

SECURITIES AND EXCHANGE COMMISSION

NEWS DIGEST

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JERSEY CENTRAL POWER & LIGHT RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16483) authorizing Jersey Central Power & Light Company, Morristown holding company, to issue and sell, or to renew, from time to time prior to December 31, 1970 up to \$47,000,000 of short-term promissory notes to 18 banks. Jersey Central will use the proceeds of its financing for construction expenditures and/or to repay other short-term borrowings, the proceeds of which have been so applied.

ALABAMA POWER SEEKS ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16484) giving interested persons until October 20 to request a hearing upon an application of Alabama Power Company, Birmingham subsidiary of The Southern Company, to issue and sell \$35,000,000 of first mortgage bonds and 50,000 shares of preferred stock (\$100 par). Alabama Power will use the net proceeds of its financing together with excess cash on hand and proceeds of the sale of 60,000 additional common shares to Southern to finance its 1969 construction program, estimated at \$89,059,000, to pay outstanding short-term bank loans incurred for such purposes and for other corporate purposes.

MOTEL MANAGERS SCHOOL OFFERING 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 public stock offering by Motel Managers Training School, Inc. (the "School") of Granada Hills, California. The order provides an opportunity for hearing, upon request, on the question whether the suspension should be vacated or made permanent. According to the suspension order, the School's offering circular omitted to state certain material facts, namely, that William D. Soma and William G. Spencer, controlling stockholders and president and secretary, respectively, caused the company to issue 80,000 shares as a purported stock dividend in addition to the 100,000 shares the subject of the offering proposal; that such shares were not escrowed, as required by Regulation A; that Soma and Spencer caused the sale of the additional 60,000 shares to third persons for large sums of money; and that, by reason thereof, the offering of School shares exceeded the \$300,000 limitation prescribed by Regulation A.

ALLIED EXPLORATION VENTURES PROPOSES OFFERING. Allied Exploration Ventures, Inc. ("Allied"), 5101 North Pennsylvania, Oklahoma City, Okla 73112, filed a registration statement (File 2-34712) with the SEC on September 24 seeking registration of 300 program units of Allied Fund, Ltd., 60,000 shares of Allied common stock and 299,400 Allied common stock purchase warrants. The program units are to be offered for public sale at \$30,000 per unit. Subscribers to the program units will be entitled (but not obligated) simultaneously to purchase 200 shares of common stock of Allied for each program unit subscribed, at \$1 per share, and to purchase warrants, at \$10 per 800 warrants, for the purchase of 800 additional shares of Allied common stock for each program unit subscribed. The offering is to be made on a "best efforts" basis through Putnam, Coffin & Burr-Doolittle Division of Advest, which will receive up to a 7½% selling commission. The company may issue the Putnam firm five-year warrants to purchase up to 59,400 shares, exercisable at \$3 per share. The Fund is a limited partnership to be formed between Allied and the purchasers of program units as limited partners and Allied Operating Company (a limited partnership) and its related parties as general partners; it will participate in a three-year continuing program of exploratory and development drilling for oil and gas through six semi-annual drilling partnerships. Allied Operating will serve as manager and general partner of the Fund and of the drilling partnerships. Allied is a wholly-owned subsidiary of Allied Materials Corporation (general partner of Allied Operating). C.F. Freeman is president of Allied.

KIRSHNER ENTERTAINMENT TO SELL STOCK. Kirshner Entertainment Corporation, 655 Madison Ave., New York, N.Y. 10021, filed a registration statement (File 2-34714) with the SEC on September 24 seeking registration of 150,000 shares of common stock, of which 100,000 are to be offered for public sale by the company and 50,000 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters headed by H.L. Federman & Co., Incorporated, 50 Broadway, New York, N.Y. 10004; the offering price (\$10 per share maximum*) and underwriting terms are to be supplied by amendment. The company has agreed to pay the Federman firm \$25,000 for expenses and to sell it and Samuel Fink (a registered representative of the Federman firm) for \$150, four-year warrants to purchase 15,000 shares.

Organized in June 1967, the company is engaged in various activities relating to the fields of leisure time and entertainment, including the areas of music publishing, motion pictures, television and radio and home recordings. Of the net proceeds of its stock sale, \$250,000 will be used for repayment of 6½% notes due 1970 incurred in connection with the acquisition of rights to certain Alan Jay Lerner songs, and \$320,000 to repay outstanding 7% promissory notes; the balance will be added to the company's working capital and used for general corporate purposes, including acquisition of additional copyrights and advances on contracts with writers and artists. The company has outstanding 841,750 common shares (with a \$.002 per share book value), of which Don Kirshner, board chairman and president, owns 45%. Herbert J. Siegel proposes to sell 13,780 shares of 80,000 shares held and 10 others the remaining shares being registered.

INTERCONTINENTAL DIAMOND PROPOSES OFFERING. Intercontinental Diamond Corp., 1020 Turnpike St., Canton, Mass., filed a registration statement (File 2-34716) with the SEC on September 24 seeking registration of 125,000 shares of common stock and 125,000 common stock purchase warrants, to be offered for public sale in

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units, each consisting of one share and one warrant, and at \$8 per unit. The offering is to be made on a "best efforts, all or none" basis through Kelly, Andrews & Bradley, Inc., 111 John St., and Howard Carlton & Co., Inc., 116 John St., both of New York, N.Y., which will receive an 80¢ per unit selling commission plus \$15,000 for expenses. The company has agreed to sell the underwriters, for \$125, five-year warrants to purchase 12,500 shares, exercisable after one year at \$8.80 per share.

The company was organized in April to design, manufacture, reconstruct and distribute industrial diamond tools and to offer a technical consulting service relating to the use and special applications of industrial diamond tools. Of the net proceeds of its stock sale, \$110,000 will be used for equipment, furniture and fixtures, \$237,000 for raw material diamonds and inventory, and \$90,000 for marketing and sales promotional activity; the balance will be added to the company's working capital and used for corporate purposes. The company has outstanding 483,000 common shares (with a 17¢ per share book value), of which David Raskin, president, owns 21% and management officials as a group 64%. Purchasers of the shares being registered will acquire a 21% stock interest in the company for their investment of \$1,000,000 (they will sustain an immediate dilution of \$5.58 in per share book value from the offering price); the present shareholders will then own 79%, for which they will have paid \$82,575.

TRI-POINT INDUSTRIES PROPOSES RIGHTS OFFERING. Tri-Point Industries, Inc., One Trilon Way, Commack, N.Y. 11725, filed a registration statement (File 2-34717) with the SEC on September 24 seeking registration of 218,188 shares of common stock, to be offered for subscription by common stockholders on a share-for-share basis, and at \$2 per share. On August 22, American Hoechst Corporation, which then owned 587,900 shares (73%) of the outstanding common stock, subscribed and paid for 587,900 shares at \$2 per share; it has agreed to purchase all shares not subscribed for by other stockholders.

The company is engaged in the production of rods, tubes and other basic forms of a plastic material known as perfluorinated hydrocarbon, and the further conversion of such basic forms into component parts for products manufactured by customers and also into films, tapes or sheets. Of the net proceeds of its stock sale, \$275,000 will be applied to the payment of principal and interest on two loans made by American Hoechst, incurred to enable the company to meet its obligations and for working capital; the balance will be added to the company's general funds and be used for general corporate purposes. The company has outstanding 806,088 common shares. H. Claus Hamann is president of the company and executive vice president of American Hoechst.

HESSIAN RUN DEVELOPMENT PROPOSES OFFERING. Hessian Run Development Corporation, 903 North Broad St., Woodbury, N.J. 08096, filed a registration statement (File 2-34718) with the SEC on September 24 seeking registration of \$1,800,000 of 7½% convertible subordinated debentures, due 1989, and 180,000 shares of Class A common stock with 180,000 detachable warrants to purchase Class A common stock. The debentures are to be offered for public sale at 100% of principal amount and the shares (with warrants attached) at \$10 per share. The offering is to be made through underwriters headed by Suplee, Mosley, Close & Kerner Incorporated, 1500 Walnut St., Philadelphia, Pa. 19102, which will receive an 8% commission on the debentures and a 90¢ per share commission; it also will receive \$15,000 for expenses. The company has agreed to pay \$7,500 to C.C. Collings and Company, Inc. as a finder's fee, and to sell the Suplee firm, for \$1,800, six-year warrants to purchase 18,000 Class A shares, exercisable after one year at 110% of the offering price.

The company was organized in May 1968 to construct and operate various types of lodging and recreation facilities which will cater to the needs of large industry. Of the net proceeds of its financing, \$220,000 will be used to purchase 50 acres of land and \$2,418,000 for construction and furnishing of an Inn; the balance will be used for general corporate purposes, including additional working capital. The company has outstanding 20,000 Class A common shares and 164,000 Class B common shares; of the Class B shares, Frank S. Ciko, president, owns 31.1% and management officials as a group 100% (management officials own 10% of the B shares).

GRACO FILES FOR SECONDARY. Graco Inc., Graco Square, Minneapolis, Minn. 55413, filed a registration statement (File 2-34719) with the SEC on September 24 seeking registration of 277,650 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 Lehman Brothers, One William Street, New York, N.Y. 10004, and Dain, Kalman & Quail, Incorporated, 100 Dain Tower, Minneapolis, Minn. 55402; the offering price (\$20 per share maximum*) and underwriting terms are to be supplied by amendment.

The company designs, manufactures and markets a variety of specialized pumping and spraying equipment and related products used primarily for transferring, mixing, dispensing and applying fluids and semi-solid materials. In addition to indebtedness and preferred stock, it has outstanding 1,022,680 common shares, of which Trustees (including David A. Koch, president) under the Will of Clarissa L. Gray hold 56.1% and management officials as a group 82.3%. R.J. Gray, secretary, proposes to sell 135,700 shares of 168,700 shares held and three others the remaining shares being registered.

PACIFIC P & L FILES FINANCING PROPOSAL. Pacific Power & Light Company, Portland, Oregon 97204, filed a registration statement (File 2-34731) with the SEC on September 25 seeking registration of 150,000 shares of \$100 par preferred stock and \$20,000,000 of first mortgage bonds, due 1999, to be offered for public sale at competitive bidding. A public utility, the company will use the net proceeds of this financing to retire, in part, short-term bank borrowings incurred for the purpose of temporarily financing its construction program. Construction expenditures for 1969 are estimated at \$67,500,000.

FOREST CITY DEVELOPMENT TO SELL STOCK. Forest City Development Corporation, 10800 Brookpark Road, Cleveland, Ohio 44130, filed a registration statement (File 2-34732) with the SEC on September 25 seeking registration of 450,000 shares of common stock, to be offered for public sale through underwriters headed by Bache & Co., Inc., 36 Wall Street, New York, N.Y. The offering price (\$18 per share maximum*) and underwriting terms are to be supplied by amendment.

The company was organized in September by Forest City Enterprises, Inc., to acquire, own and operate the commercial properties, and to acquire, own and develop the land intended to be used for commercial development,

theretofore owned by the parent. According to the prospectus, the principal purpose of the consolidation of all the commercially developed and developable properties of the parent into one subsidiary is to facilitate financing the ownership and improvement of these properties. Of the net proceeds of its stock sale, the company will use \$2,105,000 to complete the construction of eight projects and an additional \$3,000,000 to pay down a portion of bank borrowings under a credit agreement which were used for acquisition of properties, construction of buildings and payments on purchase money mortgages; the balance will be used for general corporate purposes. In addition to mortgage indebtedness, the company has outstanding 2,600,000 common shares, all owned by the parent. Upon sale of the shares being registered, the parent will own 85% of the then outstanding stock. Sam H. Miller is board chairman and Albert B. Ratner president.

BIO-RAD LABORATORIES TO OFFER BIO-CAL SHARES. Bio-Cal Instrument Company, 2400 Wright Avenue, Richmond, Calif. 94804, filed a registration statement (File 2-34733) with the SEC on September 25 seeking registration of 439,448 shares of capital stock. Bio-Cal is a 99.5%-owned subsidiary of Bio-Rad Laboratories, which proposes to offer the Bio-Cal shares for subscription by its security holders. Such holders will have the right to subscribe for one share of Bio-Cal stock for each share of Bio-Rad stock held and each share of Bio-Rad stock issuable upon conversion of its outstanding debentures. The subscription price (\$4 per share maximum*) and underwriting terms are to be supplied by amendment. Hambrecht & Quist, 235 Montgomery St., San Francisco, Calif., and Brush, Slocumb & Co., Inc., 465 California St., San Francisco, Calif., are listed as the principal underwriters.

The company was organized under California law in 1966; its manufacturing plant is located in Munich-Grafelfing, Federal Republic of Germany. It is a technologically oriented company, primarily engaged in the design, manufacture and marketing of scientific instrumentation in the field of physiological sciences, including biochemistry, biophysics and biomedicine. Of the net proceeds of its stock sale, \$200,000 will be used to reduce short term indebtedness, \$500,000 to complete the development of the company's ES-300 Protein Sequence Analyzer, \$350,000 to open sales and service offices in Chicago and New York and to expand production, engineering and service facilities in Richmond, and \$150,000 to equip and furnish a new plant being constructed in Munich; the balance will be used to discharge indebtedness to the parent and for working capital and other purposes. The company now has outstanding 580,000 common shares (with a net tangible book value of 17¢ per share), of which 577,000 were acquired by the parent at 56¢ per share. David Schwartz is president.

PHILADELPHIA ELECTRIC FILES FOR RIGHTS OFFERING. Philadelphia Electric Company, 1000 Chestnut St., Philadelphia, Pa. 19105, filed a registration statement (File 2-34734) with the SEC on September 25 seeking registration of 2,903,192 shares of common stock. It is proposed to offer these shares for subscription by stockholders of record October 16, at the rate of one new share for each ten shares then held. The subscription price (\$26 per share maximum*) and underwriting terms are to be supplied by amendment; Drexel Harriman, Ripley, Inc., is the principal underwriter. An electric utility, the company will use the net proceeds of this offering to provide part of the permanent financing of its construction and expansion program. Capital expenditures are estimated at \$263 million in 1969 and \$1½ billion for the period 1969-73.

FOTOMART INDUSTRIES FILES OFFERING PROPOSAL. Fotomart Industries, Inc., 1252 Washington Avenue, Miami Beach, Florida, filed a registration statement (File 2-34735) with the SEC on September 25 seeking registration of 200,000 shares of common stock, to be offered for public sale at \$7 per share. The offering is to be made through underwriters headed by Security Planners Associates, Inc., 33 Broad St., Boston, Mass, which will receive a 70¢ per share commission plus \$35,000 for expenses. The company also has agreed to sell the said underwriter and two finders, Arnold Mason and Alan Cutter, for \$200, five-year warrants for the purchase of 20,000 shares, exercisable at \$3.15 per share.

The company is engaged in the business of furnishing as a wholesaler and retailer, photographic film, supplies, cameras, projectors and other photographic accessories as well as photo-finishing services. Through a subsidiary it intends to acquire from the proceeds of this stock offering, franchises to operate in Florida a minimum of 60 free-standing merchandising islands called "Fotomats" which utilize drive-thru merchandising concepts; Fotomats sell film processing, film, photographic equipment and supplies on a discount basis. Five Fotomats, under franchise from Fotomat Corporation, are now owned and operated by the company in Florida. The company now has outstanding 550,000 common shares (with a 65¢ per share book value), of which Irwin H. Mason, president and board chairman, owns 83%. Purchasers of the shares being registered will acquire a 27% stock interest in the company for their investment of \$1,400,000 (they will sustain an immediate dilution of \$5.10 in per share book value); present stockholders will then own 73%, for which the company received \$358,255 in assets and cash.

TRAVELERS FUNDS SEEKS ORDER. The SEC has issued an order under the Investment Company Act (Rel. IC-5824) giving interested persons until October 17 to request a hearing upon an application of The Travelers Fund for Variable Annuities ("Fund A") and The Travelers Fund B for Variable Contracts, Hartford. The Travelers Insurance Company established Fund A as the facility through which Insurance Company sets aside assets attributable to variable annuity contracts designed for annuity purchase plans adopted by public school systems and certain tax exempt organizations which qualify for tax deferral treatment under Section 403(b) of the Internal Revenue Code and for plans established by persons entitled to the benefits for the Self-Employed Individuals Tax Retirement Act. Fund B was established as the facility through which Insurance Company sets aside and invests assets attributable to variable annuity contracts not qualifying for tax deferral investment under the Code.

TRADING SUSPENSION CONTINUED. The SEC has ordered the suspension of exchange and/or over-the-counter trading of securities of Commonwealth United Corporation for the further ten-day period September 30 to October 9, 1969, inclusive.

TRADING IN JONKER BUSINESS MACHINES SUSPENDED. The SEC today ordered the temporary suspension of over-the-counter trading in the securities of Jonker Corporation ("Jonker," formerly known as Jonker Business Machines, Inc.), a Delaware corporation with offices in Gaithersburg, Maryland, for the ten-day period September 29, 1969 commencing at 10:30 a.m. through October 8, 1969 inclusive. Trading in Jonker securities (which was suspended at the request of the company) may resume on October 9, 1969. However, the Commission cautions that present shareholders and prospective purchasers should in connection with any future transactions in such securities consider carefully the information related below.

The suspension was ordered because there is no adequate information currently available to the public concerning the company, its operations and financial condition, and because management of Jonker has informed the Commission that the financial condition of the company has seriously deteriorated in recent months. Management has prepared a letter to shareholders which discloses the recent serious reverses, details the reasons therefor, and informs of steps taken to attempt to remedy the deterioration. Furthermore, management has requested that the Commission suspend all trading in Jonker securities to enable stockholders and prospective investors to consider the information contained herein.

The letter to shareholders discloses that unaudited figures reflect a net loss before taxes for fiscal 1969 of \$192,000, as compared with an \$86,000 net profit before taxes for fiscal 1968. While total revenues rose by \$32,000 operating costs rose by \$710,000 during fiscal 1969 as compared to fiscal 1968. In fiscal 1968, current assets were twice that of current liabilities. On the other hand, in fiscal 1969, current liabilities exceeded current assets by approximately \$22,000. According to management, these reverses were caused primarily by resignations of top management personnel, the failure of expected new contracts to materialize and unexpected increases in the cost of sales. Although negotiations are currently in progress that might result in recovery, the result of these negotiations would cause a reduction in the present shareholders' interest in the business to possibly less than 1/5 of their present interest.

SECURITIES ACT REGISTRATIONS. Effective September 26: Breeze Corporations, Inc. 2-32321; Dayton-Hudson Corporation, 2-34243; Hershberger Explorations, Inc., 2-33315 (90 days); Leasing Credit Corporation, 2-32434 (40 days); Patrick Oil and Gas Corp., 2-34090 (90 days); Underwriters Investment Corporation, 2-32472 (40 days); Wallace Leisure Products, Inc., 2-32422 (90 days).

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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