

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST



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

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FOR RELEASE June 28, 1965

INTERNATIONAL HYDROCARBONS TEMPORARILY SUSPENDED. The SEC has issued an order temporarily suspending a Regulation A exemption from registration under the Securities Act of 1933 with respect to a proposed public offering of stock of International Hydrocarbons Ltd., of Calgary, Alberta, Canada. The order provides an opportunity for hearing, upon request, on the question whether the suspension should be vacated or made permanent.

Regulation A provides a conditional exemption from registration with respect to public offerings of securities not exceeding \$300,000 in amount. In a notification filed with the Commission on May 11, 1965, International proposed the public offering of 250,000 shares of its common stock at \$1 per share. The Commission asserts in its suspension order that it "has reasonable cause to believe" that certain terms and conditions of Regulation A were not complied with by International, in that its offering circular, among other things, failed to make proper disclosure of the facts with respect to International's purchase of properties from promoters, certain risk factors affecting the chances for successful development of the properties, and the nature and extent of required royalty payments. The company also failed to disclose its affiliation with Paragon Investment Syndicate.

COMPLAINT CITES ROMAN HOLIDAY, OTHERS. The SEC San Francisco Regional Office announced June 22 (LR-3255) the filing of a complaint (USDC, Phoenix) seeking to enjoin Roman Holiday, a Nevada corporation, Policare Securities Corp., an Arizona corporation engaged in the securities business, and F. Robert Policare from further violations of the Securities Act registration and anti-fraud provisions in the sale of Roman Holiday stock. A temporary restraining order was issued, and a hearing on the Commission's motion was scheduled for July 2.

BECKWITH AND HAYDEN FOUND GUILTY. The SEC Denver Regional Office announced June 23 (LR-3256) that a jury (USDC, Denver) found Marvin Beckwith, Wheatridge, Colo., and Ronald V. Hayden, Denver, guilty of violating the anti-fraud provisions of the Federal securities laws in the sale of stock of Lamartine Mines, Inc., a defunct Colorado corporation.

MASSACHUSETTS INVESTORS RECEIVES ORDER. The SEC has issued an exemption order under the Investment Company Act (Release IC-4286) authorizing Massachusetts Investors Trust, Boston, Mass., to issue its shares at net asset value for substantially all of the cash and securities of Dana Investment Company. According to the application, Dana, whose stock is held by two shareholders, is a Delaware corporation engaged in investing its funds in securities. As of February 26, 1965, its net assets approximated \$16,964,000.

BALDWIN SECURITIES RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-4287) further extending the period during which Baldwin Securities Corporation, New York, shall be exempt from provisions of Section 12(d)(1) of the Act with respect to its ownership of stock of, and relationship with, General Industrial Enterprises, Inc. (both of which are non-diversified closed-end investment companies). Section 12(d)(1) provides that it shall be unlawful for any registered investment company to acquire a security of another investment company if, through such acquisition, it will own over 5% of the outstanding voting securities of the other company, unless the purchasing company owns at the time of the acquisition at least 25% of the outstanding voting stock of the other investment company. An application for an exemption order is now pending before the Commission, with respect to transactions incident to the proposed merger of Baldwin and General Industrial, and the application for the instant order states that the proposed merger cannot be consummated unless the Commission issues such exemption order.

BUSINESS FUNDS RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-4288) authorizing certain affiliated persons of Business Funds, Inc., Houston, Tex., to acquire shares of common stock of Western Equities, Inc., pursuant to a distribution by Business Funds to its shareholders of its holdings of 16.22% of the common stock of Western. The order, however, is conditioned upon the provisions that John F. Austin, Jr., board chairman of Business Funds, will not participate in any decisions involving Western and that all affiliated persons of Business Funds, who elect to dispose of any Western stock owned by them, give advance notice thereof to the Commission. According to the application, Business Funds proposes to distribute pro rata to its shareholders of record on April 30, 1965, all of its holdings of Western common on the basis of one share of Western for each three shares of Business Funds common. Fourteen of the company's 16 directors own 22.77% of the outstanding stock of Business Funds; and upon completion of the proposed distribution, the 14 directors will own in the aggregate 3.75% of the outstanding common stock of Western.

COMMUNICATIONS INDUSTRIES FILES FOR SECONDARY. Communications Industries, Inc., 511 N. Akard St., Dallas, filed a registration statement (File 2-23742) with the SEC on June 24 seeking registration of 100,000 outstanding shares of common stock, to be offered for public sale by the present holders thereof. Rauscher, Pierce & Co., Inc., 1200 Mercantile Dallas Bldg., Dallas, Tex. 75201, is listed as the principal underwriter. The public offering price (\$6.50 per share maximum*) and underwriting terms are to be supplied by amendment.

OVER

Organized under Texas law in 1960, the company is principally engaged in the design, manufacture, sale and maintenance of radio and electronic communications equipment and systems. In addition to indebtedness, it has outstanding 402,337 common shares, of which management officials own 45.9%. Immediately after its organization, the company acquired from Jerry S. Stover (president) and Thomas J. McMullin (board chairman) all of the outstanding capital stock of Communications Engineering Co. and of Decibel Products, Inc., for an aggregate of \$300,000 cash and 150,000 shares of the then \$0.50 par value common stock of the company. Subsequently, on February 7, 1961, the company converted each share of \$0.50 par value common into five shares of \$0.10 par value. Pursuant to another recapitalization effected in December 1964, it converted each outstanding share of \$0.10 par value common into one-third of one share of \$0.50 par common. In connection therewith, 306,333 shares were issued in exchange for 919,000 shares of \$0.10 par. In March 1965 Electro-Science Investors, Inc., converted certain 5% convertible debentures of the company in the principal amount of \$100,000 into 83,334 shares of \$0.50 par. The selling stockholders are McMullin, offering 10,000 of 111,216 shares held; Stover, 10,000 of 68,386; and Electro-Science Investors, 80,000 of 102,268.

FAMILY BARGAIN CENTERS FILES FOR SECONDARY. The Family Bargain Centers, Inc., 291 Genesee St., Utica, N. Y. 13501, filed a registration statement (File 2-23747) with the SEC on June 25 seeking registration of 270,000 outstanding shares of common stock, to be offered for public sale by the present holders thereof. The offering is to be made through underwriters headed by W. E. Hutton & Co., 14 Wall St., New York 10005. The public offering price (\$13 per share maximum*) and underwriting terms are to be supplied by amendment.

The company operates self-service discount department stores in upstate New York. In addition to indebtedness and preferred stock, it has outstanding 300,000 Class A and 300,000 common shares. Management officials own 77.2% of the combined classes. The prospectus lists 38 selling stockholders, including Bernard Kowalsky (board chairman), offering 73,264 of 81,404 shares held; Sidney E. Kamino (president) 48,535 of 53,928; John A. Moore (treasurer), 23,378 of 25,975; Thomas F. O'Reilly (executive vice president), 24,370 of 27,077; and Leroy H. Scheidelman (director), 25,567 of 28,408. The remaining selling stockholders are offering shares ranging in amounts from 330 to 8,956.

VILLAGE SUPER MARKET PROPOSES OFFERING. Village Super Market, Inc., 9 S. Orange Ave., South Orange, N.J. filed a registration statement (File 2-23748) with the SEC on June 25 seeking registration of 100,000 shares of common stock, to be offered for public sale through Auchincloss, Parker & Redpath, 2 Broadway, New York. The public offering price (\$10 per share maximum*) and underwriting terms are to be supplied by amendment.

The company operates supermarkets under the name "Shop-Rite". Of the net proceeds from its stock sale, approximately \$400,000 will be applied to the construction and opening of two new supermarkets and the balance will be used for general corporate purposes, including opening of new stores. In addition to indebtedness, the company has outstanding 50,000 common and 350,000 Class A common shares, owned entirely by management officials. Nicholas Sumas, president, owns 55% of the company's outstanding capital stock.

B. F. SAUL R.E.I.T. PROPOSES OFFERING. B. F. Saul Real Estate Investment Trust, 925 Fifteenth St., N.W. Washington, D. C. 20005, filed a registration statement (File 2-23749) with the SEC on June 25 seeking registration of 20,000 shares of beneficial interest in the Trust. The shares are to be offered for public sale at \$100 per share on a best efforts basis through B. F. Saul Co., of the Washington address, which will receive a \$1-per-share selling commission.

The Trust, which began operations in March 1964, was organized for the general purpose of investing in loans secured solely by first deeds of trust or first mortgages in real estate and/or in equities in income producing real estate. It intends, insofar as possible, to operate as a real estate investment trust. The Trust has entered into an agreement with B. F. Saul Co. whereby that company will acquire and service mortgages on behalf of the Trust. Net proceeds from the sale of Trust shares will be invested pursuant to the policies of the Trust. It now has outstanding 15,021 shares, of which management officials own 4.5%. Francis C. Little is a trustee of the Trust, as well as president of B. F. Saul Co.

OKLAHOMA NATURAL GAS FILES STOCK PLAN. Oklahoma Natural Gas Company, 624 S. Boston Ave., Tulsa, Okla. 74119, filed a registration statement (File 2-23754) with the SEC on June 25 seeking registration of 300,000 shares of common stock, to be offered under its Qualified Stock Option Plan.

COMMUNITY PUBLIC SERVICE PROPOSES BOND OFFERING. Community Public Service Company, 501 W. Sixth St., Fort Worth, Tex. 76102, filed a registration statement (File 2-23755) with the SEC on June 25 seeking registration of \$5,000,000 of first mortgage bonds, Series H, due 1995, to be offered for public sale at competitive bidding. A public utility operating in Texas and New Mexico, the company will use the proceeds from its bond sale (together with \$3,000,000 from a proposed stock sale) to finance its construction program in part or to repay bank loans of approximately \$4,000,000 incurred for prior extensions and for construction in progress. Its construction expenditures in 1965 are estimated at \$11,400,000.

LONE STAR CEMENT PROPOSES DEBENTURE OFFERING. Lone Star Cement Corporation, 100 Park Ave., New York 10017, filed a registration statement (File 2-23756) with the SEC on June 25 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 Lazard Freres & Co., 44 Wall St., and Hayden, Stone Inc., 25 Broad St., both of New York. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

The company produces and sells cement and concrete products. Net proceeds from its debenture sale will be used to repay outstanding short-term bank debts, incurred largely in connection with the company's acquisition of certain aggregates facilities and related assets in New York and Texas. The company expects to expend approximately \$50,000,000 within the next three years for modernization and expansion of its properties, including the construction of new facilities in Greencastle, Ind., and in the Pacific Northwest. In addition to indebtedness, the company has outstanding 8,529,505 common shares.

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WAYNE NATIONAL LIFE PROPOSES OFFERING. Wayne National Life Insurance Company, 2310 Cass Ave., Detroit, Mich. 48201, filed a registration statement (File 2-23750) with the SEC on June 25 seeking registration of 25,000 shares of common stock, to be offered for public sale through underwriters headed by Walston & Co., Inc., 74 Wall St., New York 10005. The public offering price (\$10 per share maximum*) and underwriting terms are to be supplied by amendment.

Organized under Michigan law in 1960, the company is engaged in the life insurance business in Michigan and Minnesota. Of the net proceeds from its stock sale, approximately \$367,000 will be used to purchase all of the outstanding stock of Western World Life Insurance Co., so as to permit the company to extend its insurance operations into Arizona and Ohio; \$300,000 will be invested in the common stock of Wisconsin Insurance Corporation of America, Madison, Wisc.; and the balance will be used in the conduct and expansion of the company's business. The company has outstanding 1,245,600 common shares, after giving effect to the conversion of 300,000 outstanding Class A convertible shares into 900,000 common. The stock conversion is to become effective simultaneously with the underwriters' purchase of the shares being registered. Upon completion of the proposed sale, management officials will own 79% of the company's outstanding stock (which they acquired for an aggregate of \$2,500,000). Winston J. Schuler is board chairman and John J. Collins is president.

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.

Alix of Miami Inc May 65 (11)	2-18267-2	The Goldfield Corp May 65 (2,3,13)	1-2618-2
Grow Chemical Corp May 65 (4,7,12,13)	1-4596-2	Guerdon Industries Inc May 65 (6,13)	1-4317-2
International Breweries Inc May 65 (3,11)	1-3905-2	Internatl Products Corp May 65 (13)	1-692-2
Kaneb Pipe Line Co May 65 (7,13)	1-5083-2	A C Nielsen Co May 65 (11,13)	0-24-2
McLean Industries Inc May 65 (2)	0-1006-2	Stainless Steel Products Inc	
N Y Tel Co May 65 (13)	1-3435-2	Apr 65 (13)	2-20413-2
American Enka Corp June 65 (12,13)	1-3901-2	Denver Natl Financial Inc May 65 (2,4,11)	0-1444-2
Bates Mfg Co May 6 (4,7,10,11,13)	2-6013-2	Koppers Co Inc May 65 (7,13)	1-3224-2
Genl Elec Co May 65 (3)	1-35-2	Mallory Randall Corp May 65 (11)	1-4527-2
Gloray Knitting Mills Inc May 65 (11,13)	1-4593-2	Genl Development Corp May 65 (3,8,11,12)	1-4080-2
Louisville & Nashville RR Co		Genl Plywood Corp May 65 (2,13)	1-3291-2
May 65 (7,13)	1-1116-2	Hoffman Internatl Corp May 65 (12)	1-4120-2
McGraw-Edison Co May 65 (3,7)	1-169-2	Kittanning Tel Co Jan 65 (2)	2-15505-2
Outlet Co May 65 (11,13)	1-1209-2	Hat Corp of America May 65 (12)	1-307-2
Oxford Paper Co May 65 (12)	1-3841-2	Howe Sound Co May 65 (11,12,13)	1-4122-2
Pacific Standard Life Ins Co		Levitt & Sons Inc May 65 (7,9,13)	1-4770-2
Feb,Mar,Apr,May 65 (7)	2-22128-2	Martinall Industries Inc May 65 (3,12,13)	2-5489-2
Hammermill Paper Co May 65 (11,12,13)	1-3100-2	Elasticrete Corp May 65 (2,7,13)	2-19299-2
Lightcraft-General May 65 (7,12)	2-21432-2	Houdaille Industries Inc May 65 (11,12)	1-328-2
Oklahoma Natural Gas Co May 65 (7,13)	1-2572-2	J J Newberry Co May 65 (11)	1-616-2
United Founders Corp May 65 (11)	0-974-2	Nuclear Corp of Amer May 65 (1)	1-4119-2
Amer Pipe & Constr Co May 65 (3)	0-218-2	Trans-Canada Pipe Lines Ltd	
Gerber Scientific Instrument Co		May 65 (7,8,13)	2-12927-2
May 65 (2,13)	2-18497-2	H R Weissberg Corp May 65 (11,12)	0-1086-2
Harvey's Stores Inc May 65 (11,13)	1-4553-2		
Hess Oil & Chemical Corp May 65 (11)	1-1951-2		
Ins Co of Oregon May 65 (4,11,13)	2-22640-2		

SECURITIES ACT REGISTRATION STATEMENTS. During the week ended June 24, 1965, 26 registration statements were filed, 35 became effective, 2 were withdrawn, and 292 were pending at the week-end.

SECURITIES ACT REGISTRATIONS. Effective June 28: Hanes Corp., 2-23674 (90 days); The Skyscraper Co. 2-23610 (90 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.

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