

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST



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 July 19, 1967

AUTROPONICS SUSPENSION PERMANENT. The SEC today announced the issuance of an order (Release 33-4873) making permanent its January 23 order temporarily suspending a Regulation A exemption from registration under the Securities Act pursuant to which Autroponics, Inc., of Dallas, had proposed the public offering of 118,300 common shares at \$1.875 per share. Autroponics had requested a hearing, which was granted; but it later determined not to contest the suspension and withdrew the hearing request.

The January suspension order was based upon the alleged failure of Autroponics to make proper disclosure in its offering circular (1) of the highly speculative nature of its business, in particular the unsuccessful history of hydroponic grass when used for animal feed and the reasons therefor; and (2) of the number of shares which had been issued to management for cash and for services, and the basis for computing the value of the services, as well as the dilution which would occur in the equity represented by shares which might be purchased by the public and the correlative appreciation in the equity represented by the shares held by management officials. For these and other reasons, the order alleged that an offering of the securities on the basis of the material filed would violate the anti-fraud provisions of the Act.

GEORGIA POWER SEEKS ORDER. Georgia Power Company, Atlanta holding company and an electric utility subsidiary of The Southern Company, has applied to the SEC for an order under the Holding Company Act authorizing it to issue and sell at competitive bidding up to \$60,000,000 of first mortgage bonds, due 1997, and 120,000 new shares of cumulative preferred stock; and the Commission has issued an order (Release 35-15791) giving interested persons until August 14 to request a hearing thereon. Net proceeds from the sale of the bonds and the preferred stock will be applied by Georgia, together with funds available from other sources, to finance its 1967 construction program (estimated at \$123,190,000), to reimburse its treasury for the retirement of previously outstanding bonds, and to pay short-term bank loans.

WEST PENN POWER SEEKS ORDER. West Penn Power Company, Greensburg, Pa. holding company and an electric utility subsidiary of Allegheny Power System, Inc., has applied to the SEC for authorization under the Holding Company Act to amend its charter to reclassify, its 24,923 shares of authorized but unissued \$100 par 4-1/2% preferred stock. The company also seeks authority to bring its charter into conformity with the requirements of the Commission's Statement of Policy regarding preferred stock subject to the Act, with respect to (1) a change in the amounts payable to the preferred stockholders upon voluntary liquidation; (2) restrictions on the payment of dividends on common stock and the acquisition of preferred stock; (3) rights of preferred stockholders with respect to election of directors; (4) the rights of preferred stockholders in the event of a merger, or sale of assets; and (5) restrictions on the issuance of additional unsecured debt and preferred stock. The Commission has issued an order (Release 35-15792) giving interested persons until August 4 to request a hearing.

MASSACHUSETTS VARIABLE ANNUITY RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-5036) exempting Massachusetts Variable Annuity Insurance Company ("Insurance Company") and Massachusetts Variable Annuity Insurance Company Separate Account A ("Separate Account"), Boston, from certain provisions of the Act. Separate Account, an open-end diversified management investment company, was established on February 15, 1967, as a segregated investment account by Insurance Company, pursuant to Massachusetts law, to hold assets set aside by Insurance Company for variable annuity contracts. The Commission's order exempts the Separate Account from the \$100,000 minimum net capital requirements of the Act; and it also provides, among other things, that the Separate Account's investment adviser, directors and independent accountants may act as such until the first annual meeting of variable annuity contract holders to be held in October.

SALE OF GENERAL ELECTRONICS STOCK ENJOINED. The SEC New York Regional Office announced July 11 (LR-3770) that the Federal Court in New York City had issued an order on July 11 permanently enjoining General Electronics, Inc., a New Jersey corporation, its president, Michael T. Gasparik, and its board chairman, Edward V. Otis, from further violations of the registration and anti-fraud provisions of the Securities Acts in the offer, sale and delivery of the common stock of General Electronics. The Court also permanently enjoined John Barbera, comptroller of General Electronics, from further violations of the registration provisions of the Securities Act. In addition, on July 5 the court permanently enjoined Samuel Adler of Miami, Fla. and Leonard Ashbach, of New York City, and on June 30 Frederick D. Gearhart, Jr. of Stillwater, N. J. and Wayne K. Brenengen, from further violations of the registration provisions of the Securities Act. All of such defendants consented to the entry of the decrees but without admitting the allegations therein. The complaint filed by the Commission on June 21 also named (1) Raphael Bloom of Kew Gardens, New York; (2) Fiweka S.A. of Geneva, Switzerland; and (3) Robert Salant of New York City. The judgment was entered by default as to defendant Salant, and the action is still pending as to defendants Bloom and Fiweka S. A.

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4

COBURN CORP. (AMERICA) PROPOSES OFFERING. Coburn Corporation of America, The Coburn Bldg., 100 Merrick Road, Rockville Centre, New York 11571, filed a registration statement (File 2-26933) with the SEC on July 17 seeking registration of \$13,000,000 of convertible subordinated debentures, due 1987, and 260,000 shares of common stock. The debentures and common shares are to be offered for public sale in units, each consisting of \$1,000 of debentures and 20 shares. The offering is to be made by underwriters headed by Walston & Co., Inc., 74 Wall St., New York 10005; and the offering price (\$1,700 per unit maximum*) and underwriting terms are to be supplied by amendment.

The company is engaged in the consumer sales finance business, and in insurance and data-processing operations. Net proceeds from the sale of the debentures and the common stock will be used in its finance operations to increase its portfolio of retail installment contracts and consumer loans; any excess will be added to the general funds to be used for corporate purposes, including discharge of short-term debt and other working capital purposes. In addition to indebtedness and preferred stock, the company has outstanding 1,440,870 common shares, of which management officials own 21%. Harold Grossman is board chairman and Irving L. Bernstein is president.

BIG APPLE SUPERMARKETS FILES FOR SECONDARY. Big Apple Supermarkets, Inc., 357 Hempstead Turnpike, West Hempstead, New York 11510, filed a registration statement (File 2-26935) with the SEC on July 17 seeking registration of 225,000 outstanding shares of common stock. The shares are to be offered for public sale by the holders thereof through underwriters headed by Shearson, Hammill & Co. Inc., 14 Wall St., New York 10005. The public offering price (\$18.00 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is engaged in the operation of the Big Apple chain of supermarkets located in New York City and neighboring suburban communities. In addition to indebtedness, it has outstanding 1,102,018 common shares, of which management officials own 53.9%. The prospectus lists four selling shareholders, including Ardie Zuckerman (board chairman and president), who proposes to sell 185,000 of his holdings of 570,125; Lillian Zuckerman and Walter Bergner as Trustees for Sam Zuckerman and Sandy Zuckerman, 23,000 of 24,000 shares; Walter Bergner, 8,000 of 10,500 shares; and Lee Bergner, 9,000 of 11,856 shares.

NORTHERN INDIANA PUBLIC SERVICE FILES FOR OFFERING. Northern Indiana Public Service Company, 5265 Hohman Ave., Hammond, Ind. 46320, filed a registration statement (File 2-26936) with the SEC on July 18 seeking registration of \$35,000,000 of first mortgage bonds, Series O, due 1997, to be offered for public sale at competitive bidding.

Net proceeds from the bond sale will be added to working capital for ultimate application to the cost of gross additions to the utility properties of the company, including prepayment of some \$15,000,000 of bank borrowings incurred in connection with the company's construction program (estimated at \$63,800,000 for 1967 and \$61,000,000 for 1968). Dean H. Mitchell is board chairman and C. D. Rees is president.

GULF RESOURCES SHARES IN REGISTRATION. Gulf Resources & Chemical Corporation ("Gulf"), 2125 Tennessee Bldg., Houston, Tex. 77002, filed a registration statement (File 2-26937) with the SEC on July 18 seeking registration of 1,350,028 shares of common stock. According to the prospectus, Lithium Corporation of America, Inc. ("LCA"), a Minnesota corporation, was merged into Gulf on June 19. The properties received by Gulf upon the merger were transferred by Gulf to Lithium Corporation of America, a newly-organized subsidiary; the officers of LCA are now continuing in similar capacities as officers of the new subsidiary. Pursuant to the Agreement of Merger the stockholders of LCA received an aggregate of 624,286 shares of Series A cumulative convertible preferred stock of Gulf. An additional 50,728 shares of Series A preferred are reserved for issuance under an LCA Employee Stock Purchase Plan and LCA Stock Options. The Series A preferred is convertible at the option of the holder thereof into the shares of common stock of Gulf (1) at any time at the rate of two shares of common stock for each one share of Series A Preferred stock upon payment to Gulf of \$10 cash, or (2) on or after July 1, 1968, and before July 1, 1978, at the rate of 1.4 shares of common stock for each share of Series A Preferred stock with no cash payment. The common shares issuable upon conversion of the Series A preferred are now being registered.

Gulf is engaged in the business of exploring for, mining, transporting, storing and marketing sulphur. LCA was a leading producer and marketer of lithium and its products, with its principal mineral properties and plant facilities in North Carolina. It owns a 51% interest in a joint venture to extract potassium, magnesium and sodium salts and compounds from the Great Salt Lake in Utah. Net proceeds from the \$10 per share cash payment received upon conversion of the Series A preferred will be added to the general working funds of the company, to be used for retirement of debt, capital additions or other purposes. In addition to indebtedness, the company has outstanding 1,572,001 common shares and 675,014 preferred shares; Merrill Lynch, Pierce, Fenner & Smith holds 4.15% of the common and 11.38% of the Series A preferred, and management officials own 7.45% of the common and 3.15% of the Series A preferred. Robert H. Allen is president.

SUPERIOR MFG. & INSTRUMENT FILES FOR OFFERING AND SECONDARY. Superior Manufacturing & Instrument Corp., 36-07 20th Ave., Long Island City, N. Y. 11105, filed a registration statement (File 2-26938) with the SEC on July 18 seeking registration of \$1,000,000 of convertible subordinated debentures, due 1987, and 100,000 shares of common stock. Of the common stock, 80,000 shares are to be offered for public sale by the company, and 20,000 shares (being outstanding shares) by the holders thereof. The offering is to be made through underwriters headed by Zuckerman, Smith & Co., 30 Broad St., and Newburger, Leob & Co., 5 Hanover Square, both of New York 10004. The interest rate of the debentures, public offering prices (\$1,000 per debenture and \$12.75 per common share maximum*) and underwriting terms are to be supplied by amendment.

The company is engaged in the design, development, manufacture and sale of precision mechanical, electro-mechanical and electronic instrumentation for civilian and military consumption. It also produces components for manufacturers of both civilian and military aerospace, computer, business machines, industrial controls and military electronics equipment. Of the net proceeds received from the company's sale of debentures and additional common shares, \$825,000 will be used to pay bank borrowings, \$150,000 will be used to prepay a

purchase money note secured by machinery and equipment of a subsidiary, and the balance will be used for the purchase of 60,000 warrants from the holders thereof and for additional machinery and equipment and general corporate purposes. In addition to indebtedness, the company has outstanding 331,230 common shares, of which management officials own 65.02%. The selling shareholders are Robert Stiefel (president and treasurer) and Charles R. Schiff (executive vice president and secretary), each of whom proposes to sell 10,000 of his holdings of 127,175 and 39,815 shares, respectively.

H T V SYSTEMS PROPOSES OFFERING. H T V Systems Inc., 210 Boxart St., Rochester, N. Y. 14612, filed a registration statement (File 2-26939) with the SEC on July 17 seeking registration of 350,000 shares of common stock. The shares are to be offered for public sale by the company at \$2.00 per share, with a 15¢ per share commission payable to NASD members who may render assistance to the company in connection with the sale.

Organized on May 15, 1967 under New York law, the company proposes to engage in the design, production and sale of community antenna television equipment and other specialized electronic equipment and devices. Of the net proceeds from the stock sale, \$315,000 will be used for the development and production of products, \$105,000 for marketing expense, \$35,000 for administration, \$100,000 for engineering and manufacturing equipment, and \$76,500 for other expense and working capital requirements. In addition to indebtedness, the company has outstanding 503,200 common shares, all owned by management officials (including 62.88% owned by Dr. Alwin Hahnel, president). Truman C. Thompson is board chairman.

LEEDS SHOES PROPOSES DEBENTURE OFFERING. Leeds Shoes, Inc., 1712 North Dale Mabry Highway, Tampa, Fla. 33607, filed a registration statement (File 2-26940) with the SEC on July 18 seeking registration of \$1,500,000 of convertible subordinated debentures, due 1987. The debentures are to be offered for public sale through underwriters headed by Goodbody & Co., 55 Broad St., New York 10004; the interest rate, public offering price, and underwriting terms are to be supplied by amendment.

The company is engaged in the retail shoe business. Of the net proceeds received from its debenture sale, \$400,000 will be used for the cost of fixturing the 27 company operated and franchise units under lease scheduled for opening by April 30, 1968 and approximately 23 further units which it is currently anticipated will be opened (but which have not yet been leased by the company), \$600,000 will be applied towards the cost of the company's financing of the initial inventory requirements of such stores, and the balance will be added to working capital or may be used in connection with possible future acquisitions. In addition to indebtedness and preferred stock, the company has outstanding 706,824 common shares, of which management officials own 27% (including 26% owned by Frank Garcia, president).

STOCK PLANS FILED. Form S-8 registration statements have been filed with the SEC proposing the offering of securities under employee savings, stock option and other plans, as follows:

Standard Packaging Corporation, New York 10017 - (File 2-26920) - 150,000 shares
Summers Electric Company, Dallas, Tex. - (File 2-26927) - 25,000 shares
The Higbee Company, Cleveland, Ohio 44113 - (File 2-26928) - 52,500 shares
Richmond Newspapers, Incorporated, Richmond, Va. 23213 - (File 2-26929) - 100,000 shares
Smith Kline & French Laboratories, Philadelphia, Pa. 19101 - (File 2-26930) - 100,000 shares
Gulf & Western Industries, Inc., New York 10020 - (File 2-26931) - 839,130 shares
Fansteel Metallurgical Corporation, North Chicago, Ill. 60064 - (File 2-26934) - 87,000 shares

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 July 7 News Digest.

Scott Paper Co June 67 (13) 1-2300-2	Agway Inc June 67 (7)	0-2011-2
Servo Corp of America May 67 (7,8,11,12) 1-3925-2	Agway Inc Employee Incentive Thrift Plan June 67 (7)	2-25365-2
Sharon Steel Corp June 67 (13) 1-569-2	Air Products & Chemicals Inc June 67 (4,7,8,12,13)	1-4534-2
Sinode Corp June 67 (7,13) 1-1282-2	Airmidia Inc June 67 (7)	2-25337-2
Southeastern Drilling Inc June 67 (7) 0-1819-2	Airwork Corp June 67 (7,13)	1-5023-2
Southeastern Bell Tele Co June 67 (7,13) 1-2346-2	Allen Organ Co June 67 (7,13)	0-275-2
Standard Brands Inc June 67 (12,13) 1-1186-2	Allied Chemical Corp June 67 (8,13)	1-1269-2
The Steward Corp June 67 (2) 2-11242-2	American Broadcasting Companies Inc June 67 (7)	1-3534-2
Sun Chemical Corp June 67 (7,12,13) 1-804-2	American Distric Telegraph Co June 67 (3)	0-771-2
T R W Inc June 67 (7,13) 1-2384-2	American Metal Climax Inc June 67 (8,12,13)	1-229-2
Turbo Cast Ind Inc June 67 (12,13) 0-2312-2	AO Investment Co PUBLICLY:	
Uniroyal Inc June 67 (7) 1-62-2	American Optical Co Apr 67 (2,4,5,8,10,11,13)	1-3668-2
The United Illuminating Co June 67 (7,13) 0-469-2	American Precision Industries Inc June 67 (2,12,13)	0-964-2
United States Lines Co June 67 (13) 1-208-2	Amphenol Corp June 67 (4,13)	1-4158-2
U S Polymeric Inc June 67 (2,12,13) 1-5138-2	Aries Corp June 67 (7)	0-2540-2
Unitrode Corp June 67 (2,7,13) 0-2680-2	Aseco Inc June 67 (1,11,13)	0-2404-2
Washington Gas Light Co June 67 (7,13) 1-1483-2		
Washington Terminal Co June 67 (11) 1-889-2		
Winslow Tele-Electronics Inc June 67 (7,8,12) 0-2433-2		
World Color Press Inc June 67 (11,13) 1-5228-2		
Girard Ind Corp Amend 8K for July 66 (9) 2-17773-2		
Revere Copper & Brass Inc Amend 8K for May 67 (12,13) 7-10-67		

Ashland Oil & Refining Co June 67 (3)	1-2918-2	Connecticut Light & Power Co June 67 (11)	0-404-2
Austin Nichols & Co Inc June 67 (7,12)	1-249-2	Connecticut Yankee Atomic Power Co June 67 (7)	2-22958-2
Aztec Oil & Gas Co Jun 67 (7)	0-502-2	Consolidated Oil & Gas Inc June 67 (7)	1-4516-2
Baifield Industries Inc June 67 (2,11)	1-5223-2	Consolidated Papers Inc June 67 (4,7)	0-1051-2
Balt Gas & Elec Co June 67 (3)	1-1910-2	Consumers Power Co June 67 (3)	1-2216-2
Balt Transit Co June 67 (7,13)	1-2769-2	Control Data Corp June 67 (3)	1-4712-2
Baruch Foster Corp June 67 (11)	1-1464-2	Copper Range Co June 67 (4,7,13)	1-1725-2
Bath Iron Works Corp June 67 (11,1 June 67 (11,13))	1-2876-2	Dana Corp June 67 (8)	1-1063-2
A S Beck Shoe Corp June 67 (6)	1-3267-2	Data Products Corp June 67 (7)	0-1533-2
Beneficial Finance Co June 67 (7,12,13)	1-1177-2	Dayco Corp June 67 (7,13)	1-5275-2
E W Bliss Co June 67 (12,13)	1-3304-2	Delta Air Lines Inc June 67 (11)	1-4047-2
Bristol Myers Co June 67 (7,11,13)	1-1136-2	Dixilyn Corp June 67 (13)	1-4417-2
Bacm Industries Ltd FORMERLY: British American Construction & Mats Ltd June 67 (11,13)	1-5086-2	Doughboy Industries Inc June 67 (2)0-1296-2	
Capital Leasing Co June 67 (1,4,13)	0-1470-2	Dresser Industries Inc June 67 (11,13)	1-4003-2
Carolina Power & Light Co Apr 66 (7)	1-3382-2	Eastern Air Lines Inc Jun 67 (7)	1-3049-2
Mary Carter Paint Co June 67 (7,13)	1-4748-2	Electro Voice Inc Jun 67(11,12,13)	1-4655-2
Caterpillar Tractor Co June 67 (7,8,13)	1-768-2	Equitable Saving & Loan Assoc Nov 66 (12)	0-1345-2
Ceco Corp June 67 (12,13)	1-4514-2	Fairchild Camera & Instrument Corp June 67 (4,13)	1-1214-2
Central Louisiana Electric Co Inc June 67 (7)	0-1272-2	Farmers Union Cooperative Marketing Assoc June 67 (7,8)	2-22230-2
Century Properties June 67 (11)	0-306-2	Felmont Oil Corp June 67 (7,8,12,13)	1-5092-2
Cerro Corp June 67 (7,13)	1-1518-2	Fidelity Bankers Life Insur Co June 67 (11,13)	2-13950-2
Champion Spark Plug Co June 67 (2,13)	1-4136-2	First National Life Insur Co June 67 (12)	2-13503-2
Charter Co June 67 (11)	0-1825-2	First Western Financial Corp June 67 (12)	1-4938-2
Chesapeake & Pot Tel Co of Md June 67 (7,13)	2-10378-2	Foundation Securities Corp June 67 (6,8)	0-936-2
Chicago & North Western Ry Co June 67 (7)	1-3211-2	Fram Corp June 67 (2,13)	1-4469-2
Citizens Financial Corp June 67(13)0-2607-2		Franchard Corp June 67 (10,11)	0-855-2
Clark Equipment Co June 67 (13)	1-825-2	G & H Technology Inc FORMERLY: Mertronics Corp June 67 (11,12,13)	0-826-2
Coastal States Gas Producing Co June 67 (7)	1-4718-2	Gale Industries Inc June 67 (12,13)	1-1130-2
Coburn International Co June 67 (11)	0-1480-2	General Builders Corp June 67 (11)1-3389-2	
Cole National Corp June 67 (2,3,13)1-5188-2		General Development Corp June 67 (3,8)	1-4080-2
Commonwealth Oil Refining Co Inc June 67 (3)	1-4900-2	General Time Corp June 67 (7)	1-2591-2
		Giddings & Lewis Inc FORMERLY: Giddings & Lewis Machine Tool Co June 67 (8)	1-5372-2

SECURITIES ACT REGISTRATION STATEMENTS. During the week ended July 13, 1967, 42 registration statements were filed, 37 became effective, 2 were withdrawn, and 447 were pending at the week-end.

SECURITIES ACT REGISTRATIONS. Effective July 18: Allen Electric and Equipment Co., 2-26699 & 2-26700 (Aug 28); American Smelting & Refining Co., 2-26533; Armco Steel Corp., 2-26799; Combustion Engineering, Inc., 2-26790; Curtis Noll Corp., 2-26735 (Oct 17); Cyber-Tronics, Inc., 2-26756 (Oct 16); Foremost-McKesson, Inc., 2-26793; Owens-Illinois, Inc., 2-26751; Panelgraphic Corp., 2-26633 (90 days); Randolph Computer Corp., 2-26773 (40 days); Research-Cottrell, Inc., 2-26809; Tenneco Inc., 2-26892; Volume Merchandise, Inc., 2-26642 (40 days).

Effective July 19: American Electronic Laboratories, Inc., 2-26605 (40 days); Anheuser-Busch, Inc., 2-26831.

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.