

# 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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**U. S. CENTRAL BANCOMMONS SEEKS ORDER.** The SEC has issued an order under the Investment Company Act (Release IC-5842) giving interested persons until November 5 to request a hearing upon an application of United States Central Bancommons, Incorp., a Clarksville, Ind., closed-end investment company, for an order declaring that it has ceased to be an investment company as defined in the Act. The company originally proposed to make a public offering of its common stock and filed a registration statement with the Commission. It determined that a public offering was not feasible and requested that the registration statement be withdrawn. The company's registration statement states that its outstanding securities are owned beneficially by six individuals and a limited partnership; it represents that it has not and does not intend to offer its securities to the public.

**NATIONAL VARIABLE ANNUITY SEEKS ORDER.** The SEC has issued an order under the Investment Company Act (Release IC-5843) giving interested persons until November 4 to request a hearing upon an application of National Variable Annuity Company of Florida and National Variable Annuity Company of Florida Separate Account, Jacksonville, for an order exempting them from certain provisions of the Act. Separate Account was established in 1965 for the purpose of maintaining assets accruing from the sale by Insurance Company of individual and group variable annuity contracts.

**TUESDAY CAPITAL CORP. SEEKS ORDER.** The SEC has issued an order under the Investment Company Act (Release IC-5845) giving interested persons until November 5 to request a hearing upon its proposal to declare that Tuesday Capital Corporation, Oakland, Calif., closed-end investment company, has ceased to be an investment company. The company filed its Notification of Registration under the Act on July 8, 1968 and a registration statement on October 24, 1968, seeking registration of 30,000 shares of capital stock. Available information indicates that no such shares were offered or sold to the public, and the Commission's staff has been unsuccessful in attempts to contact officers or directors of the company to determine its status. The company has not received a license to operate under the Small Business Investment Act as it originally intended; nor did it receive a permit under California law to issue and sell securities to the public.

**NORTHEAST UTILITIES RECEIVES ORDER.** The SEC has issued an order under the Holding Company Act (Release 35-16493) authorizing Northeast Utilities, West Springfield, Mass., to make a \$15,000,000 capital contribution to The Connecticut Light and Power Company ("CL&P"), one of its subsidiaries. CL&P will use the funds to finance, in part, its 1969-70 construction program and for other corporate expenses. The \$15,000,000 is part of \$35,000,000 of promissory notes Northeast was authorized to issue and sell and to renew or extend to banks in August (Release 35-16454).

**TECHNICAL OPERATIONS TO SELL DEBENTURES.** Technical Operations, Incorporated, South Avenue, Burlington, Mass. 01803, filed a registration statement (File 2-34927) with the SEC on September 30 seeking registration of \$5,000,000 of convertible subordinated debentures, due 1984, to be offered for public sale through underwriters headed by Bear, Stearns & Co., One Wall St., New York, N. Y. 10005. The interest rate, offering price and underwriting terms are to be supplied by amendment.

The company conducts four major lines of business: the performance of contract research, the furnishing of nuclear products and services, the manufacture and sale of scientific instruments and the manufacture and sale, primarily in Europe, of solid-state control devices. It is also engaged in exploring commercial applications of the "TOC Process" development by it for taking color pictures on black-and-white film. All rights to this process have been transferred to ABTO, Inc. (See below.), a joint venture corporation recently formed by the company and American Broadcasting Companies, Inc. ("ABC"). Of the net proceeds of its debenture sale, \$2,000,000 will be used to repay a foreign loan made primarily for the purpose of acquiring the 75% of the stock of Joyce, Loebel & Co. Limited not previously owned, \$1,000,000 to purchase a convertible note of ABTO, Inc., and the balance will be added to the company's working capital and used for other corporate purposes, including the possible purchase under an option of common stock of ABTO, Inc., owned by ABC. In addition to indebtedness, the company has outstanding 784,432 common shares, of which management officials as a group own 7%. Dr. Frederick C. Henriques is board chairman and Dr. Marvin G. Schorr president.

**ABTO TO SELL STOCK.** ABTO, Inc., 1926 Broadway, New York, N. Y. 10023, filed a registration statement (File 2-34928) with the SEC on September 30 seeking registration of 180,000 shares of common stock, to be offered for public sale through underwriters headed by Bear, Stearns & Co., One Wall St., New York, N. Y. 10005. offering price (\$12.50 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company was organized in May to continue development of commercial applications in the television and professional motion picture fields of a photographic process (the "TOC Process") developed by Technical Operations, Incorporated for taking color pictures on black-and-white film. Net proceeds of its stock sale will be used to repay short term bank loans incurred for operating expenses and for research and development, costs of a program to market the company's color TV news system, and for general corporate purposes. The company has outstanding 720,000 common shares, of which American Broadcasting Companies, Inc., and Technical Operations, Incorporated, own 50% each. Frank L. Marx is president.

OVER

**CONTINENTAL COPPER FILES FOR SECONDARY.** Continental Copper & Steel Industries, Inc., 100 East 42d St., New York 10017, filed a registration statement (File 2-34929) with the SEC on September 30 seeking registration of 49,200 outstanding shares of common stock. These shares may be offered for sale from time to time by the present holders thereof at prices current at the time of sale (\$9 per share maximum\*).

The company is engaged primarily in the manufacture and sale of a diversified line of metal and rubber products. It has outstanding 2,816,876 common shares. Alfred Grey and Edmund Gray may sell 24,600 shares each of 25,100 and 25,020 shares held, respectively.

**VETCO OFFSHORE INDUSTRIES FILES FOR SECONDARY.** Vetco Offshore Industries, Inc., 250 West Stanley Ave., Ventura, Calif. 93001, filed a registration statement (File 2-34930) with the SEC on September 30 seeking registration of 150,000 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 Bateman Eichler, Hill Richards Inc., 460 S. Spring St., and Mitchum, Jones & Templeton Inc., 510 S. Spring St., both of Los Angeles, Calif. 90013; the offering price (\$24 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company is primarily engaged in engineering, manufacturing, selling and servicing specialized underwater wellhead and control systems designed for exploratory and development drilling and production of oil, gas and other minerals at offshore locations. It has outstanding 1,164,654 common shares, of which Fritz Huntsinger, president, owns 20.1% and management officials as a group 69.6%. The Mathilde Huntsinger Estate proposes to sell 150,000 shares of 193,420 shares held.

**CMC FINANCE GROUP TO SELL STOCK.** CMC Finance Group, Inc., 1320 E. Morehead St., Charlotte, N.C. 28204, filed a registration statement (File 2-34931) with the SEC on September 30 seeking registration of 275,000 shares of Class A common stock, to be offered for public sale through underwriters headed by Powell, Kistler & Co., 110 Old St., Fayetteville, N. C. 28302. The offering price (\$5 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company is primarily engaged through wholly-owned subsidiaries in the consumer finance business and (in connection therewith) selling and reinsuring credit life, accident and health policies issued by independent companies to customers of its finance subsidiaries. Of the net proceeds of its stock sale, part will be used to reduce short-term borrowings incurred in connection with its financing operations, \$500,000 for its finance operations and \$250,000 for investment in the construction of a mobile home park near Spartanburg, S. C.; the balance will be added to the company's general funds and will be available for general corporate purposes. In addition to indebtedness and preferred stock, the company has outstanding 205,522<sup>Common</sup> and 237,624 Class A common shares; of the common shares, I. Gorelick, board chairman, owns 48.4%, Shelton Gorelick, president, 26.7% and management officials as a group 100%.

**R & D INDUSTRIES TO SELL STOCK.** R & D Industries, Inc., 4300 North Central Expressway, Dallas, Tex. 75206, filed a registration statement (File 2-34932) with the SEC on September 30 seeking registration of 200,000 shares of common stock, to be offered for public sale through underwriters headed by Parker, Bishop & Welsh, Inc., 100 Park Ave., Oklahoma City, Okla. 73102. The offering price (\$5 per share maximum\*) and underwriting terms are to be supplied by amendment. The company has agreed to issue the Parker firm five-year warrants to purchase 20,000 shares, exercisable after one year at 120% of the offering price.

Organized in December 1968, the company presently has no business operations. As part of its proposed business, it intends to operate several motor lodges as a franchise of Howard Johnson's Motor Lodges, Inc. Of the net proceeds of its stock sale, \$45,000 will be used to purchase the franchises for a proposed Howard Johnson's Motor Lodge and restaurant to be constructed in Fort Smith, Ark. and up to \$100,000 to defray part of the cost of constructing such motor lodge and restaurant; the balance will be used for the acquisition of one or more small operating businesses and for general corporate purposes. The company has outstanding 40,000 common and 10,000 Class B common shares. Of the common shares, management officials own 11.4%, Richard Ravicz 10%, and Texas Crude Oil Company 15%; Value Line Development Capital Corporation owns all the Class B shares. Corwin Mendenhall is president.

**TUFTCO FILES FOR SECONDARY.** Tuftco Corp., 2318 Holtzclaw Ave., Chattanooga, Tenn. 37408, filed a registration statement (File 2-34933) with the SEC on September 30 seeking registration of 300,000 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 Goodbody & Co., 55 Broad St., New York 10004. The offering price (\$12.50 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company (formerly Southern Machine Company) is engaged in the design, manufacture, installation and servicing of yardage tufting machinery and finishing equipment used to produce tufted carpets and other tufted products. It has outstanding 2,000,000 common shares, of which J. Lewis Card, board chairman, owns 29.38%, J. A. Cobble, Jr., president, 18.20% and management officials as a group 75.09%. Cobble proposes to sell 70,000 shares of 363,907 shares held, the Joseph C. Cobble Estate 181,594 of 335,185 and 15 others the remaining shares being registered.

**SMALLWOOD, LAY AND CONELL CONVICTED.** The SEC Chicago Regional Office announced October 3 (LR-4440) that Donald P. Smallwood and Roy E. Lay were convicted of violating the registration and anti-fraud provisions of the Federal securities laws in the offer and sale of notes of Diversified Brokers Company, and that Harold F. Conell was convicted of registration violations.

**TRADING SUSPENSION CONTINUED.** The SEC has ordered the suspension of over-the-counter trading in the securities of Liberty Equities Corporation for the further ten-day period October 16-25, 1969, inclusive.

**BELL CAPITAL TO SELL STOCK.** Bell Capital Corporation, 111 Sutter St., San Francisco, Calif., filed a registration statement (File 2-34934) with the SEC on September 29 seeking registration of 750,000 shares of capital stock, to be offered for public sale at \$10 per unit. No underwriting is involved; participating brokers and certain institutional investors will receive a 5% selling commission. Also included in this statement are 250,000 promotional shares which may be issued for services rendered by four officers (including the board chairman and president), at the rate of one share for each three shares sold.

Organized in 1969, the company plans to apply advanced management techniques to the acquisition, construction, development and operation of real estate, particularly residential units. Net proceeds of its stock sale will be used for general corporate purposes. L. J. Block is board chairman and Robert J. Bell, Jr., president.

**ABLE ASSOCIATES FUND PROPOSES OFFERING.** Able Associates Fund, Manhasset Hills, N. Y., filed a registration statement (File 2-34936) with the SEC on September 30 proposing the public offering of 100,000 shares of common stock. The offering price (\$50 per share maximum\*) is to be supplied by amendment. The Fund, a non-diversified, open-end investment company, will operate as a "no-load" mutual fund. Its investment objective is to seek growth of capital. The Fund was organized to bring the activities of Able Associates ("Associates") and Able Retirement Fund ("Retirement"), New York general partnerships, into conformity with the securities acts. Subject to a unanimous vote of the partners of the two partnerships, it is the intention of management to exchange shares of the Fund for the assets of Associates and Retirement. The partnerships would then dissolve and the Fund shares which at that time would constitute all of its assets would be distributed proportionately to the partners. Partners of Associates and Retirement have been offered the opportunity to withdraw from the respective partnerships and to receive the amount they paid for their partnership interests plus 6% interest, but less any income received by reason of the partnership interests. Burton R. Sax is manager of Associates and Retirement and manager and board chairman of the Fund.

**ECONOMOU GRAIN FUTURES SYNDICATE PROPOSES OFFERING.** The Economou Grain Futures Trading Syndicate (the "Partnership"), 286 Fifth Ave., New York, N. Y. 10001, filed a registration statement (File 2-34937) with the SEC on September 30 seeking registration of 5,000 assessable units of limited partnership, to be offered for public sale at \$500 per unit. No underwriting is involved. The Partnership was organized in May as an open-end mutual fund for the purpose of buying, selling and trading in wheat, corn, rye and oats futures contracts. Arthur N. Economou is the general partner and an original limited partner. Economou will employ Arthur N. Economou & Co., Inc. (of which he is president and majority stockholder) as broker for all of the partnership's trades in grains futures.

**SCHERR-TUMICO SHARES IN REGISTRATION.** Scherr-Tumico, Inc., 301 Armstrong Blvd. North, St. James, Minn. 56081, filed a registration statement (File 2-34938) with the SEC on September 30 seeking registration of 20,000 shares of common stock, which may be acquired by the Trustees of the "Stock-Thrift-Retirement Plan and Trust" by purchase on the over-the-counter market or by purchase or contribution from the company.

**ALLIED LEASING TO SELL STOCK.** Allied Leasing Company, 540 Frontage Road, Northfield, Ill. 60093, filed a registration statement (File 2-34940) with the SEC on October 3 seeking registration of 200,000 shares of common stock, to be offered for public sale through underwriters headed by Burton, Dana, Westerlund, Inc., 120 Broadway, New York, N. Y. 10005. The offering price (\$6 per share maximum\*) and underwriting terms are to be supplied by amendment. The company has agreed to pay the underwriters \$20,000 for expenses and to sell the Burton firm, for \$200, five-year warrants to purchase 20,000 shares.

Organized in January 1966, the company is engaged in the business of leasing accounting, office and data processing equipment, machine tools and a variety of other types of equipment to business, industry, schools, and hospitals. Net proceeds of its stock sale will be used to purchase equipment for leasing, for possible expansion of existing lines of leased equipment into other lines of leased equipment, for possible investment or acquisition of small lease portfolios, other small leasing companies or small manufacturers of leaseable equipment and for general corporate purposes. In addition to indebtedness, the company has outstanding 303,875 common shares (with a 50¢ per share book value), of which Robert P. Keno, president, owns 89.9% and management officials as a group 96.3%.

**TASTEE FREEZ FILES FOR SECONDARY.** Tastee Freez Industries, Inc., 1200 North Homan Ave., Chicago, Ill. 60651, filed a registration statement (File 2-34941) with the SEC on October 3 seeking registration of 67,579 outstanding shares of common stock and 214,081 outstanding common stock purchase warrants. Of these securities, 52,579 shares and all the warrants were issued in connection with the repurchase of subordinated debentures issued in connection with the company's 1964 Plan of Arrangement with its creditors pursuant to Chapter XI of the Bankruptcy Act. The remaining 15,000 shares were issued in connection with the acquisition of Federal Distillers Inc. These securities may be offered for sale from time to time by the present holders thereof, at prices current at the time of sale (\$9.375 per share maximum\*).

The company is engaged in franchising and supplying a chain of stores selling "Tastee Freez" soft ice-cream products and certain other food products. It has outstanding 2,489,236 common shares. Enterprise Fund, Inc., may sell 244,081 shares (of which 214,081 are issuable upon exercise of warrants) of 379,081 shares held or to be held, Laurence M. Singal 15,000 of 100,856 and Continental Bank Charitable Foundation all of 22,579.

**WISCONSIN ELECTRIC TO SELL BONDS.** Wisconsin Electric Power Company, 231 West Michigan St., Milwaukee, Wis. 53201, filed a registration statement (File 2-34942) with the SEC on October 3 seeking registration of \$40,000,000 of first mortgage bonds, due 1999, to be offered for public sale at competitive bidding. An electric utility, the company will use the net proceeds of its bond sale to retire some \$19,000,000 of short term bank borrowings, to reimburse its treasury for construction expenditures and to finance in part continuing construction expenditures. Construction expenditures are estimated at \$74,000,000 for 1969.

**DATA RECOGNITION TO SELL STOCK.** Data Recognition Corporation, 908 Industrial Ave., Palo Alto, Calif. 94303, filed a registration statement (File 2-34943) with the SEC on October 3 proposing the public offering of 150,000 shares of common stock. No underwriting is involved; participating NASD members will receive a selling commission (the amount of which is to be supplied by amendment).

Organized in August 1969, the company is engaged in research, development, manufacturing and marketing of special purpose optical character recognition ("OCR") systems. OCR systems convert machine-printed and hand-printed characters appearing on paper documents into data suitable for input into electronic data processing systems. Net proceeds of its stock sale will be used for research and development, equipment purchases, operating expenses and working capital. The company has outstanding 455,000 common shares, of which Edward T. Bolton, a director, owns 10.71%, Laurence G. Duerig, 12.43%, and management officials as a group 50.72%. Purchasers of the shares being registered will acquire a 25% stock interest in the company for their investment of \$1,050,000\*; the present shareholders will then own 75%, for which they paid \$275,000 or 60¢ per share. Michael J. Elliott is president.

**ADR'S FOR AJINOMOTO FILES.** Morgan Guaranty Trust Company of New York, 23 Wall St., New York, N. Y. 10015, filed a registration statement (File 2-34944) with the SEC on October 2 seeking registration of 100,000 American Depositary Receipts for dollar validated common stock of Ajinomoto Company, Inc., of Japan.

**BECTON, DICKINSON FILES FOR SECONDARY.** Becton, Dickinson and Company, Rutherford, N. J. 07070, filed a registration statement (File 2-34945) with the SEC on October 1 seeking registration of 92,500 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 F. Eberstadt & Co., 65 Broadway, New York, N. Y. 10006; the offering price (\$53.875 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company is principally engaged in the manufacture and sale of health care products consisting of a broad line of medical, surgical, laboratory and diagnostic items. It has outstanding 16,325,275 common shares. The Foundation for Modern Art proposes to sell all of 51,000 shares held, Henry P. Becton (chairman of the Executive Committee) 25,000 of 527,134 and four others the remaining shares being registered.

**SCIENTIFIC RADIO SYSTEMS TO SELL STOCK.** Scientific Radio Systems, Inc., 401 Lyell Ave., Rochester, N. Y. 14606, filed a registration statement (File 2-34946) with the SEC on October 1 seeking registration of 100,000 shares of common stock, to be offered for public sale at \$8.50 per share. No underwriting is involved; participating NASD members will receive up to an 85¢ per share selling commission.

The company was organized in April for the purpose of engaging in the design, development, manufacture and sale of long range radio communications equipment. Of the net proceeds of its stock sale, \$400,000 will be used for development and manufacture of products, \$75,000 for marketing and \$52,000 for administrative expenses; the balance will be added to the company's working capital and used for general corporate purposes. The company has outstanding 332,000 common shares (with a 59¢ per share net tangible book value), of which Melvin S. Stiles, president and board chairman, owns 17.3% and management officials as a group 75.2%. Purchasers of the shares being registered will acquire a 23% stock interest in the company for their investment of \$850,000; company officials will then own 58%, for which they will have paid \$84,415; and certain investors as a group will own 19%, for which they will have paid \$136,128.

**CONSOLIDATED NATURAL GAS TO SELL DEBENTURES.** Consolidated Natural Gas Company, 30 Rockefeller Plaza, New York, N. Y. 10020, filed a registration statement (File 2-34948) with the SEC on October 1 seeking registration of \$30,000,000 of debentures, due 1994, to be offered for public sale at competitive bidding. A natural gas holding company, the company will use \$10,000,000 of the net proceeds of its debenture sale to prepay in part a \$20,000,000 construction bank loan and the balance to finance in part the 1969 construction program of the Consolidated System, estimated at \$104,000,000.

**STOCK PLANS FILED.** The following have filed Form S-8 registration statements with the SEC seeking registration of securities to be offered under and pursuant to employee stock plans:  
Leonard Refineries, Inc., Alma, Mich. 48801 (File 2-34935) - 100,000 shares  
Chrysler Corporation, Highland Park, Mich. (File 2-34939) - 209,000 shares

**SECURITIES ACT REGISTRATIONS.** Effective October 14: Borg-Warner Corp., 2-34696; Computer Terminal Corp., 2-33561 (90 days); Daiwa House Industry Co., Ltd., 2-34462; The Deltona Corp., 2-34169; Digital Technology Corp., 2-32743 (90 days); Fosmat Foods, Corp., 2-33162 (90 days); Household Finance Corp., 2-34760; Kinautics International, Inc., 2-33092 (90 days); National Student Marketing Corp., 2-34982 (40 days); Nevada Power Co., 2-34588 (40 days); North Central Airlines, Inc., 2-34486 (40 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.