwr Co Apr 65 (7,11,13)	1-1392-2
Scope Industries Sept 64 (8)	1-3552-2	Swanee Paper Corp Apr 65 (2,13)	1-4681-2
Jan 65 (7,13)	1-3552-2	James Talcott Inc Apr 65 (11,12,13)	1-2592-2
Tastee Freez Industries Inc Apr 65 (3)	1-4722-2	Zenith Radio Corp Apr 65 (3,12)	1-4115-2
West Jersey & Seashore RR Co Apr 65 (110)	1-1668-2		

O/C REGISTRATIONS REPORTED. The following issuers of securities traded over-the-counter have filed registration statements with the Commission pursuant to requirements of Section 12(g) of the Securities Exchange Act (companies which currently file annual and other periodic reports with the SEC are identified by "***"):

File	No. O-	Registrant	Location
	1350	Adley Corp.	New Haven, Conn.
	1283	American Life Cos., Inc. **	Fargo, N.D.
	1223	Astro-Science Corp. **	South El Monte, Cal.
	1225	Bridgeport Gas Co. **	Bridgeport, Conn.
	1348	Crum & Forster	N. Y., N.Y.
	1346	Delta Steamship Lines, Inc.	New Orleans, La.
	1222	Ducommun Inc. **	Vernon, Cal.
	1374	Eldon Industries Inc. **	Hawthorne, Cal.
	1345	Equitable Savings & Loan Assn.	Long Beach, Cal.
	1375	Farmer Bros. Co. **	Torrance, Cal.
	1224	Guy's Foods, Inc. **	Kansas City, Mo.
	1347	Houston Fearless Corp.	L. A., Cal.
	1226	Nortex Oil & Gas Corp. **	Dallas, Texas
	1330	Sproul Homes Corp. **	Newport Beach, Cal.
	1349	Stanley Home Products, Inc.	Westfield, Mass.

ORAL ARGUMENT, COMING WEEK. June 17, 2:30 P.M. - Sunshine Securities, Inc., et al.

SECURITIES ACT REGISTRATIONS. Effective June 10: Consolidated Edison Co. of New York, Inc., 2-23602 (July 20); DeSoto Chemical Coatings, Inc. (File 2-23591); International Telephone and Telegraph Corp. (File 2-23661); Maremont Corp. (File 2-23604).

Effective June 11: Budget Finance Plan, 2-23612 (July 22); Excelsior Insurance Co. of New York, 2-23292 (Sept. 10); General Acceptance Corp., 2-23588 (40 days).

NOTE TO DEALERS. The last date or 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.