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# SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

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A Daily Summary of  
S.E.C. Activities

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## COMMISSION ANNOUNCEMENT

**SEC RENEWS LEASCO SERVICES CONTRACT.** Chairman William J. Casey of the SEC today announced signing of a new negotiated contract with Leasco Information Products Inc. for continued dissemination of SEC disclosure information through 1974. Leasco provides reproduction of SEC public documents by microfiche and paper copy on both a single service and subscription basis.

Among the major provisions of the new contract are those providing for a comprehensive new master indexing service on corporate filings, both by issuer and subject; lower cost to the public for paper copy reproductions of SEC documents in public reference rooms; a new program aimed at increased dissemination of SEC information through libraries open to the public; and a discount for college and university users of SEC microfiche packages to offset charges for the new document indexing service.

In announcing the two-year agreement, Mr. Casey said: "We believe this new agreement represents a significant step forward in dissemination of the vast amount of information in our public reference files. One of our primary goals as an agency of disclosure is to try to provide the investing public, the corporations, the industries that the Commission directly regulates, and the professionals who serve them with fast, meaningful and organized access to these disclosure documents. Of particular significance in this new contract is a program that will seek to make SEC information more available to the investing public by encouraging public libraries in many more cities to have SEC disclosure documents available for public use on microfiche. The new contract is the first of what we believe will be a series of constructive steps in our program to make disclosure information filed with the SEC much more of a factor in investment decisions."

Under the library provisions of the contract, Leasco Information Products will make a comprehensive study of public and educational institutional libraries that are open to the public. Leasco in its study will consult with the Special Libraries Association and the American Library Association as well as selected librarians and other sources. The study is expected to be completed by January 15, 1973. Following that study, the contract calls for a pilot study beginning on February 15, 1973 with one or more libraries to determine the feasibility of special pricing structures and related programs aimed at encouraging greater use of SEC material by libraries. A program containing specific recommendations along these lines will be submitted to the Commission by July 15 of next year.

The contract also establishes a new master indexing in microfiche of SEC filings both by company and by subject, such as accounting changes, contingent liability, pension plans, depreciation, etc. The master index will increase prices for information packages to subscribers about 25% above present. However, the contract calls for discounts for academic library users that will result in virtually no increase in prices for present subscription packages to these users.

Another major provision of the new contract will reduce prices for paper copies produced on self-service copy machines in SEC public reference areas from 25¢ per page to 10¢ per page. Charges for other single-page and single document reproduction services, including overnight and other delivery service, will remain the same. The new price structure goes into effect January 1, 1973.

Subscription microfiche, which will be subject to price increase with the new indexing service, will include packages on Forms 10-K, 8-K, 10-Q, and proxy statements under the Securities Exchange Act of 1934 & NI-Q and NI-R under the Investment Company Act of 1940 and prospectus and registration statements under the Securities Act of 1933.

All orders for paper (facsimile) copies of public records of the Commission, and all related inquiries, should be addressed to the Public Reference Section (Area Code 202; 755-1614), Securities and Exchange Commission, Washington, D. C. 20549.

All requests for copies in microfiche or other microforms, and related inquiries, should be directed to Leasco Information Products, Inc. (Area Code 212, 736-6484), Mr. Jeffrey C. Bell, Director of National Sales, 2 Pennsylvania Plaza, New York, N. Y. 10001.

**JOINT NASD-SEC TEAM TO CHECK OTC TRADING FIRM FAILURES.** Members of the Commission's staff met on Monday with representatives of the National Association of Securities Dealers, Inc. (NASD) and the Securities Investor Protection Corporation (SIPC) to discuss problems relating to the recent failure of certain over-the-counter trading firms. A number of trading practices were discussed which appear to have been the primary reason for the failure of some of these brokerage firms.

It was determined that as a first step a joint NASD-SEC inspection task force should be established to inspect over-the-counter trading firms specializing in making markets in low-priced speculative securities. The inspections will aim at insuring that these firms are complying with all applicable requirements of the Commission and the NASD. Other steps considered at the meeting involved an improved NASDAQ surveillance program, and qualification standards for persons and firms engaged in over-the-counter trading.

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In a statement on the meeting, Chairman William J. Casey said: "We are on the threshold of technical improvements which should enable us to have much better securities trading markets in the near future than was ever possible in the past. However, care must be taken to insure these great improvements in communications do not provide new opportunities for manipulation as well. We intend to move quickly to assure that these new systems have the necessary safeguards against misuse."

#### DECISIONS IN ADMINISTRATIVE PROCEEDINGS

BYWOOD DEVELOPMENT CORP., AND PRESIDENT SANCTIONED. The SEC has censured Bywood Development Corp., a registered broker-dealer in Minneapolis, Minn., and its president, John E. Reiman, Jr., and suspended the registration of the firm for a period of 30 days beginning November 6, 1972, and suspended Reiman from association with any broker or dealer for the same period. The action was based on findings that respondents failed to make and keep current required books and records and to report steps taken to correct the deficiencies, and failed reasonably to supervise others with a view to preventing such violations.

The Commission's action was taken pursuant to an offer of settlement in which respondents, without admitting or denying the charges, consented to the stated findings and sanctions. (Rel. 34-9829)

SALVATORE CAMPIONE SUSPENDED. The SEC has suspended Salvatore Campione, of Massapequa, N. Y. from association with any broker-dealer for a period of six months. Thereafter, for a period of one year, respondent may not be so associated in a proprietary or unsupervised capacity without the prior permission of the Commission. The action was based on findings that respondent, who during the relevant period was a partner in a registered broker-dealer, violated the Securities Exchange Act in connection with the hypothecation of customers' securities for amounts in excess of the aggregate indebtedness of customers, and failed reasonably to supervise others with a view to preventing such activities.

The Commission's action was taken pursuant to an offer of settlement in which respondents, without admitting the charges, consented to the indicated findings and sanction. (Rel. 34-9830)

E.M.A. TRAINING, INC., REG A EXEMPTION PERMANENTLY SUSPENDED. The SEC has permanently suspended a Regulation A exemption from Securities Act registration with respect to a proposed offering of 250,000 shares of common stock by E.M.A. Training, Inc. of Huntington, N. Y., which was organized to own and operate a private school. The issuer consented to such action in an offer of settlement submitted by it.

The Commission had issued a temporary suspension order on December 1, 1971, and E.M.A. without admitting or denying the allegations in that order, consented to findings based on those allegations with certain modifications. The Commission found that the notification and offering circular filed by the issuer contained untrue and misleading statements concerning its financial condition, working capital position, losses and insolvency, the amount of stockholders' contributions, and the background of Ramon D'Onofrio, principal shareholder and a controlling person of E.M.A., whose indictment for bankruptcy fraud was not disclosed in the filings. (Rel. 33-5326)

#### INVESTMENT COMPANY ACT RELEASES

LOEB, RHOADES & CO. The SEC has issued an order granting an application by Loeb, Rhoades for an exemption from the provisions of Section 9(a) of the Act applicable as a result of the injunction entered against Loeb, Rhoades and Gerald L. Burchard in SEC v. Lynbar Mining Corp., Ltd., et al., except that Burchard is exempt only to the extent his continued employment would be a bar to Loeb, Rhoades under Section 9(a)(3) of the Act. (Rel. IC-7461)

THE BROWN FUND OF HAWAII, LTD. AND THE BROWN GROWTH-INCOME FUND, INC. The SEC has issued a notice giving interested persons until November 21 to request a hearing upon an application of The Brown Fund of Hawaii, Ltd. and The Brown-Income Fund, Inc., both of Honolulu, for an order permitting the sale of assets of The Brown Growth-Income Fund, Inc., in exchange for the shares of Brown Fund of Hawaii, Ltd. (Rel. IC-7464)

#### HOLDING COMPANY ACT RELEASES

EASTERN UTILITIES ASSOCIATES. The SEC has issued an order authorizing Eastern Utilities Associates, Boston holding company, and four of its electric utility subsidiary companies to increase the amount of borrowings from banks and authorizing Eastern to increase its loans to the subsidiary companies. (Rel. 35-17743)

SECURITIES ACT REGISTRATIONS

ROFFLER INDUSTRIES, INC., 400 Chess St., Corsopolis, Pa. 15108, filed a registration statement on October 19 seeking registration of 290,000 shares of common stock, of which 140,000 are to be offered for public sale by the company and 150,000 (being outstanding shares) by the holders thereof. The offering is to be made (\*at \$7.25 per share maximum) through underwriters headed by Suplee-Mosley Inc., 1700 Market St., Philadelphia 19103, and Chaplin, McGuiness & Co., Inc., 1800 Pittsburgh National Bank Bldg., Pittsburgh 15227. The company manufactures and sells men's cosmetics and hair styling and hair care preparations and sells barber equipment and supplies purchased from others. Net proceeds will be used for expansion of manufacturing plant and offices, improvement of existing facilities and other corporate purposes. (File 2-46081)

COMMONWEALTH EDISON COMPANY, One First National Plaza, P.O. Box 767, Chicago, Ill. 60690, filed a registration statement on October 20 seeking registration of 2,000,000 shares of cumulative preference stock, to be offered for public sale at competitive bidding. Net proceeds will be applied toward repayment of short-term notes issued and to be issued primarily for interim financing of the company's construction program. Construction expenditures are estimated at \$480 million for 1973 and \$4 billion for the five-year period 1973-77. (File 2-46083)

LITRONIX, INC., 19000 Homestead Rd., Cupertino, Calif. 95014, filed a registration statement on October 20 seeking registration of 415,000 shares of common stock. It is proposed to offer these shares for subscription by common stockholders, at the rate of one new share for each five shares held (\*and at \$15 per share maximum). The company is engaged primarily in the manufacture and sale of numeric displays and indicator lamps which utilize light emitting diode technology. Net proceeds will be used for working capital and other corporate purposes. (File 2-46084)

COMBANKS CORPORATION, 370 Wymore Rd., Winter Park, Fla. 32789, filed a registration statement on October 20 seeking registration of 229,819 shares of common stock. It is proposed to offer these shares in exchange for the outstanding shares of capital stock of the following banks at the specified ratios: 1.90 shares for each share of South Seminole Bank, 1.50 shares for each North Orlando Bank share, .90 share for each share of The Commercial Bank of Apopka, and .95 share for each share of The Commercial Bank at Pine Castle. Combanks is a bank holding company. (File 2-46085)

AURRE & COMPANY, INC., 15 William St., New York, N. Y. 10005, filed a registration statement on October 20 seeking registration of 300,000 shares of common stock, to be offered for public sale at \$5 per share by Contemporary Securities Corp., 1 Exchange Pl., Jersey City, N. J. 07302. The company is engaged in the brokerage and investment banking and related businesses. Net proceeds will be used for general corporate purposes. (File 2-46086)

UNIVERSAL SECURITY INSTRUMENTS, INC., 2829 Potee St., Baltimore, Md. 21225, filed a registration statement on October 20 seeking registration of 250,000 shares of common stock, of which 220,000 are to be offered for public sale by the company and 30,000 (being outstanding shares) by the holders thereof. The offering is to be made (\*at \$9 per share maximum) through underwriters headed by Coenen & Co., Inc., 280 Park Ave., New York 10017. The company designs, makes and sells burglar and fire alarm systems and devices for homes, businesses and vehicles. Of the net proceeds of its stock sale, \$300,000 will be used to repay short-term indebtedness and the balance for working capital and other corporate purposes. (File 2-46087)

SERVOMATION CORP., 777 Third Ave., New York 10017, filed a registration statement on October 20 seeking registration of 10,914 shares of common stock issuable pursuant to an employee stock plan of a company acquired by Servomation. (File 2-46088)

CORPORATE INVESTMENT TRUST FUND, First Monthly Payment Series, filed a registration statement on October 20 seeking registration of \$44 million of units. The Trust was created under a trust agreement under which Bache & Co. Inc. acts as depositor, United States Trust Company of New York acts as trustee, New England Merchants National Bank acts as co-trustee and Standard & Poor's Corporation acts as evaluator. The Trust consists of a diversified portfolio of long-term corporate debt obligations which were rated at the time of deposit "BBB" or better by Standard & Poor's Corporation or Fitch Investors Services, Inc. or "Baa" or better by Moody's Investors Service, Inc. (File 2-46089)

GENESCO, INC., 111 7th Ave. North, Nashville, Tenn. 37202, filed a registration statement on October 20 seeking registration of 500,000 shares of subordinated convertible preferred stock (convertible on a share-for-share basis into either subordinated cumulative preferred stock or common stock) issuable pursuant to the company's Employees' Incentive Plan A. The company is engaged in the manufacture and distribution of all types of apparel for men, women and children. (File 2-46090)

CENCO INCORPORATED, 2600 S. Kostner Ave., Chicago, Ill. 60623, filed a registration statement on October 20 seeking registration of 332,426 outstanding shares of common stock, to be offered for public sale (\*at \$23.625 per share maximum) through underwriters headed by Lehman Brothers Inc., One William St., New York 10004. The company is principally engaged in the manufacture and distribution of products and furnishing services, including designing, planning, constructing and financing of hospitals and professional buildings, research, engineering and instrumentation and the ownership, operation, leasing and management of hospitals and convalescent homes. (File 2-46091)

PLY-GEM INDUSTRIES, INC., 182-20 Liberty Ave., Jamaica, N. Y., filed a registration statement on October 20 seeking registration of 78,278 outstanding shares of common stock, which may be offered for sale from time to time by the holder thereof (The Franklin Corporation) at prices current at the time of sale. Also included in this statement are 50,000 shares of common stock, issuable pursuant to the company's Employees' Stock Option Plan. (File 2-46092)

ALEXANDER & ALEXANDER INC., 1185 Avenue of the Americas, New York 10036, filed a registration statement on October 20 seeking registration of 500,000 shares of common stock, which may be offered by the company from time to time in connection with the acquisition of the stock or assets of other companies. The company conducts a nation-wide insurance brokerage and agency business. (File 2-46093)

APPALACHIAN POWER COMPANY, 40 Franklin Rd., Roanoke, Va. 24009, filed a registration statement on October 20 seeking registration of \$70 million of first mortgage bonds, to be offered for public sale at competitive bidding. Net proceeds, together with other funds, will be used to pay unsecured short-term indebtedness, in connection with the company's construction program and for working capital. Construction expenditures are estimated at \$118 million in 1973. (File 2-46095)

WEIGH-TRONIX, INC., Armstrong, Iowa 50514, filed a registration statement on October 20 seeking registration of 530,805 outstanding shares of common stock, to be offered for public sale by the holder thereof (Art's-Way Manufacturing Company, Incorporated, owner of substantially all of the company's outstanding common stock). The offering is to be made at \$2 per share by Kirkpatrick, Pettis, Smith, Polian Inc., 100 Omaha Bldg., Omaha, Neb. 68102. The company is primarily engaged in the manufacture and sale of electronic scale devices having agricultural application. (File 2-46096)

WELLS FARGO & COMPANY, 420 Montgomery St., San Francisco, Calif. 94104, filed a registration statement on October 24 seeking registration of \$75 million of sinking fund debentures, due 1997, and 910,000 shares of common stock, to be offered for public sale (\*at \$28 per share maximum) through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith Inc., One Liberty Plaza, New York 10006. The company through subsidiaries manages a real estate investment trust and provides equipment lease financing and data processing services. Of the net proceeds of its financing, \$75 million will be used to provide additional capital funds to its banking subsidiary for general banking purposes and the balance will be invested in other subsidiaries. (File 2-46098)

#### MISCELLANEOUS

TRADING SUSPENSIONS CONTINUED. The SEC has ordered the suspension of over-the-counter trading in the securities of Continental Vending Machine Corporation and North American Planning Corporation for the further ten-day period November 1-10, inclusive.

SECURITIES ACT REGISTRATIONS. Effective October 30: Aluma-Art Corp., 2-41361 (90 days); Capital Resources Real Estate Partnership, 2-43408 (Jan 28); Computer Services Corp., 2-38774; Data Dimensions, Inc., 2-43652; ADRs of Grand Metropolitan Hotels Ltd., 2-46038; The National Oil Co., 2-43544 (90 days); PNB Corp., 2-45811; Richmond Corp., 2-45705; Shenandoah Oil Corp., 2-41462.

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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