

# 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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SEC

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FOR RELEASE June 14, 1967

**STOCK TRANSACTIONS BY INSTITUTIONS REPORTED.** The SEC today announced that transactions in common stocks by financial institutions during the first quarter increased sharply, according to data released today by the SEC. Statistics collected for four principal financial institutions--private noninsured pension plans, mutual funds, life insurance companies and property and casualty insurance firms--indicate that their total transactions in common stocks amounted to a record \$10.4 billion for the quarter, up 31 percent from the fourth quarter of 1966 and 18 percent over the previous peak of \$8.7 billion in the second quarter of 1966. Both purchases and sales for the combined institutions were at record levels for any quarter since the inception of this survey. Gross purchases totaled \$6.2 billion in the first quarter, rising 32 percent above the previous quarter and approximately 22 percent greater than the \$5.1 billion in the second quarter of 1966. Portfolio sales of \$4.1 billion also increased about 30 percent from the fourth quarter of 1966 and were 13 percent above the second quarter's \$3.6 billion. Total net purchases of common stock by the group amounted to a record \$2.1 billion, approximately 38 percent more than the previous quarter's \$1.5 billion. (For further details, see Stat. Release No. 2210).

**COURT ENJOINS PETROLEUM EXPLORATIONS, OTHERS.** The SEC Fort Worth Regional Office announced June 9 (LR-3746) the issuance of a Federal court order (USDC Topeka, Kansas) preliminarily enjoining Petroleum Explorations, Inc., Petex Producing, Inc., both Kansas corporations doing business in Topeka; Don Langdon of Topeka, Kansas; Earl R. Osgood of Canton, Mo.; Alvis Applebury of Avalon, Mo.; Walter Arnold of Kincaid, Ill.; Marvin Purcell of Holden, Mo.; and Dave Brown of Aurora, Colo., from further violations of the registration provisions of the Securities Act in the offer and sale of interests in oil rights on properties located in Carbon County, Wyo. and Stafford, Barton and Wilson Counties, Kansas. All of the defendants, except Dave Brown (who failed to appear), consented to the injunction decree. The case was continued as to another defendant, Orbrey Burns of Sepulveda, Calif., who had not been served with the complaint.

**PECOS LAND AND DEVELOPMENT ENJOINED.** The SEC Denver Regional Office announced June 13 (LR-3747) the issuance of a Federal court judgment (USDC, New Mexico) permanently enjoining Pecos Land and Development Co., Inc., a New Mexico corporation, and its agents and assigns, from further violations of the Securities Exchange Act by failing to file timely reports as required. The company consented to the injunction decree. The action was dismissed as to defendants Edward Watson, D. H. Brandenburg and Lyle Teutch, officers and directors of the defendant company.

**UGC INSTRUMENTS SEEKS ORDER.** UGC Instruments, Inc., Houston, Texas subsidiary of Pennzoil Company, has applied to the SEC for authorization under the Holding Company Act to sell its holdings in Benson-France, S.A.R.L., a foreign subsidiary; and the Commission has issued an order (Release 35-15765) giving interested persons until July 3 to request a hearing thereon.

Instruments owns 2,398 shares or approximately 80% of the 3,000 outstanding shares of Benson-France. Both engaged in the manufacturing and marketing of electronic, electrical and measuring instruments and systems and other products related to the electronics field, with Benson-France having manufacturing and appurtenant facilities at Paris. The experience of Instruments has shown that language barriers, difference in law and the distance from Instruments' <sup>home</sup> office present difficult problems in supervising and preserving the values of its interests in Benson-France. Therefore, Instruments proposes: (1) to cause to be organized under French law a company (New Company) with assets of 400,000 francs or 4,000 authorized shares (100 francs per share), of which 1,000 shares will be initially issued; (2) to purchase and acquire 750 shares of New Company for 75,000 francs (approximately \$15,000); (3) to have New Company sell 250 shares to a local French concern which is not affiliated directly or indirectly with Instruments or any other company in the Pennzoil holding-company system, for 25,000 francs (approximately \$5,000); and (4) to sell its shares of Benson-France to New Company for \$175,000 payable in U.S. currency, \$87,500 on the date of formation of New Company and the balance on or before December 31, 1967.

**MAYFLOWER INVESTORS SEEKS ORDER.** Mayflower Investors, Inc. ("Investors"), Chicago, has applied to the SEC for an exemption order under the Investment Company Act with respect to proposed transactions between affiliated persons; and the Commission has issued an order (Release IC-4990) giving interested persons until July 5 to request a hearing thereon. Investors proposes to sell 90,000 of its holdings of 150,000 common shares of Mayflower Life Insurance Company of Michigan ("Michigan"), to Herman Fishman, who is president, treasurer and a director of Michigan. Since Michigan is an affiliated person of Investors and Fishman is an affiliated person of Michigan, Section 17(a) of the Act makes it unlawful for Fishman to purchase the Michigan common stock unless the Commission grants an exemption from such prohibition.

**OHIO CAPITAL SEEKS ORDER.** Ohio Capital Fund Inc., and Second Ohio Capital Fund Inc., have applied to the SEC for an order exempting from the provisions of Section 17(a) of the Investment Company Act all transactions with respect to the proposed merger of Second Ohio with and into Ohio; and the Commission has issued an order (Release IC-4991) giving interested persons until June 29 to request a hearing thereon. Under the proposed merger agreement, the shareholders of Second Ohio will exchange their shares for shares

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of Ohio and all of Second Ohio's assets will be transferred to Ohio. Subsequently, Second Ohio will be liquidated and dissolved. Applicants each have eight directors, seven of which are common directors on both boards. In addition, applicants are parties to advisory contracts with The Ohio Company. Because of these relationships, they may be deemed to be under common control and, thus, affiliated persons. Under these circumstances, Section 17(a) would prohibit the merger unless the Commission grants an exemption from such prohibition.

**SCUDDER DUO-VEST SEEKS ORDER.** Scudder Duo-Vest Exchange Fund, Inc., New York, has applied to the SEC for an order under the Investment Company Act exempting from the provisions of Section 17(a) the issuance of its shares in exchange for marketable securities which have been deposited by affiliated persons; and the Commission has issued an order (Release IC-4992) giving interested persons until June 28 to request a hearing thereon.

The company proposes to issue its shares in Units, comprised of one Income Preferred Share and one Capital Share, in exchange for marketable securities. Securities having a federal tax basis of \$141,600 and an aggregate value of \$2,837,597 (as of April 28, 1967) have been deposited by affiliated persons of the company. Section 17 of the Investment Company Act makes it unlawful for an affiliated person of applicant or its principal underwriter to sell securities or other property to applicant unless the Commission grants an exemption therefrom.

**QUALITY MILLS PROPOSES OFFERING.** Quality Mills, Incorporated, 455 Franklin St., Mt. Airy, N. C. 27030, filed a registration statement (File 2-26730) with the SEC on June 13 seeking registration of 150,000 shares of common stock, to be offered for public sale through underwriters headed by Equitable Securities Corporation, 322 Union St., Nashville, Tenn. 37201 and R. S. Dickson & Co., 15th Floor, Wachovia Bank Bldg., Charlotte, N.C. 28202. The public offering price (\$10 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company designs, manufactures and sells consumer apparel products consisting of children's knit and woven sportswear and playwear and men's and boys' underwear and knit sportswear. Of the net proceeds to be received from its stock sale, \$1,000,000 will be used to construct an office and distribution center and \$45,000 to retire the 5% note representing the balance of the purchase price of the real estate on which it is to be constructed, and the balance will be used for working capital. In addition to indebtedness, the company has outstanding 359,588 common shares, all owned by members of the Woltz family, of which H. O. Woltz, Sr., board chairman, owns 24.3%, and John E. Woltz, president, 23.5%.

**PUBLIC SERVICE COMPANY (COLO.) PROPOSES OFFERING.** Public Service Company of Colorado, 550 15th St., Denver, Colo. 80202, filed a registration statement (File 2-26732) with the SEC on June 13 seeking registration of \$35,000,000 of first mortgage bonds, due 1997, to be offered for public sale at competitive bidding.

A gas and electric utility, the company will add the net proceeds from the bond sale to its general funds, to be used in connection with its 1967-69 construction program (estimated at \$174,000,000).

**GOLDFIELD CORP. FILES FOR SECONDARY.** The Goldfield Corporation, 720 Fifth Ave., New York, filed a registration statement (File 2-26733) with the SEC on June 13 seeking registration of 777,796 outstanding shares of capital stock. The present holders thereof propose to offer the stock for public sale from time to time on the American Stock Exchange or otherwise, at prices prevailing at the time of sale (\$6 per share maximum\*).

The company's major operating activity is the Gatchell Mine in Humboldt County, Nevada; it also owns some 25% of the outstanding stock of General Host Corporation. According to the prospectus, the company "has incurred increasing losses in mine operations and because of these losses the company's management intends to discontinue operations at the Gatchell Mine." In addition to indebtedness, the company has outstanding 7,844,290 common shares, of which management officials own 1.5%. Of the shares being registered, 55,465 shares represent the unsold portion remaining from 510,608 shares sold by the company to a group of individuals in September 1963, and 507,506 represent shares issued to the former stockholders of Everglades Park Co., Inc. upon its acquisition in June 1966. Richard C. Pistell is board chairman and P. Richard Clark, president.

**GULF STATES UTILITIES PROPOSES OFFERING.** Gulf States Utilities Company, 285 Liberty Ave., Beaumont, Tex. 77701, filed a registration statement (File 2-26734) with the SEC on June 13 seeking registration of 200,000 shares of preferred stock, \$100 par value, to be offered for public sale at competitive bidding.

An electric utility, the net proceeds from the company's stock sale will be used to repay some \$29,000,000 of indebtedness incurred in connection with its construction program and for other corporate purposes. Construction expenditures for 1967-68 are estimated at \$206,700,000. G. E. Richard is board chairman and E. A. Werner, president.

**CURTIS NOLL CORP. PROPOSES OFFERING.** Curtis Noll Corporation, 3915 St. Clair Ave., Cleveland, Ohio 44114, filed a registration statement (File 2-26735) with the SEC on June 13 seeking registration of \$6,000,000 of convertible subordinated debentures, due 1987, to be offered for public sale through underwriters headed by Hayden, Stone Incorporated, 25 Broad St., New York and Prescott & Co., 900 National City Bank Bldg., Cleveland, Ohio. The interest rate, public offering price, and underwriting terms are to be supplied by amendment.

The company is a distributor and manufacturer of a wide range of products comprising three major groups: automotive aftermarket and related consumer goods, industrial maintenance products, and capital goods. Of the net proceeds from the debenture sale, \$3,500,000 will be used to repay outstanding bank borrowings incurred in connection with the acquisition of Cleveland Steel Products Corporation in June 1966, \$425,670 to redeem the preferred stock minority interest in a subsidiary, and the balance for general corporate purposes. In addition to indebtedness, the company has outstanding 745,262 common shares, of which management officials own 32.1%. Edward P. Prescott is board chairman and Sanford B. Noll, president.

**INFOTRONICS CORP. PROPOSES OFFERING.** Infotronics Corporation, 7800 Westglen Drive, Houston, Tex. 77042, filed a registration statement (File 2- 26738) with the SEC on June 13 seeking registration of \$1,000,000 of convertible subordinated debentures, due 1982, to be offered for public sale through underwriters headed by Edward D. Jones & Co., 101 No. 4th St., St. Louis, Mo. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

The company is engaged in the development and manufacture of electronic data handling systems, particularly digital systems for automatic detection and processing of information in quantitative chemical analysis. Of the net proceeds to be received from the debenture sale, \$310,000 will be used to prepay a portion of outstanding loans, \$200,000 for research and products development program, approximately \$100,000 for the construction of an addition to the company's plant at Austin, Tex., and the purchase of additional production and engineering test equipment, about \$250,000 for investment and advancements to a wholly owned subsidiary to be organized by the company in the Republic of Ireland, and some \$50,000 for investment in or advancements to a wholly owned European subsidiary to be organized. In addition to indebtedness, the company has outstanding 503,318 common shares, of which management officials own 39.6% (including Hal J. Jones, president and board chairman, who holds 11.8%).

**ZAYRE CORP. FILES FOR SECONDARY.** Zayre Corp., Framingham, Mass. 01701, filed a registration statement (File 2-26737) with the SEC on June 13 seeking registration of 250,000 shares of common stock. Of the stock being registered, 193,990 shares are presently outstanding and are to be offered for public sale by the present holders thereof; 56,010 shares are to be issued by the company to the underwriters upon exercise of stock purchase warrants issued in 1963 to Massachusetts Mutual Life Insurance Company. The shares are to be offered for public sale through underwriters headed by Lehman Brothers, One William St., New York 10004; and the public offering price (\$44 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company is primarily engaged in the operation of self-service department stores. In addition to indebtedness and preferred stock, the company has outstanding 2,783,003 common shares, of which management officials own 23.0%. The prospectus lists 10 selling stockholders. Morris Feldberg, board chairman, proposes to sell 15,000 of his holdings of 144,614 shares, Stanley H. Feldberg, president, 30,000 of 167,254 shares, and the Feldberg Family Foundation, 33,990 of 63,380 shares; the remaining shareholders propose to sell shares ranging in amounts from 5,000 to 30,000 shares.

**CONSOLIDATED NATURAL GAS PROPOSES OFFERING.** Consolidated Natural Gas Company, 30 Rockefeller Plaza, N.Y. 10020, today filed a registration statement (File 2-26739) with the SEC seeking registration of \$50,000,000 of debentures, due 1992, to be offered for public sale at competitive bidding.

A gas utility, the company will use the net proceeds of the debenture sale to repay a short-term construction bank loan of \$20,000,000 obtained in 1966 and to finance in part its 1967 construction program, involving plant expenditures estimated at \$68,800,000.

**SUBSCRIPTION TELEVISION TRADING BAN CONTINUED.** The SEC has issued an order under the Securities Exchange Act suspending over-the-counter trading in securities of Subscription Television, Inc., New York, for the further ten-day period June 15 through June 24, 1967.

**O/C REGISTRATIONS REPORTED.** The following issuers of securities traded over-the-counter have filed registration statements with the Commission pursuant to requirements of Section 12(g) of the Securities Exchange Act (companies which currently file annual and other periodic reports with the SEC are identified by "\*\*\*"):

File No.	O-Registrants	Location	File No.	O-Registrants	Location
2637	Affiliated Hosp Products Inc **	St. Louis, Mo.	2608	Lakeside Industries Inc **	Mpls., Minn.
2638	Canadian Delhi Oil Ltd **	Calgary, Alberta Canada	2643	R. G. LeTourneau, Inc. **	Longview, Tex.
2656	Century Blvd Corp **	St. Louis, Mo.	2612	Lufkin Foundry & Machine Co. **	Lufkin, Tex.
2697	Citizens Financial Corp **	Cleveland, Ohio	2622	Mayflower Invstrs Inc **	Chicago, Ill.
2640	Corrugated Container Co **	Columbus, Ohio	2549	Metallurgical International Inc	Passaic, N.J.
2641	Electronic Memories Inc **	Hawthorne, Calif.	2652	Murdock Acceptance Corp **	Memphis, Tenn.
2613	First National Corp**	Appleton, Wisc.	2659	New Ham,shire Bankshares, Inc **	Nashua, N.H.
2620	Gabriel Industries inc **	New York, N.Y.	2609	Northern Consolidated Airlines, Inc **	Anchorage, Alaska
2639	General Real Estate Shares **	Detroit, Michigan	2629	Oglivy & Mather International Inc **	New York, N.Y.
2627	A C Gilbert Co **	New Haven, Conn.	2623	Planned Communities, Inc	New York, N.Y.
2611	Hager Inc **	Bridgeport, Conn.	2642	Rowan Controller Co **	Westminster, Md.
2661	Harrell Corp	Westport, Conn.	2626	Sterling Seal Co **	Erie, Pa.
2651	Hawkeye National Investment Co **	Des Moines, Iowa	2644	Super Stores, Inc **	Prichard, Ala.
2621	Hogan Faximile Corp **	Los Angeles, Calif.	2635	Zausner Foods Corp **	Mountainside, N.J.
2648	Home-O-Nize Co **	Muscatine, Iowa	2610	Zions Utah Bancorporation **	Salt Lake City, Utah
2628	Julie Research Labs., Inc **	New York, N.Y.			

**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 captions of the several items of the form was included in the June 1 News Digest.

Allison Steel Mfg Co  
Apr 67 (1,11,13) 2-26105-2

B T Babbitt Inc  
Apr 67 (2,13) 1-3410-2

Chicago Rivet & Machine Co  
May 67 (11) 0-1227-2

Franklin Electric Co Inc  
May 67 (12,13) 0-362-2

Frontier Airlines Inc  
Apr 67 (2,11,12,13) 1-4877-2

Guardman Chemical Coatings Inc  
Mar 66 (12,13) 1-4707-2

Joanthan Logan Inc  
Apr 67 (7,12,13) 1-4276-2

Lincoln Liberty Life Ins Co  
Apr 67 (11,13) 2-18894-2

North American Acceptance Corp  
May 67 (11) 0-527-2

RTE Corp  
Nov 66 (7) 1-1585-2

Superscope Inc  
May 67 (9,11) 5-26-67

Dayco Corp  
Amend #1 to 8K for Feb 67 (12,13) 1-5275-2

GF Ind Inc  
Amend #1 to 8K for Feb 67 (2) 1-4273-2

Aileen Inc  
May 67 (3,13) 1-4734-2

Allied Artists Pictures Corp  
Nov 66 (7,8,13) 1-2965-2

American Pyramid Companies Inc  
Apr 67 (1,2,7,9,12,13) 0-2372-2

Bankers Inv Corp  
May 67 (11,12) 0-1317-2

Corenco Corp  
Apr 67 (11,13) 0-707-2

Early and Daniel Co  
May 67 (2) 1-548-2

Electronic & Missile Facilities Inc  
May 67 (8,9,11) 1-4412-2

Farmhand Inc  
Apr 67 (11) 0-475-2

General Cinema Corp  
Apr 67 (4,7,8,13) 1-4925-2

Investors Unlimited Inc  
Apr 67 (1,3,13) 0-2202-2

Kentucky Inv Inc  
May 67 (11) 0-1999-2

Metel Goods Corp  
May 67 (11) 0-526-2

Montana Mower Co  
Apr 67 (4,13) 1-4566-2

St Paul Fire and Marine Ins Co  
May 67 (11) 2-13446-2

Santa Fe Drilling Co  
May 67 (11) 1-4827-2

United Sheet Metal Co Inc  
Apr 67 (11) 2-16703-2

Allied Artists Pictures Corp  
Amend #1 to 8K for June 66 (7,8,13) 1-2965-2  
Amend #1 to 8K for July 66 (7,8,13) 1-2965-2  
Amend #1 to 8K for Aug 66 (8) 1-2965-2

Royal American Ind Inc  
Amend #1 to 8K for Mar 67 (7) 1-4109-2

Superior Ind Corp  
Amend #1 to 8K for Nov 66 (11) 2-18803-2

Transnation Realty Corp  
Amend #2 to 8K for Dec 66 (13) 2-16190-2

Airwork Corp  
Feb 67 (4,7,8,13) 1-5023-2

Bangor Punta Corp  
Apr 67 (4,7,8,13) 1-4972-2

Chicago Milwaukee St P & Pac RR Co  
May 67 (11) 1-3288-2

Coastal Ship Corp  
Apr 67 (7,11) 0-153-2

Economy Corp  
Mar 67 (7,8) 0-2352-2

First Bank Stock Corp  
Apr 67 (11,13) 0-975-2

LTV Electrosystems Inc  
Apr 67 (2,4,7,13) 1-5237-2

LTV Ling Altec Inc  
Apr 67 (4,7,8,10,11,13) 1-5393-2

La Maur Inc  
Apr 67 (11) 1-4924-2

Lundy Electronics & Systems Inc  
Mar 67 (7,8) 1-4636-2

Maine Sugar Ind Inc  
Mar 67 (11) 0-2426-2  
Apr 67 (7,12,13) 0-2426-2

Pioneer Aerodynamics Systems Inc  
Mar 67 (12) 1-4831-2

Schlumberger N. V.  
May 67 (11) 1-4601-2

Stylon Corp  
Mar 67 (1) 1-4306-2

Air California  
Amend #1 to 8K for Jan 67 (4,7,13)

Maremont Corp  
Amend #1 to 8K for Mar 67 (4) 1-4232-2

Roto American Corp  
Amend #1 to 8K for May 66 (3) 1-5215-2

U S Natural Gas Corp  
Amend #1 to 8K for Apr 67 (13) 1-1537-2

**SECURITIES ACT REGISTRATIONS.** Withdrawn June 12: Kaneb Pipe Line Co., 2-26292.

\*As estimated for purposes of computing the registration fee.

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