

sec news digest

Issue 74-171
(SEC Docket, Vol. 5, No. 4 - Sept. 17)

September 3, 1974

DECISIONS IN ADMINISTRATIVE PROCEEDINGS

JOSEPH DESMOND BARRED

The SEC has barred Joseph Warren Desmond, of Seattle, Washington, who was a general partner of a registered broker-dealer, from association with any broker-dealer.

The order was based on findings that Desmond unlawfully sold unregistered stock of Raywood Placers, Ltd., West-Mont Oil, Inc. and Passport Mines, Ltd.; caused investors to sell their readily marketable securities and invest the proceeds in Raywood, West-Mont and Passport stock when he knew or had reason to believe that those securities were not readily marketable and had little or no value; caused the sale of a customer's securities without the latter's consent, and converted the proceeds to his own use; and made or caused to be made false and misleading statements. It was further found that Desmond aided and abetted a violation of the Securities Exchange Act in that a person who was the subject of a bar order was unlawfully permitted to become associated with registrant, and that Desmond was enjoined from violating the registration and antifraud provisions of the securities laws.

Desmond failed to answer the charges against him, and was deemed in default. (Rel. 34-10983)

HERITAGE SECURITIES CORPORATION AND GEORGE BISHOP SANCTIONED

The Commission has revoked the broker-dealer registration of The Heritage Securities Corporation, Inc., of Oklahoma City, Oklahoma. It also suspended George P. Bishop, who was president of the firm, from association with any registered broker or dealer for 15 days, following which he is barred from such association except as a supervised employee in a non-supervisory capacity upon a showing of adequate supervision. The suspension is deemed to have become effective on July 5 because Bishop in good faith (although mistakenly) believed it would begin on that date and therefore severed his connection with the securities business for 15 days.

The sanctions were based upon findings that the firm, aided and abetted by Bishop, violated various reporting and recordkeeping provisions of the Securities Exchange Act.

The order was based upon the firm's failure to answer the charges against it, and Bishop's offer of settlement in which, without admitting or denying the charges, he consented to the above findings and the sanctions. (Rel. 34-10984)

SEC
40th
ANNIVERSARY

REMEMBER SEC 40TH ANNIVERSARY

The SEC 40th Anniversary Celebration will be held on October 24, 1974, at the Statler Hilton, 16th and K Sts., N.W., Washington, D.C. For additional information and registration form see page 7 of the Digest.

U.S. SECURITIES & EXCHANGE COMMISSION

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COURT ENFORCEMENT ACTIONS

COMPLAINT NAMES OPEN ROAD INDUSTRIES, INC.

The SEC announced the filing of a complaint in the U. S. District Court for the District of Columbia on August 29, 1974, seeking a court order directing Open Road Industries, Inc. (Open Road), El Segundo, California, to comply with the reporting provisions of the Securities Exchange Act of 1934 and seeking a permanent injunction against further such violations.

According to the Commission's complaint against Open Road, that company has failed to file its annual report on Form 10-K for its fiscal year ended April 30, 1974, with the Commission and with the American Stock Exchange and Pacific Stock Exchange. Open Road's shares of common stock are listed on the American Stock Exchange and the Pacific Stock Exchange. On August 8, 1974, those exchanges halted trading in the securities of Open Road. (SEC v. Open Road Industries, Inc., U.S.D.C. D.C., Civil Action No. 74-1301). (LR-6498)

COMMISSION ANNOUNCEMENTS

SUSPENSION OF THE REGULATION A EXEMPTION OF PETROLEUM ENERGY INVESTORS, LTD. MADE PERMANENT

The SEC's order of May 2, 1974, temporarily suspending the Regulation A exemption from registration under the Securities Act of 1933, with respect to the proposed offer and sale of preformation limited partnership units by Miller Management Services, Inc. (MMS) of Palo Alto, California, on behalf of Petroleum Energy Investors, Ltd. (Petroleum), a limited partnership to be formed, has become permanent. MMS was to act as general partner for Petroleum.

Under a notification filed on July 18, 1973, MMS proposed to offer 100 limited partnership units at \$5,000 per unit. According to the order, the Commission had reason to believe that: (a) the notification and offering circular contained untrue statements of material facts and omitted to state material facts necessary in order to make the statements made not misleading, particularly with respect to the failure to disclose all promoters and affiliates; the failure to disclose a temporary restraining order and subsequent preliminary injunction against MMS and its president; the failure to disclose the sale of unregistered securities; (b) the terms and conditions of Regulation A had not been complied with, particularly with respect to the unavailability of the Regulation A exemption under the provisions of Rule 252(c)(4) and Rule 252(d)(2) in that MMS, Follis O. Miller, and Sant Pallan, an affiliate of MMS, are subject to a decree of a court of competent jurisdiction of the State of California preliminarily enjoining and restraining such persons from engaging in any violations of the California Securities Act; and (c) the proposed offering, if made, would have been in violation of the antifraud provisions of the securities laws. (Rel. 33-5525)

HOLDING COMPANY ACT RELEASES

NORTHEAST UTILITIES

A notice has been issued giving interested persons until September 24 to request a hearing on a proposal of Northeast Utilities, a registered holding company, to issue and sell up to 500,000 shares of common stock through a dividend reinvestment plan. (Rel. 35-18549)

SECURITIES ACT REGISTRATIONS

(S-7) WISCONSIN POWER AND LIGHT COMPANY

222 West Washington Ave., Madison, Wis. 53701 - 150,000 shares of cumulative preferred stock (\$100 par), to be offered for sale through underwriters represented by Kidder, Peabody & Co. Incorporated, 10 Hanover Square, New York, N. Y. 10005. The company is principally an electric and gas utility which also supplies water service. (File 2-51837 - Aug. 28)

(S-6) THE CORPORATE INCOME FUND, ELEVENTH MONTHLY PAYMENT SERIES

\$20 million of units of beneficial interest, to be offered for sale through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith Incorporated, 125 High St., Boston, Mass. 02110. The Fund, a Unit Investment Trust, was created by a trust agreement among Merrill Lynch, as Sponsor, The Bank of New York and The National Shawmut Bank of Boston, as Trustees, and Interactive Data Services, Inc., as Evaluator. The Fund's primary objective is providing a high level of current income through investment in a fixed portfolio of long-term debt obligations, issued primarily by corporations. (File 2-51842 - Aug. 29)

(S-7) MCGRAW-EDISON COMPANY

333 West River Rd., Elgin, Ill. 60120 - 839,177 shares of common stock, which may be issued, from time to time, pursuant to the provisions of the McGraw-Edison Company 1974 Stock Incentive Program. The company manufactures and distributes electrical appliances, tools and other products for the consumer market and equipment for electrical utilities and industrial uses. (File 2-51843 - Aug. 29)

(S-7's) PUBLIC SERVICE ELECTRIC AND GAS COMPANY

80 Park Place, Newark, N. J. 07101 - 750,000 shares of cumulative preferred stock (\$100 par), to be offered for sale through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith, One Liberty Plaza, New York, N. Y. and Kidder, Peabody & Co. Incorporated, 10 Hanover Square, New York, N. Y. (File 2-51847 - Aug. 29)

In a separate statement Public Service seeks registration of \$100 million of first and refunding mortgage bonds, Series E, due 2004, to be offered for sale through the same underwriters mentioned above. (File 2-51849 - Aug. 29)

Public Service is an operating public utility company providing electric and gas service.

(S-14) ALLIED BANCSHARES, INC.

808 Travis St., Houston, Tex. 77002 - 797,060 shares of common stock, to be offered to stockholders of six Texas state banks in connection with the merger of such banks into six newly-formed banks which are wholly-owned subsidiaries of Allied. The banks to be acquired and the number of Allied shares offered in exchange for each share of such banks are as follows: American Bank and Trust Company, Houston (1.73); Farmers State Bank of Brookshire, Brookshire (2.67); Guaranty Bank of Dallas, Dallas (0.23); The Kirbyville State Bank of Kirbyville, Kirbyville (77.04); Security Bank, Spring (1.695); and Union State Bank, Beaumont (0.5). Allied is a bank holding company which owns nine other banks. (File 2-51853 - Aug. 30)

REGISTRATIONS EFFECTIVE

August 30: Putnam Investors Fund, Inc., 2-51861; Carlyle Real Estate Limited Partnership 74, 2-50442; Envirotech Corp., 2-51675; Honeywell Inc., 2-51806; Republic Franklin Inc., 2-47861; Walls Industries, Inc., 2-51683.

RECENT 8K FILINGS

Form 8-K is used by companies to file current reports on the following events:

- | | |
|--|---|
| <i>Item 1. Changes in Control of Registrant</i> | <i>Item 9. Options to Purchase Securities</i> |
| <i>Item 2. Acquisition or Disposition of Assets</i> | <i>Item 10. Revaluation of Assets or Restatement of Capital Share Account</i> |
| <i>Item 3. Legal Proceedings</i> | <i>Item 11. Submission of Matters to a Vote of Security Holders</i> |
| <i>Item 4. Changes in Securities</i> | <i>Item 12. Changes in Registrant's Certifying Accountant</i> |
| <i>Item 5. Changes in Security for Registered Securities</i> | <i>Item 13. Other Materially Important Events</i> |
| <i>Item 6. Defaults upon Senior Securities</i> | <i>Item 14. Financial Statements and Exhibits</i> |
| <i>Item 7. Increase in Amount of Securities Outstanding</i> | |
| <i>Item 8. Decrease in Amount of Securities Outstanding</i> | |

The companies listed below have filed 8-K reports for the month indicated and/or amendments to 8-K reports previously filed, responding to the item(s) of the form specified. Copies of the reports may be purchased from the Commission's Public Reference Section (in ordering, please give month and year of report). An invoice will be included with the requested material when mailed.

COMPANY	ITEM NO.	MONTH
CONSUMERS POWER CO	3,13	07/74
CONTINENTAL INVESTMENT CORP MASSACHUSETT	13,14	07/74
CRUM & FORSTER	3	07/74
DASA CORP	13	07/74
DATATYPE CORP	13	07/74
DELTA FOODS INC	13,14	07/74
DESOTO INC	10,14	06/74
DURA PLEX INDUSTRIES INC	7,10,14	07/74
EASTERN GAS & FUEL ASSOCIATES	13,14	07/74
EASTMAN KODAK CO	3	07/74
ECKMAR CORP	13	07/74
ECONETICS INC	2,7,9,14	07/74
EVANS & MITCHELL INDUSTRIES INC	3,7,14	07/74
EXPEDITER SYSTEMS INC	13	07/74
FAIRCHILD INDUSTRIES INC	10,14	07/74
FASHION FABRICS INC	11,13	07/74
FEDERATED/PURCHASER INC	13	08/74
FIRST EXECUTIVE CORP	6,13	07/74
FIRST HOLDING CO INC	10,14	07/74
FIRST NATIONAL BANCORPORATION INC	7	07/74
FISCO INC	3	07/74
FLORIDA POWER CORP	7,14	07/74
FMC CORP	3,7,14	07/74
FORD MOTOR CO	3,7	07/74
FOREMOST MCKESSON INC	11,14	07/74
GAC FINANCE INC	12,13,14	07/74
GENERAL CRUDE OIL CO	13	07/74
GENERAL INTERIORS CORP	13,14	07/74
GROLIER INC	13	07/74
GUILFORD MILLS INC	13	07/74
HAMMOND CORP	11,14	07/74
HARRIS CORP	8	07/74
HEILEMAN G BREWING CO INC	13	07/74
HOLIDAY RESOURCES INC	2,3,14	07/74
HOWARD CORP OF OREGON	2,3,14	07/74
HOWELL CORP	13	07/74
HUGHES & HATCHER INC	2,7,8,14	07/74
HYDRON PACIFIC LTD	3,13	07/74
HYNES & HOWES REAL ESTATE INC	3,13,14	07/74
IDS MCCULLOCH OIL EXPLORATION 1971 PROGR	4,11,14	07/74
IDS MCCULLOCH 1972 OIL EXPLORATION PROGR	4,11,14	07/74
INTERMOUNTAIN LABORATORIES INC	13,14	08/74
INTERNATIONAL INDUSTRIES INC	3,10,13,14	07/74
INTERNATIONAL SYSTEMS & CONTROLS CORP	4,7,8,14	07/74
JERSEY CENTRAL POWER & LIGHT CO	3,10,13	07/74
JEWEL COMPANIES INC	7	07/74
JONES & LAUGHLIN STEEL CORP	3,7,14	07/74
KAUFMAN & BROAD INC	13,14	07/74
KENNECOTT COPPER CORP	3	07/74

RECENT 8K FILINGS CONT.

KEUFFEL & ESSER CO	7	07/74
KNIGHT NEWSPAPERS INC	13,14	07/74
KNOGO CORP	13	07/74
LASER LINK CORP	1,2,11,14	07/74
LEHIGH COAL & NAVIGATION CO	13	07/74
LEHIGH PRESS INC	2,7,14	07/74
LENNAR CORP	13,14	07/74
LITRONIX INC	9	07/74
LOUISIANA & SOUTHERN LIFE INSURANCE CO	12,14	07/74
LUMINALL PAINTS INC	1,13	07/74
MACMILLAN INC	14	07/74
MADISON DOLLY INDUSTRIES INC	13,14	07/74
MADISON SQUARE GARDEN CORP	3,10,14	07/74
MASSACHUSETTS ELECTRIC CO	3	07/74
MCKEE ARTHUR G & CO	10,13,14	07/74
MEDEQUIP CORP	9,13,14	07/74
MEDFIELD CORP	13	07/74
MERIDIAN INDUSTRIES INC	1,2,7,14	07/74
MICHIGAN GENERAL CORP	7,8,14	07/74
MID ATLANTIC REAL ESTATE INVESTMENT TRUS	3	07/74
MID PENN TELEPHONE CORP	7	07/74
MIDLAND MORTGAGE INVESTORS TRUST	10,13,14	07/74
MIDLAND ROSS CORP	10,14	07/74
MILLER WOHL CO INC	1	07/74
MISSOURI PORTLAND CEMENT CO	3	07/74
MOBILE HOME INDUSTRIES INC	12	07/74
MONARCH CEMENT CO	8	07/74
NATIONAL DISTILLERS & CHEMICAL CORP	3	07/74
NATIONAL HOME PRODUCTS INC	9,13	07/74
NATIONAL HOMES CORP	13	07/74
NATIONAL MORTGAGE FUND	NO ITEMS	07/74
NATURAL GAS PIPELINE CO OF AMERICA	13	07/74
NEISNER BROTHERS INC	13	07/74
NEW ORLEANS PUBLIC SERVICE INC	8,13	07/74
NEW YORK STATE ELECTRIC & GAS CORP	3,7,13,14	07/74
NEWPORT ELECTRIC CORP	13,14	08/74
NL INDUSTRIES INC	13	07/74
NMC CORP	NO ITEMS	07/74
NORFOLK & CAROLINA TELEPHONE & TELEGRAPH	13,14	06/74
NORTHEAST BANCORP INC CONNECTICUT	13	07/74
NORTHERN STATES MORTGAGE & REALTY INVEST	13	07/74
NORTHWEST NITRO CHEMICALS LTD	8,14	07/74
NUS CORP	2	05/74
OMEGA ALPHA INC	2,6,8,9,13,14	07/74
ONEAL JONES & FELDMAN INC	3	07/74
OVERNITE TRANSPORTATION CO	4,14	07/74
PALOMAR FINANCIAL	13	07/74
PARKER DRILLING CO	7,14	07/74
PATRICK OIL & GAS CORP 1974 DRILLING PRO	7	07/74
PATRICK OIL & GAS CORP 1974 INCOME PROGR	2	07/74
PATRICK PETROLEUM CO	2	07/74
PAXTON FRANK CO	11	07/74
PHILIP MORRIS INC	3,14	07/74
PIEDMONT AVIATION INC	7,13,14	07/74
PLAYERS GROUP COMPANIES INC	13	07/74
POTTER INSTRUMENT CO INC	13	07/74
PROFESSIONAL GOLF CO	3,13	07/74
RADICE REALTY & CONSTRUCTION CORP	13	07/74
REALTY EQUITIES CORP OF NEW YORK	3,6	07/74
ROGERS BROTHERS CO	7	07/74
ROHM & HAAS CO	7	07/74
ROLLINS INC	13	07/74
RONSON CORP	11,14	07/74
ROSARIO RESOURCES CORP	8	06/74
ROYAL AMERICAN INDUSTRIES INC	8	07/74
ROYAL ATLAS CORP	3	06/74
ROYAL PALM BEACH COLONY INC	7,14	07/74
RPS PRODUCTS INC	3,8	07/74
RUPP INDUSTRIES INC	13,14	07/74
SAVANNAH FOODS & INDUSTRIES INC	10	07/74

RECENT 8K FILINGS CONT.

SEAGRAVE CORP	7,8	07/74
SEATRAN LINES INC	3	07/74
SERVO CORP OF AMERICA	7,8	07/74
SHAREHOLDERS CAPITAL CORP	10	08/74
SHASTINA PROPERTIES INC	10	07/74
SIMON NORTON INC	3	07/74
SKELLY OIL CO	3	07/74
SONICS INTERNATIONAL INC	2,14	07/74
SOUTHERN CO	3,13	07/74
SOUTHERN MUTUAL INVESTMENT CORP	12	07/74
SOUTHERN REALTY & UTILITIES CORP	8	07/74
SOUTHLAND EQUITY CORP	13	07/74
SOUTHLAND INVESTMENT CORP	1	07/74
SPIRAL METAL CO INC	11,13	07/74
STANDARD OIL CO OF INDIANA	3,7,14	07/74
STASSAL INDUSTRIES INC	7,14	07/74
STATE SAVINGS & LOAN ASSOCIATION	13,14	07/74
STERLING ELECTRONICS CORP	13	07/74
STRATEGIC MEDICAL RESEARCH CORP	13	07/74
T BAR M INC	8,11,14	07/74
TCC INC	1,2,7,14	06/74
TELCO MARKETING SERVICES INC	13,14	07/74
TELTRONICS SERVICES INC	3,11,14	07/74
TENNESSEE VALLEY BANCORP INC	2,13,14	07/74
TEXAS PLASTICS INC	13	07/74
TORIN CORP	12,14	07/74
TRANS WORLD AIRLINES INC	8	07/74
TRANSCANADA PIPELINES LTD	3,7,8,14	07/74
TRANSWAY INTERNATIONAL CORP	7,14	07/74
TRINITY TRADE CORP	11	07/74
UIP CORP	13	07/74
UNION OIL CO OF CALIFORNIA	3	07/74
UNITED AIRCRAFT CORP	7	07/74
UNITED AMERICA GROUP INC	6,13,14	04/74
UNITED AMERICA GROUP INC	2,6,13,14	06/74
UNITED AMERICA GROUP INC	6,13,14	07/74
UNITED FINANCIAL CORP OF CALIFORNIA	13,14	07/74
UNITED STATES INDUSTRIES INC	7,13,14	07/74
UNITED STATES STEEL CORP	3	07/74
UNIVERSITY GRAPHICS INC	13	07/74
VANIER GRAPHICS CORP	13	07/74
VARO INC	7,14	07/74
VERIT INDUSTRIES	8	07/74
VIACOM INTERNATIONAL INC	8	07/74
VISION CABLE COMMUNICATIONS INC	13,14	07/74
WALTER JIM CORP	13	07/74
WESTERN FINANCIAL CORP ARIZONA	7,9,14	07/74
WESTINGHOUSE ELECTRIC CORP	7,14	07/74
WHEELING PITTSBURGH STEEL CORP	1,3,7	07/74
WILLIAMS COMPANIES	7,14	07/74
WINTER JACK INC	7	07/74
WYNNS INTERNATIONAL INC	3,9,14	07/74
ZEMCO INDUSTRIES INC	11	07/74
ALBANY INTERNATIONAL CORP	4,13,14	07/74
ALLEGHANY CORP	2,3,14	07/74
ALUMINUM CO OF AMERICA	7	07/74
ARP INSTRUMENTS INC	7,14	07/74
AZCON CORP	2,13,14	07/74
BRANCH CORP	2,7,13,14	07/74
COMMUNITY PUBLIC SERVICE CO	4,14	07/74
COMPUCORP	1,2,4,7,9,10,13,14	07/74
COMPUTER NETWORK CORP	13	07/74
CRYSTAL OIL CO	2,7,14	07/74
DAYTON HUDSON CORP	10,13	07/74
DETRIX CHEMICAL INDUSTRIES INC	2,10	05/74
DETRIX CHEMICAL INDUSTRIES INC	8	06/74
DIVERSIFIED INDUSTRIES INC	13	07/74
DYNALAB CORP	13	07/74
EQUITABLE BANCORPORATION	10	07/74
FIDELITY BANK	2,14	07/74
FIRSTMARK CORP	7,13	07/74
FREEMAN CARL M ASSOCIATES INC	13,14	07/74

SEC 40TH ANNIVERSARY CELEBRATION

The SEC wishes to invite all past employees to attend its 40th Anniversary Celebration to be held on October 14, 1974, at the Statler Hilton in Washington. The price will be \$25 per person for all former employees. The dress is optional.

Many past staff members may wish to sit together as a group, or even reserve an entire table for 12. Priority will be given to requests for such special arrangements whenever possible. To avoid confusion, however, only one of such group should request the special seating arrangement--but each person in a group should be identified and in the manner in which his or her name should appear in the Anniversary Program. You may use the registration form on this page. We cannot finalize our plans with the Hotel until we have rather definite information as to the number expected to attend, so we request that you make your reservation as soon as possible. Tickets will be mailed to the purchaser.

Please notify any past SEC friends, get together a group, and come help us celebrate!

DINNER RESERVATION & REGISTRATION FORM

To The SEC Anniversary Committee:

Herewith is my check or money order in the amount of \$_____ for which please issue _____ tickets to the SEC 40th Anniversary Celebration for the following persons (please PRINT names as they should appear in the Anniversary Program, listing married couples as "Mr. and Mrs."):

Please send the tickets to:

(Name)

(Address)

Please seat the persons listed above with the following additional persons (please PRINT names):

Make checks or money orders payable to "SEC Anniversary Committee," and mail to

SEC Anniversary Committee, Room 856
Securities and Exchange Commission
Washington, D. C. 20549

Present staff members and employees may make payment to Lawrence A. Friend, Treasurer, in Room 502.

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. The reproduction cost is 15¢ per page plus postage (\$2 minimum) and 30¢ per page plus postage for expedited handling (\$5 minimum). Cost estimates are given on request. All other referenced material is available in the SEC Docket.

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