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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RECORD FILINGS REPORTED. SEC Chairman Manuel F. Cohen today reported a continuing, unprecedented volume of registration statements filed under the Securities Act of 1933. During 1968, a total of 3,626 statements were filed, an increase of more than 55% over the 2,332 filings in 1967 and nearly 128% above the five-year average, 1963-67. During 1968, a total of 3,045 statements were processed by the Commission's staff, almost 34% more than in 1967 and more than 91% above the 1963-67 average. At December 31, 1968, there were pending and under examination a total of 1,112 statements, compared with 824 on June 30, 1968, and 529 on December 31, 1967.

The bulk of the statements -- (i.e. all but those filed by investment companies) are examined by the Division of Corporation Finance. The personnel of that Division averaged about 261 during the 1963-67 period and 256 during 1968; at December 31, the Division's employees numbered 240. In the Division of Corporate Regulation, which examines all investment companies filings, the situation is quite comparable. On June 30, 1963, a total of 727 investment companies were registered with the Commission. The number of registered companies increased by 240 during the five-year period ended June 30, 1968, and by an additional 109 during the six-month period ended December 31, 1968; this brought the total of registered companies to 1,076, or 48% above the 1963 figure. Total personnel of that Division numbered 112 on June 30, 1965 and 107 on December 31, 1968.

The Chairman pointed out that the problem is likely to become more acute during the next few months if, as past experience has demonstrated, the number of registration statements filed during the first quarter of 1969 exceeds the filings for prior quarters; moreover, it is during the first four months of each year that the bulk of proxy statements and Form 10-K annual reports are filed with the Commission. All such filings are reviewed by the same members of the Commission's staff as are engaged in the examination of registration statements. In view thereof, he renewed his request that in the preparation of proxy statements all subject companies follow the procedures recommended in Release 34-7805 of January 26, 1966, so as to facilitate the Commission's examination thereof.

BAR ORDER NAMES F. R. GREGORY. The SEC today announced a decision under the Securities Exchange Act barring Francis R. Gregory, of Grosse Pointe Farms, Mich., from further association with any broker or dealer, by reason of violations of the anti-fraud provisions of the Federal securities laws. Gregory failed to appear at the hearing to contest the charges and was deemed to be in default. According to the Commission's decision, Gregory during 1963-66 induced a 90-year old widow who had "reposed full confidence in him," to sell seasoned securities for about $216,000, to use part of the proceeds to purchase his own unsecured promissory notes, and to turn over certain of the proceeds to him ostensibly in the form of unsecured loans. In connection therewith, Gregory made false and misleading statements to the customer concerning his financial ability to repay the loans, his intention to pay interest on the notes, the safety of investing in the notes and the relative merits of such investments as contrasted with other securities, and the use to which the proceeds from the sales of the notes and other securities were to be put. He concealed the above activities from his employer on whose behalf he handled the customer's account. In his answer to the charges prior to the hearing Gregory stated that in 1968 he paid $200,000 to a guardian appointed for the customer in settlement of the customer's claim against him.

WHITE ELECTROMAGNETICS FILING QUESTIONED. The SEC has ordered proceedings under the Securities Act of 1933 which question the accuracy of financial and other information contained in a registration statement under that Act filed by White Electromagnetics, Inc., of Rockville, Md.

The statement was filed on September 8 and became effective on December 6, 1967. It related to the proposed public offering by the company ("White") of 150,000 shares of common stock at $6 per share; also included were 20,000 shares to be issued upon the exercise of warrants sold to the underwriter and a finder. The company's principal business is the manufacture and sale of automatic spectrum scanning, signal recognition and plotting instruments. Net proceeds of its stock sale were to be applied to the repayment of loans and to the cost of additional systems available for finished goods, and for research, additional test equipment and working capital.

The Commission's staff questions the accuracy of representations in White's registration statement and prospectus with respect to (a) the company's backlog of orders as of October 15, 1967, (b) its reported net income for the three-month period ended September 30, 1967, and (c) its total revenues and income before taxes for the fiscal year ended June 30, 1967. A hearing has been scheduled for January 28, 1969, to take evidence on these alleged misrepresentations and to afford White an opportunity to offer any defenses thereto, in order to determine whether White's registration statement and prospectus are false and misleading in respect of certain material facts and, if so, whether a "stop order" should be issued suspending its effectiveness.

TREASURE HUNTERS ENJOINED. The SEC New York Regional Office announced January 10 (LR-4206) that the U. S. District Court in New York City had entered a final judgment of permanent injunction, by consent, against Treasure Hunters, Inc., of Wilmington, Del., enjoining its sale of stock of Alcar Instruments Inc., in violation of the registration and anti-fraud provisions of the Federal securities laws. Nine of thirteen defendants previously consented to permanent injunctions, and the remaining defendants were preliminarily enjoined.

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GULF POWER RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16267) authorizing Gulf Power Company, Pensacola, Fla., holding company, to issue and sell an additional $500,000 of its unsecured promissory notes to banks. This is part of $13,000,000 of notes whose issuance the Commission authorized on April 9, 1968 (Release 35-16030) (subject to notification as to identity of the lending banks.) Net proceeds of the note sale will be used to finance in part Gulf Power's 1968 and 1969 construction program, estimated at $43,814,000, to pay short-term bank loans incurred therefor, and for other corporate purposes.

METRIDATA COMPUTING PROPOSES OFFERING. Metridata Computing, Inc., 660 Grade Lane, Louisville, Ky., filed a registration statement (File 2-31328) with the SEC on January 8 seeking registration of 125,000 shares of common stock, to be offered for public sale through underwriters headed by Stein Bros. & Boyce, Inc., 1 Charles Center, Baltimore, Md. The offering price ($12.50 per share maximum*) and underwriting terms are to be supplied by amendment. The company has agreed to pay Stein Bros. & Boyce up to $12,000 for expenses and to sell it, for $500, five-year warrants to purchase 10,000 common shares, exercisable after one year at the public offering price.

The company was organized under Kentucky law in August 1968 for the purpose of offering the use of a computer system on a time-sharing basis. Of the net proceeds of its stock sale, $475,000 will be used to meet the company's obligations under its contract to purchase a General Electric Series 400 Time-Share Computer System and other equipment, $300,000 to develop and acquire programs to be used in conjunction with its time-share computer system, $90,000 to purchase furniture and fixtures and to prepare the company's premises for installation of the computer equipment, and $250,000 for marketing of time-sharing and related services; the balance will be added to the company's general funds to provide working capital. In addition to indebtedness, the company has outstanding 197,975 common shares (with a $1.87 per share book value), of which Bernard R. Meidinger & Associates, Inc. owns 23.3% and management officials as a group 45.1%. Ernest G. Biamco is president. Upon completion of this offering, the present stockholders will own 61.3% of the then outstanding common shares, for which they paid $419,500 or $2.12 per share, and the purchasers of the shares being registered will own 38.7%, for which they will have paid $1,562,500 or $12.50 per share*.

PREFORM BUILDING COMPONENTS TO SELL STOCK. Preform Building Components, Inc., P. O. Box 209E, Bear, Del. 19701, filed a registration statement (File 2-31329) with the SEC on January 8 seeking registration of 120,000 shares of common stock to be offered for public sale at $5 per share. The offering is to be made on a "best efforts" basis by Jay W. Kaufmann & Co., 111 Broadway, New York 10006, which will receive a 50¢ per share selling commission. The company has agreed to pay the underwriter $5,000 for expenses and subject to the sale of at least 60,000 shares, to sell to it on the basis of one warrant for each 12 shares sold and at one mill per warrant, five-year warrants to purchase common stock, exercisable after one year at $5 per share.

The company is engaged in the design, manufacture and sale of preformed component roof sections ("roof trusses"), primarily used by contractors and builders in connection with the construction of multiple unit apartment buildings, one family residential dwellings and commercial buildings. Of the net proceeds of its stock sale, $200,000 will be used toward plant expansion, $72,058 to retire an 8% note due Ralph Gordy, president and principal stockholder, and the balance for working capital and other corporate purposes. In addition to indebtedness, the company has outstanding 180,000 common shares, of which Gordy and his wife own 144,500 shares. Upon completion of this offering, the purchasers of the shares being registered will own 40% of the then outstanding common stock, for which they will have paid $600,000 or $5 per share, and the present shareholders will own 60%, for which they paid in cash or otherwise an aggregate of $40,754, or approximately 23¢ per share.

RAPID-AMERICAN PROPOSES EXCHANGE OFFER. Rapid-American Corporation, 711 5th Ave., New York 10022, filed a registration statement (File 2-31330) with the SEC on January 8 seeking registration of $64,000,000 of 7% subordinated debentures, due 1994, 4,000,000 shares of common stock and warrants to purchase 8,000,000 common shares (exercisable at $35 per share). It is proposed to offer these securities in exchange for outstanding common stock of Glen Alden Corporation, at the rate of 1/4 Rapid common share, 1/2 warrant and $4 principal amount of debentures for each Glen Alden share. If Rapid were to acquire the 8,000,000 Glen Alden shares sought through this exchange offer, it would own (including 120,300 shares purchased in the open market in November 1968 for a total of $1,776,000) 49% of Glen Alden's outstanding common stock and an additional 7.4% thereof by virtue of Rapid's 51.4% interest in McCrory Corporation. Allen & Co. Inc., Carter, Berlind & Weill, Inc., and Cantor, Fitzgerald & Co., Inc., will head a group of underwriters who will solicit acceptances of the exchange offer. The prospectus also relates to 75,000 outstanding common shares and 32,000 outstanding $2.25 cumulative convertible preferred shares ($2 par) which may be offered for sale from time to time by the present holders thereof at prices current at the time of sale.

Through subsidiaries, Rapid is engaged in the manufacture of popular priced and medium priced men's suits and sport coats, in the manufacture and distribution of luggage and bowling bags and the distribution of golf bags and in the operation of various retail store chains, including variety and auto supplies stores. In addition to indebtedness and preferred stock, it has outstanding 3,207,353 common shares, of which Meshulam Riklis, board chairman and president (and board chairman of Glen Alden), owns 429,443 (13.1%) and management officials as a group 761,925.

FARINON ELECTRIC FILES FOR OFFERING AND SECONDARY. Farinon Electric, 935 Washington St., San Carlos, Calif. 94070, filed a registration statement (File 2-31336) with the SEC on January 9 seeking registration of 200,000 shares of common stock, of which 100,000 are to be offered for public sale by the company and 100,000 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters headed by White, Weld & Co., 20 Broad St., New York 10005; the offering price ($15 per share maximum*) and underwriting terms are to be supplied by amendment.

CONTINUED

The company is engaged primarily in the design, manufacture and sale of microwave radio and multiplex equipment used in voice and data communications. Substantially all of the net proceeds of its sale of additional stock will be used to reduce outstanding bank loans. The company now has outstanding 1,182,375 common shares, of which William B. and Olive P. T. Farinon own 446,412 shares (37.76%) and propose to sell 66,667 and L. A. Otterson owns 231,615 shares and proposes to sell 33,333. Farinon is president and Otterson a vice president.

SIRCOR SCIENTIFIC TO SELL STOCK. Sircor Scientific, Inc., 13 Landing Road, Roslyn, N. Y. 11576, filed a registration statement (File 2-31337) with the SEC on January 9 seeking registration of 150,000 shares of common stock and warrants to purchase 15,000 shares, to be offered for public sale in units each consisting of 10 shares and 1 warrant. The offering price ($150 per unit maximum*) is to be supplied by amendment. The offering is not underwritten; participating NASD firms will receive a commission (of an unspecified amount).

The company is principally engaged in the marketing and distribution of scientific instruments, equipment, supplies and specialty apparatus to hospital, clinical, educational and industrial laboratories. Of the net proceeds of its stock sale, $127,000 will be used to pay off bank loans, $100,000 to finance accounts receivable, and $154,000 to pay off accounts payable; the balance will be used to increase the company's sales force, expand its sales department and for a promotional campaign, for the manufacture of additional products, and for working capital and general corporate purposes. The company now has outstanding 495,064 common shares (with an 18¢ per share book value), of which Lionel Lebowitz, president, owns 41% and management officials as a group 71%.

ANDERSON INDUSTRIES TO SELL STOCK. Anderson Industries, Inc., 6116 North Central Expressway, Dallas, Tex. 75206, filed a registration statement (File 2-31338) with the SEC on January 9 seeking registration of 500,000 shares of common stock, to be offered for public sale through underwriters headed by Rauscher Pierce & Co., Inc., 1200 Mercantile Dallas Bldg., Dallas, Tex. 75201. The offering price ($4 per share maximum*) and underwriting terms are to be supplied by amendment.

The company was organized in January 1968 by its president, Thomas L. Anderson. It has made four separate acquisitions, primarily with funds derived from equity and debt financing; and it is primarily engaged through those subsidiaries in three principal activities: the fabrication of steel products, principally towers and substations for electric power transmission lines, sign supports, bridge girders and other items used in highway construction and pressure tanks; the manufacture of athletic uniforms and related clothing and direct and retail sale of a complete line of sporting goods. Of the net proceeds of its stock sale, $1,000,000 will be applied to the repayment of a short-term bank loan incurred in the purchase of Pool Manufacturing Co., $675,000 will be used to pay the balance of short-term bank debt incurred in connection with the purchase of W. A. Holt Company, and the balance will be used for general corporate purposes, including working capital. In addition to indebtedness, the company has outstanding 1,550,000 common shares (with a $1.79 per share book value), of which Anderson owns 48.5% and management officials as a group 63%.

EGR COMMUNICATIONS TO SELL STOCK. EGR Communications, Inc., 341 Madison Ave., New York 10017, filed a registration statement (File 2-31339) with the SEC on January 9 seeking registration of 100,000 shares of common stock, to be offered for public sale at $3 per share. The offering is to be made by Charles Plohn & Co., 200 Park Ave., New York 10017, for which it will receive a commission of 30¢ per share plus $8,500 for expenses. The company also has agreed to sell to the underwriter 10,000 shares at 10¢ per share, which shares may not be resold for two years.

The company was organized in December to engage in sales promotion activities and the placement of advertising, primarily through subsidiaries. It owns all the outstanding stock of Elliott, Goodman & Russell, Inc., which is engaged in the creation, design and production of sales promotion programs (in addition, it places advertising for clients in various media) and was founded by Stanley L. Goodman and Morton B. Elliot, the company's president and vice president and 80% of EGR Communications, Inc/Detroit, which recently commenced operations in the Detroit area similar to those of Elliot, Goodman. Of the net proceeds of its stock sale, the company will use $100,000 for the acquisition or internal development of package design and audio-visual staff and facilities for sales promotion programs and the balance for other corporate purposes, including working capital. The company now has outstanding 150,000 common shares (with a 32¢ per share book value), of which Elliot and Goodman own 50% each. Purchasers of the shares being registered will suffer an immediate dilution of $1.91 per share in the book value of their shares.

TRADING IN CAPITOL HOLDING SUSPENDED. The SEC today announced the issuance of an order under the Securities Exchange Act of 1934 temporarily suspending over-the-counter trading in the securities of Capitol Holding Corporation (formerly Empire Oil Corporation) of Los Angeles, Calif., for the period January 15 through January 24, 1969.

The market price of Capitol common stock increased from a range of approximately $.50 -- $.75 a share on August 29, 1968 to a range of approximately $7 1/2 - $7 3/4 and is now selling in the range of $6 1/4 - $6 3/4 a share.

Serious questions have been raised as to the accuracy and adequacy of financial statements being disseminated by the company to the public. The information being circulated concerning the company's operations and prospects appears to be inaccurate and incomplete.

Accordingly, the Commission determined that it is necessary and appropriate in the public interest to suspend trading in the securities of Capitol pending clarification of the information relating to Capitol's financial condition and pending further inquiry by the Commission's staff with respect to the sales of its securities.

TWO SUSPENSIONS CONTINUED. The SEC has ordered the suspension of over-the-counter trading in the securities of Comstock-Keystone Mining Company, n/k/a Memory Magnetics International, Inc., and Mooney Aircraft, Inc., for the further ten-day period January 16-25, 1969, inclusive.

OVER

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 "Issue No." in ordering). Invoice will be included with the requested material when mailed. An index of the captions of the several items of the form was included in the January 2 News Digest.

Automatic Service Co Dec 68 (11)	2-27911-2
Eagle-Picher Industries Inc Dec 68 (13)	1-1499-2
Eckerd Drugs of Florida Inc Nov 68 (12,13)	1-4844-2
Essex Wire Corp Dec 68 (4,11)	1-5013-2
West Virginia Pulp & Paper Co Dec 68 (13)	1-3013-2
Victor Comptometer Corp Dec 68 (7)	1-4610-2
Bandag Incorporated Dec 68 (7,10,11,13)	2-27644-2
Process Corp Dec 68 (4,12)	0-2431-2
G T Schjeldahl Co Dec 68 (11,13)	0-45-2
Seatrain Lines Inc Dec 68 (7)	0-1157-2
Universal Leaf Tobacco Co Inc Dec 68 (12)	1-652-2
Wards Co Inc Dec 68 (11,13)	1-5767-2
Eastern Air Lines Inc Dec 68 (7,8)	1-3049-2
Intergarated Electronics Corp Nov 68 (2,7,13)	2-27449-2
Keller Industries Inc Dec 68 (7,11,12,13)	1-4234-2
Public Service Co of Indiana Inc Dec 68 (7)	1-3543-2
American Bank Note Co Dec 68 (8,13)	1-581-2
Argus Inc Dec 68 (12)	1-4544-2
Lehigh Coal & Navigation Co Dec 68 (11,13)	0-1760-2
Memorial Discount Apr 68 (2,11)	0-1373-2
Jun 68 (12)	0-1373-2
Missouri Pacific RR Co Dec 68 (7,13)	1-2139-2
Southland Corp Dec 68 (11)	0-676-2
Edison Bros Stores Inc Dec 68 (13)	1-1394-2
Hiram-Walker Gooderham & Worts Ltd Dec 68 (11,13)	1-2357-2
Houston Natural Gas Corp Dec 68 (11)	1-5640-2
Lenox Inc Dec 68 (2,7,13)	1-4856-2
Crane Co Dec 68 (7,10)	1-1657-2
Fibreboard Corp Dec 68 (12,13)	1-271-2
Los Angeles Airways Inc Dec 68 (3)	0-2543-2
Mem Co Inc Dec 68 (7,9)	1-5292-2
Magnetics Inc Dec 68 (12)	1-5778-2
Schenuit Industries Inc Dec 68 (4,11)	1-5410-2
Silver Ledge Inc Dec (12,13)	1-5701-2
Square D Co Dec 68 (3,12)	1-2188-2
United Nuclear Corp Dec 68 (13)	1-5119-2

SECURITIES ACT REGISTRATIONS. Effective January 14: Addressograph-Multigraph Corp., 2-30728; Automated Building Components, Inc., 2-30609 (40 days); Baystate Corp., 2-31176 (Feb 23); Belden & Blake and Co. Ltd. Partnership No. 29, 2-30945; Belden & Blake and Co. Ltd. Partnership No. 30, 2-31090; Bristol-Myers Co., 2-31321; Carrols Development Corp., 2-30860 (90 days); Certified Creations, Inc., 2-31022 (90 days); Compo Industries, Inc., 2-30112 and 2-30330; Financial Security Planning Corp. of America, 2-30353 (40 days); Great Markwestern Packing Co., 2-30356 (90 days); Her Majesty Industries, Inc., 2-30849 (90 days); Hitachi, Ltd., 2-30986 (40 days) and 2-30987; McGrath Corp., 2-30293 (90 days); Mouldings, Inc., 2-30506 (90 days); Pennsylvania Real Estate Investment Trust, 2-29538 (Feb 24); Public Service Co. of Okla., 2-31023; Ranchers Exploration & Development Corp., 2-30169 (Nov 14); Peerless Tube Co., 2-30925; Mr. Wiggs Dept. Stores, Inc., 2-30677 (90 days); Diamond Shamrock Corp., 2-30892.

NOTE TO DEALERS. 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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