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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LEXINGTON RESEARCH INVESTING RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-5203) authorizing Lexington Research Investing Corporation, Englewood, New Jersey mutual fund, to issue its shares at their net asset value for substantially all of the assets of Haven Homes, Inc. Haven is a personal holding company having one shareholder, and whose assets approximated $313,496 on June 30.

UNIT TRUST RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-5204) declaring that Plans for the Accumulation of Shares of Securities Fund, Inc., Philadelphia, Pa. unit investment trust, has ceased to be an investment company. According to the application, no Plans were sold after March 1964; in 1965, twelve individuals owned the 15 Plans then outstanding; since then one person completed his Plan and the Plan was terminated.

NORTHEAST INVESTORS TRUST RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-5205) authorizing Northeast Investors Trust, Boston, Mass., to issue its shares at their net asset value for substantially all of the assets of The Alsace Corporation. Alsace's principal business has been the management of its portfolio securities; its assets approximated $2,605,339 on September 30.

BURLINGTON INTERNATIONAL RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-5207) exempting Burlington International, Inc., Greensboro, N.C., from all provisions of the Act. According to the application, applicant was organized by Burlington Industries, Inc. (which owns all of its stock) to raise funds abroad for financing the expansion and development of the parent's foreign operations.

MISSISSIPPI POWER SEEKS ORDER. Mississippi Power Company, Gulfport, Mississippi subsidiary of The Southern Company, has applied to the SEC for an order under the Holding Company Act authorizing it to issue and sell, from time to time prior to December 31, 1969, up to $15,000,000 of unsecured promissory notes to banks; and the Commission has issued an order (Release 35-15923) giving interested persons until January 16, 1968 to request a hearing thereon. The proceeds of the note sale will be used by Mississippi to finance, in part, its construction program (estimated at $18,127,000 for 1968 and $7,384,000 for 1969), or in payment of notes previously issued. Mississippi intends to obtain the cash required in 1968 and 1969 for financing its construction program and for other lawful corporate purposes from (a) its cash on hand in excess of operating requirements, interest, and dividends, (b) short-term bank loans, and/or (c) if and to the extent necessary, the sale to the public of $5,000,000 of preferred stock.

KENTUCKY POWER RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-15925) authorizing Kentucky Power Company ("Kentucky"), Ashland subsidiary of American Electric Power Company, Inc., to acquire from Mountain Investment, Inc., for a cash consideration of $200,000, the electric distribution system serving the incorporated community of Wheelwright, Kentucky. The system serves approximately 400 customers.

NEES RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-15926) authorizing New England Electric System, Boston, Mass., to issue and sell a $16,000,000 five-year, unsecured installment promissory note to a bank. The proceeds from the note sale will be added to the general funds of NEES and made available to its subsidiaries (particularly New England Power Company which is building a 630 MW generating unit for operation in 1969), either through loans or purchases of additional shares of their capital stocks, in furtherance of their construction programs, to pay short-term notes to banks previously issued for that purpose, or to provide for other capitalizable expenditures. The balance, if any, is to be used for general purposes of NEES.

KANEB PIPE LINE SEEKS ORDER. Kaneb Pipe Line Company, Houston, Texas, has applied to the SEC for an order declaring that it not to be a holding company; and the Commission has scheduled the application for hearing on January 17, 1968 (Release 35-15927).

Kaneb owns and operates a 1,055 mile common carrier liquid petroleum products pipeline which operates in the States of Kansas, Nebraska, South Dakota, and North Dakota. Its business is the transportation of liquid petroleum products including gasoline, kerosene, fuel oils, propane, aircraft fuels, and other products. It purchased 5,200 shares of Kansas-Nebraska Natural Gas Company, Inc. ("Kansas-Nebraska") common stock in July 1967 in market transactions. Thereafter, pursuant to a tender offer to the common stockholders of Kansas-Nebraska, Kaneb purchased 225,000 additional shares (9-1/2%) on August 29, 1967, and 234,209 shares on September 19, 1967. As of September 19, 1967, the date of filing of the application, Kaneb owned 459,309 shares (19.7%) of the outstanding common stock of Kansas-Nebraska. Kansas-Nebraska, a Kansas corporation, of Hastings, Nebraska, is engaged in the production, processing, purchasing, transportation, and sale of natural gas both at wholesale and retail in one or more of the States of Kansas, Nebraska, Oklahoma, Wyoming, and Colorado.

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Kaneb asserts that despite the ownership of such stock of Kansas-Nebraska, Kaneb neither directly or indirectly controls Kansas-Nebraska nor directly or indirectly exercises such a controlling influence over the management or policies of Kansas-Nebraska as to make it necessary or appropriate in the public interest or for the protection of investors or consumers that Kaneb be subject to the obligations, duties, and liabilities imposed under the Act. Kaneb also states that it does not and has not done, either directly or indirectly, any substantial business with Kansas-Nebraska and that it does not perform any services for, or have any contractual relations with, Kansas-Nebraska. Kaneb has no representatives on the board of directors of Kansas-Nebraska.

COURT ENJOINS PROMONTORY OIL COMPANY, OTHER. The SEC Denver Regional Office announced December 18 (LR-3887) the entry of a Federal court order in Salt Lake City preliminarily enjoining Promontory Oil Company, a Utah corporation, and Ilan L. Jacobs (its president) of Salt Lake City and Edmonton, Ky., from further violations of the registration and anti-fraud provisions of the Securities Act, in the offer and sale of fractional undivided interests in oil and gas leases located in Grand and Uintah Counties, Utah, Washington County, Colorado, and Cumberland County, Kentucky. The defendants consented to the entry of the decree without admitting the allegations of the complaint.

DORIC DISTRIBUTORS, OTHERS ENJOINED. The SEC New York Regional Office announced December 14 (LR-3888) the entry of a Federal court order in New York City permanently enjoining Doric Distributors, Inc., Edward A. Ochs (its president), Raymond K. Meffen (its vice president), and Stanley Grapel, Sidney Kwintner and David Hirschfeld (former employees of Doric), from violations of the registration provisions of the Securities Act in the offer, sale and delivery after sale of common stock of Doric Distributors, Inc. The defendants, without admitting or denying the allegations, consented to the decree.

CONTINENTAL TOBACCO COMPANY, OTHERS, ENJOINED. The SEC Atlanta Regional Office announced December 15 (LR-3889) the entry of a Federal court order in Miami, Florida, preliminarily enjoining Continental Tobacco Company of South Carolina, Inc., a Columbia, S.C. cigarette manufacturing firm, James K. Sorenson (its president), and Heinrich Lorin (vice-president) from violations of the registration provisions of the Securities Act in the offer, sale and delivery after sale of debenture bonds, warrants to purchase common stock and common stock of Continental. The court denied the Commission's motion for a similar order against Kenneth V. Dawes of Ft. Lauderdale, and Richard L. Hoffman of Boca Raton, Florida.

TWO TRADING BANS CONTINUED. The SEC has issued orders under the Securities Exchange Act suspending over-the-counter trading in securities of Rover Shoe Company, for the further ten-day period December 23, 1967 through January 1, 1968, inclusive; and of Interamerican Industries, Ltd., for the period December 25, 1967 through January 3, 1968, inclusive.

FOREIGN RESTRICTED LIST. The SEC has removed four Canadian companies from its Foreign Restricted List, as follows: International Claim Brokers, Ltd., Mack Lake Mining Corporation, Ltd., St. Stephen Nickel Mines, Ltd., and Trans-Oceanic Hotels Corporation, Ltd. The list, which is comprised of the names of companies whose securities the Commission has reason to believe recently have been, or currently are being, offered for public sale and distribution within the United States in violation of the registration requirements of the Securities Act of 1933, now includes the names of 15 Canadian, 7 Panamanian, 1 British Honduran and 4 Bahamian companies. A company may be removed from the list if it appears, among other things, that it has ceased to exist or if, after the lapse of time (generally one year at least), it appears that the unlawful distribution in the United States has ceased and there is no indication that it may be resumed. The four Canadian companies above named have been on the list for several years and there has been no market for their securities either in Canada or the United States for at least five years.

BUCK ENGINEERING SHARES IN REGISTRATION. Buck Engineering Co. Inc., P.O. Box 686, Farmingdale, N.J. 07727, filed a registration statement (File 2-27888) with the SEC on December 20 seeking registration of 79,146 shares of common stock, to be offered to certain employees of the company pursuant to its stock option and other plans.

READING & BATES DRILLING FILES FOR OFFERING AND SECONDARY. Reading & Bates Offshore Drilling Company, 1100 Philtower Bldg., Tulsa, Okla. 74103, filed a registration statement (File 2-27890) with the SEC on December 20 seeking registration of 321,000 shares of common stock. Of this stock, 200,000 shares are to be offered for public sale by the company and 121,000 (being outstanding shares) by the present holders thereof. Shields & Company, Inc., 44 Wall St., New York, N.Y. 10005, and Hulme, Applegate & Humphrey, Inc., 584 Union Trust Bldg., Pittsburgh, Pa. 15219, are listed as the principal underwriters; the public offering price ($30 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is engaged in contract drilling operations and in the production of oil and gas. Net proceeds of its sale of additional stock will be used to implement its long-term capital improvements program and to improve its working capital position. In addition to indebtedness and preferred stock, the company has outstanding 2,014,531 common shares, of which management officials own 11.9%. The prospectus lists six selling stockholders, who propose to sell 121,000 of their aggregate holdings of 398,529 shares. J.W.Bates, Jr., chairman and chief executive officer, and C.E. Thornton, president, propose to sell 20,000 shares each of their holdings of 75,787 and 68,080 shares, respectively; E. G. Rodman 27,112 of 147,112 shares held; and Bessemer Securities Corporation, 20,577 of 94,239. Two others will sell all of their holdings of 8,944 and 4,367 shares, respectively.

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PENNZOIL CO. RECEIVES ORDER. The SEC has issued a supplemental order under the Holding Company Act (Release 35-15924) approving further amendments to an application filed by Pennzoil Company, Houston, Texas, with respect to its sale of an oil and gas production payment payable solely out of properties located in certain states in the United States (see News Digest of Dec. 15). The amendments specifically describe the properties subject to the production payments and recite that additional properties located in the Provinces of Alberta and Saskatchewan, Canada, will be subject to the production payment.

TEXAM EXPLORATION FUND FILES. Texam 1968 Exploration Fund, Ltd., 322 Bank of the Southwest Bldg., Midland, Texas 79701, filed a registration statement (File 2-27885) with the SEC on December 20 seeking registration of $2,000,000 of interests in its 1968 oil and gas plans and pre-organization subscriptions in limited partnerships, to be offered for public sale at $50,000 per unit.

The limited partnership was organized under Texas law on December 11, 1967 to engage in the exploration for oil and gas. Its general partners are Energy Resources Corporation, a Nevada corporation doing business in Texas as Texam Oil Corporation, Louis H. Michaelson and Charles C. Green, Jr. Net proceeds of its sale of units will be applied to such venture.

HICO CORP. FILES FOR OFFERING AND SECONDARY. Hico Corporation of America, 100 St. Ann's Ave., New York, N.Y. 10454, filed a registration statement (File 2-27889) with the SEC on December 20 seeking registration of 1,162,460 shares of common shares. Of this stock, 250,000 shares are to be offered for public sale by the company and 912,460 (being outstanding shares) by the present holders thereof. The selling shareholders acquired their shares pursuant to a Plan and Agreement of merger on April 15, 1965 whereby Conver Steel & Wire Company, Inc. was merged into the company. The company and the selling stockholders may sell their shares from time to time on the New York Stock Exchange or otherwise, at prices current at the time of sale ($3.00 per share maximum*).

The company is engaged in the leasing and sale of aluminum telescoping horizontal girders for affording temporary support for forms and vertical shores for use in construction work, and the manufacture, sale, and leasing of a wide range of products to the concrete construction industry as well as the manufacture and distribution of display racks. Net proceeds of the company's sale of additional stock will be used initially to reduce its short-term borrowings and the balance will be added to general funds. In addition to indebtedness, it has outstanding 2,585,344 common shares, of which Howard W. LaMorte (president) owns 9.6%. The prospectus lists 44 selling stockholders. Willard J. LaMorte, Richard P. LaMorte, and Dugald J. Cameron each proposes to sell all of his holdings of 187,298, 100,196, and 74,052 shares, respectively; the others propose to sell shares ranging in amount from 1,250 to 68,588 shares.

RALSTON PURINA FILES FOR SECONDARY. Ralston Purina Company, Checkerboard Square, St. Louis, Mo. 63199, filed a registration statement (File 2-27893) with the SEC on December 20 seeking registration of 98,521 outstanding shares of common stock. The shares are to be offered for public sale by the holders thereof from time to time in the over-the-counter market or otherwise at prices prevailing at the time of sale ($24.00 per share maximum*).

The company is engaged in producing livestock and poultry feeds, processing soybeans, and grain merchandising; it also produces a line of consumer food products including cereals, poultry and poultry products, tuna and other sea foods and pet foods. In addition to indebtedness, the company has outstanding 30,201,562 common shares, of which The Danforth Foundation (a nonprofit organization) owns 20.2% and management officials own 5.5%. Raymond E. Rowland is board chairman and R. Hal Dean is president. The prospectus lists seven selling shareholders. Aetna Life Insurance Company proposes to sell 45,538 shares, Massachusetts Mutual Life Insurance Company, 17,024 shares, and Aid Association for Lutherans and the Gulf Life Insurance Company 8,512 shares each; the others propose to sell shares ranging in amount from 4,532 to 7,575 shares.

GENERAL INSTRUMENT SHARES IN REGISTRATION. General Instrument Corporation, 65 Gouverneur St., Newark, N.J. 07104, filed a registration statement (File 2-27894) with the SEC on December 20 seeking registration of 716,709 outstanding shares of common stock. The shares were issued in connection with the company's acquisition of The Jerrold Corporation and may be offered for sale by the recipients from time to time on the New York Stock Exchange at prices current at the time of sale ($57 per share maximum*); however, certain of the holders have advised the company that 357,975 shares held by them will not be immediately offered for sale.

The company is a diversified manufacturer of electronic components and end products for the consumer electronics market, for defense and space exploration and for industrial and commercial applications. Through the acquisition of Universal Controls, Inc. in August 1967 its activities were expanded to include the manufacture of relays and switching devices and the production and servicing of data collection, processing and display equipment currently used in pari-mutuel operations and department stores; and the acquisition of Jerrold on December 21 expanded its activities to include the design and manufacture of community antenna television (CATV) systems and equipment and the ownership and operation of CATV systems. In addition to indebtedness and preferred stock, the company has outstanding 5,651,282 common shares. The 716,709 shares being registered are part of a total of 1,674,867 shares issued to Jerrold stockholders; members of the Butcher and Feith families and related interests propose to sell an aggregate of 241,800 and 235,500 shares, respectively.

FRIGITRONICS TO SELL STOCK. Frigitronics, Inc., 525 Broad St., Bridgeport, Conn. 06604, filed a registration statement (File 2-27900) with the SEC on December 21 seeking registration of 50,000 shares of common stock, to be offered for public sale at $9 per share. The offering is to be made by Gianis & Co., Inc., 44 Wall St., New York, N.Y. 10005, which will receive a 99¢ per share commission. The company also has agreed to sell to Gianis for $50, five-year warrants for the purchase of 5,000 common shares at $9 per share; and management officials will grant Gianis options to purchase 10,000 shares owned by them on similar

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terms. Gianis will transfer warrants for 1,500 shares and pay 10% of its net underwriting profits to Michael Meadow and Norman Oberferst for their services as finders. The registration statement also covers an additional 10,000 shares issued or to be issued to employees under the company's qualified stock option plan.

The company was organized under Delaware law on October 30 for the purpose of acquiring 100% ownership of Frigitronics, Inc., a Connecticut corporation organized in 1963; it is engaged in the development, manufacture and sale of cryogenic surgical instruments and related equipment. Of the net proceeds of its sale of the 50,000 shares, estimated at $380,000, the company expects to apply $150,000 for product development and research, $100,000 for sales promotion, $65,000 for repayment of a bank loan and the balance for working capital. The company has outstanding 100,000 common shares, all owned by Ralph E. Crump, president, and Irving S. Bass, vice president. Purchasers of the 50,000 new shares will acquire a 33-1/3% stock interest in the company for an investment of $450,000; the remaining stockholders will own the remaining shares with an October 31 book value of $71,013.

NORTHERN PRECISION LABORATORIES PROPOSES OFFERING. Northern Precision Laboratories, Inc., 202 Fairfield Rd., Fairfield, N.J. 07006, filed a registration statement (File 2-27901) with the SEC on December 21 seeking registration of 170,000 shares of common stock, to be offered for public sale at $3 per share. The offering is to be made through underwriters headed by Grimm & Davis, 165 Broadway, New York, N.Y. 10006, which will receive a 30¢ per share commission. The company has agreed to pay Grimm & Davis $7,500 for expenses and to issue to it five-year warrants for the purchase of 15,000 shares at $3.30 per share; 5,000 such warrants will be transferred to Reich & Co. as a finder's fee.

The company was organized in 1961 and engages in the manufacture and sale of encoders, servo positioning mechanisms and systems, slip ring assemblies, commutators and other similar electronic components. Of the estimated $414,000 net proceeds of its stock sale, $100,000 will be used for the purchase of additional electronics and mechanical test equipment and automatic production controls, $110,000 for additional inventory, and the balance for new products development, increased sales force and advertising, debt retirement and other purposes. The company now has outstanding 530,000 common shares, held in equal amounts by Raymond T. Ferri, president, Thomas L. Monaco, Jr., board chairman, and two directors. Purchasers of the 170,000 new shares will pay $510,000 for a 24.3% interest in the company; present holders will hold the remaining 75.7% stock interest, which has a current book value of $137,292 or about 26¢ per share.

STOCK PLANS FILED. The following companies have filed Form S-8 registration statements with the SEC proposing the issuance of stock under employee stock option and related plans:

Hooker Chemical Corporation, New York, N.Y. 10017 (File 2-27882) - An unspecified number of common and preference shares issuable to the holders of stock options of The Udylite Corporation assumed pursuant to a plan and agreement of merger of Udylite Corporation into the company

Shulton, Inc., Clifton, N.J. 07015 (File 2-27892) - 150,000 common shares.

SECURITIES ACT REGISTRATIONS. Effective December 20: Pacific Airlines, Inc., 2-27584 (40 days); United Air Lines, Inc., 2-27726. Effective December 21: Allied Supermarkets, Inc., 2-27657 (Jan. 30); Fairfield-Noble Corp., 2-27688 (40 days); Financial Security Planning Corp. of America, 2-27477 and 2-27478 (90 days); Gladding Corp., 2-27542 (90 days); Goldfield Corp., 2-26733 (40 days); Gray Communications Systems, Inc., 2-27380 (90 days); Greenville Industries, Inc., 2-27156 (90 days); Helmerich & Payne, Inc., 2-27675 (90 days); Hi-Shear Corp., 2-27663 (40 days); Interphoto Corp., 2-27598 (Jan. 30); Multi-Amp Corp., 2-27713 (90 days); Pinkerton's, Inc., 2-27711 (40 days); Princeton Planning Corp. of America, 2-24732; Scientific Control Corp., 2-27200 (90 days); Seismic Computing Corp., 2-27622 (90 days); Wellco Enterprises, Inc., 2-27674 (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.

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