

sec news digest

SECURITIES EXCHANGE COMMISSION
RECEIVED

Issue 77-82
(SEC Docket, Vol. 11, No. 19 - May 10)

MAY 2 1977

April 28, 1977

ORDERS FOR PUBLIC PROCEEDINGS

LIBRARY

ROBERT BERKSON, OTHERS

Public administrative proceedings have been ordered under the Securities Exchange Act of 1934 (Exchange Act) and the Securities Investor Protection Act of 1970, against Robert Berkson and Maurice Rind, the secretary and vice-president of Packer, Wilbur & Co., Inc. (Registrant), a now defunct broker-dealer which maintained offices in New York City and Dayton, Ohio, and James Gallentine, a former employee of Registrant.

The proceedings are based on allegations by the Commission's staff that (1) Berkson, Rind, and Gallentine wilfully violated the antifraud provisions of the Exchange Act and were convicted of securities related crimes, (2) Berkson and Rind wilfully aided and abetted violations of the net capital, bookkeeping, and financial reporting provisions of the Exchange Act and were preliminarily enjoined from further violations of those provisions and from further violations of the antifraud provisions of the Exchange Act, and (3) Berkson and Rind were officers and directors of Registrant when a trustee for the liquidation of Registrant was appointed pursuant to the Securities Investor Protection Act of 1970.

The order alleges that Berkson, Rind and Gallentine defrauded the customers of Registrant in connection with sales and pledges, for the account of Registrant, of stock belonging to the customers of Registrant, which stock was being held by Registrant in trust for those customers. In addition, the order alleges that Berkson, Rind and Gallentine used the proceeds of the sales and pledges for the benefit of Registrant and themselves, without obtaining authority from their customers to do so and without informing their customers that they were doing so, and that, as part of the above conduct, Berkson, Rind and Gallentine forged, or directed others to forge, signatures of customers on stock transfer powers, and delivered stock, along with the forged stock transfer powers, to persons who purchased the stock from Registrant.

A hearing will be scheduled in order to take evidence on the staff's allegations and to afford the respondents an opportunity to offer any defenses. (Rel. 34-13481)

COMMISSION ANNOUNCEMENTS

PUBLIC MEETING RE GUARANTEED INVESTMENT CONTRACTS

The Division of Investment Management announces that on May 6 at 10:00 a.m. in Room 858 at the Commission's offices, 500 North Capitol Street, it will hold a meeting with representatives of the American Council of Life Insurance (THE ACLI) to provide them with an opportunity to present their views on the status under the securities laws of certain contractual arrangements issued by life insurance companies. These contractual arrangements are generally known as guaranteed investment contracts. This meeting was requested by the ACLI and will be open to the public. All those wishing to attend or to obtain further information should contact Amy Goodman at (202) 755-3507 by May 5.

COURT ENFORCEMENT ACTIONS

COMPLAINT NAMES SHELBY BOND SERVICE CORPORATION, OTHERS

The Atlanta Regional Office announced that a complaint was filed on April 18 in the U.S. District Court for the Western District of Tennessee, Memphis Division, against Shelby Bond Service Corporation (Shelby Bond), a municipal securities dealer, Max J. Baer, Charles M. West, Donald E. Helms, Richard C. Flick, Edward J. Blumenfeld, and Patrick Lawyer, all of Memphis, and Charles M. Beale of Cardova, Tennessee, Manuel W. Yopp of Germantown, Tennessee, and Richard Lutz of Southaven, Mississippi, alleging violations of the antifraud provisions of the securities laws in the offer, purchase, and sale of municipal securities, including industrial development revenue bonds.

The complaint further alleges that Precision Optical Laboratory, Inc. (Precision Optical), a Tennessee corporation, Robert E. Hawks of Memphis, Baer, Beale and Shelby Bond violated the antifraud provisions of the securities laws in the offer and sale of industrial development revenue bonds issued by the Gallaway Industrial Development Board at Gallaway, Tennessee, on behalf of Precision Optical, the lessee.

The complaint seeks to enjoin all defendants from further violations of the antifraud provisions of the securities laws. (SEC v. Shelby Bond Service Corporation, et al., U.S.D.C., W.D. Tenn., C-77-2236). (LR-7888).

ROBERT MAGUIRE, OTHERS INDICTED

The Washington Regional Office and the Philadelphia Branch Office announced that on April 21 a Federal Grand Jury sitting in Philadelphia, Pennsylvania, returned a 77 count indictment against five persons, alleging that the defendants had converted \$494,633.30 worth of securities and funds belonging to customers of Albert & Maguire Securities Company, Inc. Named in the indictment were Robert Maguire, Bertram J. Burak, Andrew Horvat, Jr., Marvin Albert and Alan H. Simon, all formerly associated with Albert & Maguire in various capacities. Albert & Maguire was placed in trusteeship under the Securities Investor Protection Act in October 1972.

The indictment alleges that from May 12, 1972 until March 21, 1973, defendants converted the funds and securities of customers of Albert & Maguire to raise working capital for the firm, to attempt to reimburse a customer whose securities had previously been converted, and, in the case of Maguire, for personal gain.

The indictment charged defendants with securities fraud, mail fraud, interstate transportation of stolen securities and conspiracy. (U.S. v. Robert Maguire, et al., E.D. Pa. No. 77-181). (LR-7889)

INVESTMENT COMPANY ACT RELEASES

E. I. DU PONT DE NEMOURS AND COMPANY

An order has been issued on an application of E. I. du Pont de Nemours and Company (Applicant), exempting from the provisions of Section 17(a) of the Act Applicant's proposed grant to Toyo Products Company, Ltd. (Toyo), a Japanese corporation, of an exclusive right, with the right to grant similar rights to others, to use certain technology relating to the manufacture of spandex fiber. Applicant and Toyo are companies presumed to be controlled by Christiana Securities Company, a registered, non-diversified, closed-end management investment company. (Rel. IC-9734 - Apr. 22)

HOLDING COMPANY ACT RELEASES

ARKANSAS POWER & LIGHT COMPANY

A supplemental order has been issued authorizing Arkansas Power & Light Company, subsidiary of Middle South Utilities, Inc., to issue and sell through September 30, 1978, up to \$94,900,000 of short-term promissory notes outstanding at any one time to a group of banks. (Rel. 35-20003 - Apr. 27)

SECURITIES ACT REGISTRATIONS

(S-16) MCDONALD'S CORPORATION

One McDonald's Plaza, Oak Brook, Ill. 60521 - 140,000 shares of common stock. Goldman, Sachs & Company, 55 Broad St., New York, N.Y. have been appointed as exclusive brokers for the sale of the proposed shares. McDonald's Corporation and its subsidiaries are involved in the licensing of McDonald's restaurants. (File 2-58743 - Apr. 19)

(S-7) THE BELL TELEPHONE COMPANY OF PENNSYLVANIA

One Parkway, Philadelphia, Pa. 19102 - \$100 million of forty-year debentures, due 2017, to be offered for sale at competitive bidding. The company is engaged in the business of furnishing communications services, mainly local and toll telephone service. (File 2-58789 - Apr. 22)

(S-7) AMERICAN ELECTRIC POWER COMPANY, INC.

2 Broadway, New York, N.Y. 10004 - 9,000,000 shares of common stock and such number (not in excess of 900,000) of shares of common stock, if any, as may be purchased by

the company in connection with related stabilizing activities to be offered for sale. It is proposed to offer 8,474,813 shares of common stock for subscription by stockholders of record on May 31, 1977 or such later date as Post-Effective Amendment No. 1 to the company's registration statement relating to such shares shall become effective, at the rate of one share for each eleven shares held, plus 525,187 shares (the aggregate of additional fractional interests offered pursuant to a step-up privilege) and any stabilizing shares at a price to be fixed by the Board of Directors of the company on May 31, 1977. Proposals to purchase any unsubscribed shares are to be submitted to the company shortly thereafter on May 31, 1977. The company is a public utility holding company. (File 2-58813 - Apr. 26)

(S-6) MUNICIPAL INVESTMENT TRUST FUND,
SEVENTIETH MONTHLY PAYMENT SERIES

\$40 million of units of beneficial interest, to be offered for sale through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith Inc., One Liberty Plaza, 165 Broadway, New York, N.Y. 10006. The Fund, a unit investment trust, is to be created by a trust agreement among Merrill Lynch, Bache Halsey Stuart Inc. and Reynolds Securities Inc., as sponsors, The Bank of New York, as trustee, and Standard & Poor's Corporation, as evaluator. The Fund's primary objective is providing tax exempt income through investment in a fixed portfolio of interest-bearing, long-term state, municipal and public authority bonds. (File 2-58820 - Apr. 26)

(S-12) MORGAN GUARANTY TRUST COMPANY OF NEW YORK

23 Wall St., New York, N.Y. 10015 - seeks registration of 100,000 American Depositary Receipts for ordinary stock of Turner & Newall Limited, an English corporation. (File 2-58822 - Apr. 25)

(S-7) COMMERCIAL ALLIANCE CORPORATION

770 Lexington Ave., New York, N.Y. 10021 - \$20 million of subordinated notes, due 1987, proposed to be offered for sale in denominations of \$1,000 and any integral multiple thereof, through underwriters headed by E.F. Hutton & Company Inc., One Battery Park Plaza, New York, N.Y. 10004. The company, through subsidiaries, is a major independent financial services company. (File 2-58824 - Apr. 26)

STOCK PLANS FILED

The following have filed Form S-8 registration statements with the SEC seeking registration of securities to be offered pursuant to employee stock and related plans:

PepsiCo, Inc., Purchase, N.Y. (File 2-58761 - Apr. 20) - 15,321 shares
Dial Financial Corp., Des Moines, Iowa (File 2-58762 - Apr. 20) - 4,000,000 shares
American Petrofina, Inc., Dallas, Tex. (File 2-58764 - Apr. 21) - 220,000 shares
Falcon Products, Inc., St. Louis, Mo. (File 2-58769 - Apr. 21) - 30,000 shares
Western Union Corp., Upper Saddle River, N.J. (File 2-58770 - Apr. 21) - 375,000 shares
Time Holdings, Inc., Milwaukee, Wis. (File 2-58771 - Apr. 21) - 45,000 shares
Certain-teed Corp., Valley Forge, Pa. (File 2-58773 - Apr. 21) - 120,000 shares
Checker Motors Corp., Kalamazoo, Mich. (File 2-58776 - Apr. 21) - 75,000 shares
Public Service Co. of Colorado, Denver, Colo. (File 2-58777 - Apr. 21) - 2,000,000 shares
Aluminum Co. of America, Pittsburgh, Pa. (File 2-58781 - Apr. 22) - 900,000 shares, and (File 2-58782 - Apr. 22) - 700,000 shares
Pacesetter Building Systems, Inc., Omaha, Neb. (File 2-58783 - Apr. 21) - 50,000 shares
Data Resources, Inc., Lexington, Mass. (File 2-58785 - Apr. 22) - 300,000 shares
Abbott Laboratories, North Chicago, Ill. (File 2-58787 - Apr. 22) - 900,000 shares
Standard Motor Products, Inc., Long Island City, N.Y. (File 2-58790 - Apr. 22) - 150,000 shares
United Banks of Colorado, Inc., Denver, Colo. (File 2-58791 - Apr. 22) - 525,000 shares

REGISTRATIONS EFFECTIVE

April 25: American Medical International Inc., 2-57704; American Tax-Exempt Bond Trust, Series 18, 2-58601; American Telephone & Telegraph Co., 2-58616; The Cleveland Electric Illuminating Co., 2-58383 & 2-58382; Dana Electronics, Inc., 2-58596; 3DV, Inc., 2-58558; Houdaille Industries Inc., 2-58675; Kane-Miller Corp., 2-58636; Missouri Portland Cement Co., 2-58779; Ply-Gem Industries, Inc., 2-58549; Southwestern Electric Power Co., 2-58457; Wainoco 77 Co., 2-57713 (90 days).

NOTE TO DEALERS. When applicable the 90-day period of time dealers are required to use the prospectus is noted above in parentheses after the name of the issuer.

NOTE TO DEALERS CONT,

As to the other issuers, there may be no such requirement to use a prospectus, or the requirement may be for a period of only 40 days; see Section 4(3) of the Securities Act of 1933 and Rule 174 (17 CFR 230.174) thereunder.

ACQUISITIONS OF SECURITIES

Companies and individuals must report to the Commission within 10 days on Schedule 13D if after the acquisition of equity securities of a public company their beneficial interest therein exceeds 5%. The following companies or individuals filed Schedule 13D's during the period April 15 - 22, 1977. The number of shares of the security which are beneficially owned, and the number of shares concerning which there is a right to acquire are set forth for each beneficial owner.

<u>REPORTING COMPANY OR INDIVIDUAL</u>	<u>ISSUER & NUMBER OF SHARES</u>	<u>DATE FILED</u>
* Don Curtis Whitaker	Hawthorne Financial Corp. (Hawthorne, Calif.) Common Stock - 72,600 shs. (Included above are shares owned by his children.)	4-15-77
Hermitage Corporation James W. Hart Arthur F. Flaherty	Schick Incorporated (Westport, Conn.) Common Stock - 1,222,792 shs. (52.9%) (In addition, Hermitage has the right to acquire 634,079 shares pursuant to Warrants. Also 2,423,780 shares of Preferred, Series A, B & C are owned by Hermitage.)	4-18-77
Stanley Marsh 3 Tom F. Marsh Michael C. Marsh Estelle Marsh Wattington	Kingstip Communications, Inc. (Austin, Tex.) Common Stock - 25,020 shs.	4-18-77
Acme Brand Inc. (Wholly-owned subsidiary of Acme General, Corp.)	Burgess Vibrocrafters, Inc. (Grayslake, Ill.) Common Stock - 172,470 shs. (94.5%)	4-18-77
IRT Associates	IRT Corporation (San Diego, Calif.) Common Stock - 250,000 shs. Common Stock - 175,000 shs. on exercise of a Warrant Common Stock - 1,002,700 shs. on conversion of Preferred Stock	4-18-77
Allen & Co., Incorporated	Orion Capital Corp (Parsippany, N.J.) Common Stock - 505,866 shs.	4-18-77
Sanders H. Campbell	Air Florida System, Inc. (Miami, Fla.) Common Stock - 450,000 shs.	4-18-77
American Petrofina Exploration Co. (Wholly-owned subsidiary of American Petrofina Holding Co.)	American Petrofina, Inc. (Dallas, Tex.) Class A Common Stock - 6,633,235 shs. (In addition, Exploration has the right to acquire 67,300 shares. Exploration also owns 1,000,000 shares of Class B Common Stock. All above securities were transferred by Holding to Exploration.)	4-18-77
Judith A. Metcalf David S. Kane Western International, Inc.	Security International Corp. (Fargo N.C.) Common Stock - 16,647 shs.	4-18-77
* AMBG Corp. (Wholly-owned subsidiary of Tyco Laboratories, Inc.) Tyco Laboratories, Inc.	Leeds & Northrup Company (North Wales, Pa.) Common Stock - 482,960 shs. (198,500 of above shares were acquired pursuant to the Tender Offer.)	4-18-77

ACQUISITION REPORTS CONT.

* Robert W. Cole	Schott Industries, Inc. (Cincinnati, Ohio) Common Stock - 146,600 shs.	4-18-77
* Compaigne Industrielle et Financiere des Produits Amylaces S.A. (Luxembourg)	A. E. Staley Mfg. Co. (Decatur, Ill.) Common Stock - 788,484 shs.	4-18-77
* High Voltage Engineering Corp.	Eberline Instrument Corp. (Santa Fe, N.M.) Common Stock - 183,500 shs.	4-18-77
* Federal's Management Corp.	Federal's, Inc. (Highland Park, Mich.) Common Stock - 1,250,000 shs.	4-18-77
* LIBCO Corporation	Telco Marketing Services, Inc. (Chicago, Ill.) Common stock - 380,782 shs.	4-18-77
* Wallace-Murray Corp.	Hydrometals, Inc. (Dallas, Tex.) Common Stock - 2,241,000 shs. (98%) Preferred Stock - 39,000 shs. (8%) (1,891,000 of above common stock and 39,000 shares of preferred stock were acquired pursuant to the Tender Offer.)	4-18-77
Rhoda Tananbaum Lerner, Individually and as Executrix Bernard Beitel, Trustee David Tananbaum, Individually and as Trustee Harold Tananbaum, Individually and as Trustee	Century Factors, Inc. (New York City) Common Stock - 243,552 shs.	4-19-77
Eli Freyberg	H. Warshow & Sons, Inc. (New York City) Common Stock - 65,934 shs.	4-19-77
* Trident Park Corp. (Wholly-owned subsidiary of Harcourt Brace Jovanovich Inc.	Sea World Inc. (San Diego, Calif.) Common Stock - 1,593,528 shs.	4-19-77
* Westok Holdings Ltd. (Canada) Harry Rubin (Canada) Alex J. Rubin (Canada), et al	Revenue Properties Co. Ltd. (Toronto, Ontario, Canada) Common Stock - 5,248,217 shs. (1,105,804 of above shares represent "Goldhar Interests".)	4-19-77
* Maxwell Goldhar, Voting Trustee for Rubin- Goldhar Interests (Canada)	Revenue Properties Co. Ltd. (Toronto, Ontario, Canada) Common Stock - 5,248,217 shs. (Mr. Goldhar has the right to vote above shares per Voting Trust Agreement.)	4-19-77
Lazard Freres & Co. Andre Meyer Michael David-Weill (France) Elaine David-Weill (France) et al	Financial Federation, Inc. (Los Angeles, Calif.) Capital Stock - 229,200 shs.	4-20-77
Ernest Woelm (West Germany) Hans Bultmann (West Germany)	Teleflex Inc. (North Wales, Pa.) Common Stock - 78,460 shs. (11.8%)	4-20-77
Xonics, Inc.	Hadron, Inc. (Santa Monica, Calif.) Common Stock - 6,014,238 shs. (83.8%) (Above shares were acquired from H. L. Federman.)	4-20-77
Donald I. Foster	Beaver Mesa Exploration Co. (Denver, Colo.) Common Stock - 358,000 shs. Common Stock - 50,000 shs. on exercise of an Option	4-20-77

ACQUISITION REPORTS CONT.

Phyllis Anima Thompson	Aspen Skiing Corp. (Aspen, Colo.) Common Stock - 58,020 shs. (In addition, 5,720 shares are held in trust for her children.)	4-20-77
Heidi Nitze	Aspen Skiing Corp. (Aspen, Colo.) Common Stock - 62,550 shs.	4-20-77
Peter P. Nitze	Aspen Skiing Corp. (Aspen, Colo.) Common Stock - 45,400 shs. (In addition, 12,444 shares are held for his wife and children.)	4-20-77
* Holding Corporation of America	Ideal National Insurance Co. (Salt Lake City, Utah) Common Stock - 71,801 shs. (14.5%) (This amendment corrects number of shares on previous report as filed 4-11-77.)	4-20-77
* Sprague Electric Co.	Mostek Corp. (Carrollton, Tex.) Common Stock - 1,592,130 shs. (39%)	4-20-77
* Milwaukee Avenue Associates Wisconsin Avenue Associates	Wisconsin Real Estate Investment Trust (Milwaukee, Wisc.) Shares of Beneficial Interests - 95,500	4-21-77
American General Capital Management, Inc.	Sysco Corp. (Houston, Tex.) Common Stock - 178,100 shs.	4-21-77
* Goliad Oil & Gas Co. Harry W. Bass, Jr.	Vail Associates, Inc. (Vail, Colo.) Common Stock - 580,127 shs.	4-21-77
* Tandy Brands Employees Investment Plan	Tandy Brands, Inc. (Fort Worth, Tex.) Common Stock - 80,288 shs. (10.8%)	4-21-77
* Consumers' Gas Co. (Canada)	Home Oil Co. Ltd., (Calgary, Alberta, Canada) Class A Non-Voting - 539,084 shs. Class B Voting - 276,788 shs.	4-21-77
* Morrie Kellman	Globe-Amerada Glass Co. (Elk Grove Village, Ill.) Common Stock - 418,420 shs. (Included above are shares owned by his wife and children.)	4-21-77
C. Ray Harmon, Individually and as Trustee John A. Haake Robert E. Rhodes Edward J. Szkaradek	Open Road Industries, Inc. (Redondo Beach, Calif.) Common Stock - 1,400,000 shs. (Included above are shares owned by Richard A. Harmon, son of C.R. Harmon and Shirley S. Haake, wife of John A. Haake.)	4-22-77
Marvin Small	Galaxy Oil Co. (Wichita Falls, Tex.) Common Stock - 296,000 shs.	4-22-77
Insurance Company of the State of Pennsylvania (Wholly-owned subsidiary of American International Group, Inc.)	Otter Tail Power Co. (Fergus Falls, Minn.) Preferred Stock - 45,000 shs. (Above shares were acquired pursuant to a Share Purchase Agreement.)	4-22-77
Estate of Morrill W. Noland	Nolex Corporation (Los Angeles, Calif.) Common Stock - 605,389 shs. (13.9%) (Included above are shares held by Dolores Noland, wife of decedent.)	4-22-77
* FSC Inc. of Wisconsin De Wayne B. Reinhart Donald P. Zietlow	Farmers Store Co., (Eau Claire, Wisc.) Common Stock - 234,485 shs.	4-22-77
* American Financial Corp.	Computer Automation, Inc. (Irvine, Calif.) Common Stock - 273,000 shs. (14.6%)	4-22-77
* Minneapolis Star & Tribune Co.	Harper & Row, Publishers, Inc. (New York City) Common Stock - 877,734 shs. (39%)	4-22-77

ACQUISITION REPORTS CONT.

* Hillhaven Inc. Merit Corp. (Memphis, Tenn.) 4-22-77
 Neal M. Elliott Common Stock - 549,775 shs. (38.4%)

* Amended Acquisition Report

The following have made offers to acquire stock of companies listed below pursuant to tender offers as reported to the Commission on Schedule 13D:

OFFER TO PURCHASE BY:	ISSUER & NUMBER OF SHARES TO BE PURCHASED	DATE FILED
Realco Equity Co., Inc. (Bahamas) (Wholly-owned subsidiary of Realco Holdings, Ltd, Inc. Realco Holdings, Ltd., Inc. (Bahamas)	Woodway Realty Corp., (New York City) Common Stock - 95,000 shs. for cash at \$4.00 (U.S.) net per share (Realco presently owns 86,274.162 shares of Common Stock.)	4-18-77
* Park Corporation	West Virginia Acceptance Co. (Charleston, W.V.) Common Stock - All outstanding shares for cash at \$4.25 net per share (The amended offer increased the price from \$3.25.)	4-18-77
* Heck's, Inc.	West Virginia Acceptance Co. (Charleston, W.V.) Common Stock - All outstanding shares for cash at \$4.50 net per share (The amended offer increased the price from \$3.75.)	4-18-77
* R. L. Jordan	Carolina Wholesale Florists, Inc. (Sanford, NC) Common Stock - All outstanding shares for cash at \$2.25 net per share (The amended offer increased the price from \$2.00 net per share.)	4-19-77

* Amended Tender Offer

NOTICE

Many requests for copies of documents referred to in the SEC News Digest have erroneously been directed to the Government Printing Office. Copies of such documents and of registration statements may be ordered from the Public Reference Section, Securities and Exchange Commission, Washington, D.C. 20549. The reproduction cost is 10¢ per page plus postage (7 days) (\$3.50 minimum); 20¢ per page plus postage for expedited service (4 days) (\$5.00 minimum) and 30¢ per page plus postage for priority service overnight (\$5.00 minimum). Cost estimates are given on request. All other reference material is available in the SEC Docket.

SEC NEWS DIGEST is published daily. Subscription rates: 64.45/yr in U.S. first class mail; \$80.60 elsewhere.
 SEC DOCKET is published weekly. Subscription rates: \$43.70/yr in U.S. first class mail, \$54.65 elsewhere. The News Digest and the Docket are for sale by the Superintendent of Documents, Government Printing Office, Washington, D.C. 20402.