

sec news digest

Issue 78-88

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May 5, 1978

MAY 8 1978

COMMISSION ANNOUNCEMENTS

U.S. SECURITIES AND
EXCHANGE COMMISSION

SMALL BUSINESS HEARINGS - SCHEDULE FOR MAY 8-11, 1978

The Commission has announced the list of witnesses scheduled to testify at the four days of its hearings in Chicago, Illinois, Room 1220, McKinley Dirkson Building, 219 S. Dearborn Street, concerning the effects of the Commission's rules and regulations on the ability of small businesses to raise capital.

Commissioner John R. Evans will open the hearings at 9:30 a.m., Tuesday, May 9. The hearings will continue at the same location for the balance of the week beginning at 9:30 a.m. Following is the list of witnesses:

Tuesday morning, May 9:

David S. Ruder, Professor
Dean, Northwestern University Law School

Donald Weiss
Associates in Venture Management, Inc.

David Shevits, Esq.
Pope, Ballard, Shepard & Fowle

Tuesday afternoon, May 9:

Jack Nordin, General Manager
Federal Business Development Bank of Canada

Lawrence A. Coles, Esq.
Coles & Wise

Hugh Makens, Esq.
Warner, Norcross & Judd

Thomas Garrett, Esq.
Lindquist & Vennum

Wednesday morning, May 10:

Sheidon Baitlin, Esq.
Shefsky, Baitlin & Froelich

Marshall Hungleman, Esq.
Whitfield, Musgrave, Selvy, Kelly & Eddy

Michael Bona
Greater Cleveland Growth Association

Wednesday afternoon, May 10:

Quinn Seamans, Esq.
Members of the Securities Law Committee
Chicago Bar Association

Peter Ptacek, Esq.
G. R. Neumann, Esq.
Nyemaster, Goode, McLaughlin, Emery & O'Brien

Jeffrey B. Bartell, Commissioner
Wisconsin Securities Commission

Thursday morning, May 11:

Richard Lent
Arthur Young & Co.

David C. Seidman
Allstate Insurance Co.

John Larson, Commissioner
Minnesota Securities Division

Willis Drako
Data Card Corporation

Thursday afternoon, May 11:

Richard J. Faletti, Esq.
Winston & Strawn

Edward Driscoll, Esq.
Larkin, Hoffman, Daly & Lindgren, Ltd.

Donald Brown, Esq.
Thoma, Schoenthal, Davis, Hockenberg & Wine

Friday morning, May 12:

Melville Bowen, Esq.
Moses, Gibbons, Abramson & Fox

Victor Elting, Vice President
The Chicago Corporation

Donald Messinger, Esq.
Thompson, Hine & Flory

Friday afternoon, May 12:

Thomas Roberts, Esq.
More, Peterson, Bauer, Williams & Stollenwerck

Jerome Jordan, Esq.
Vorys, Sater, Seymour & Pease

Peter Van Oosterhout
Clarion Capital Corporation

David Wunder, Commissioner
Illinois Division of Securities

TRADING SUSPENSIONS

TRADING SUSPENDED IN SEQUENTIAL INFORMATION SYSTEMS, INC.

The SEC announced the single ten-day suspension of exchange and over-the-counter trading in the securities of Sequential Information Systems, Inc., a Delaware corporation located in Elmsford, New York, for the period beginning on May 4 and terminating at midnight (EDT) on May 13, 1978.

The Commission initiated the suspension because of the company's failure to file with the Commission at least the following: certified financial statements required to be filed as part of its annual report on Form 10-K for the fiscal year ended July 31, 1977 and the quarterly reports on Form 10-Q for the fiscal quarters ended October 31, 1977 and January 31, 1978; and because of questions which have arisen regarding the sale by the company on December 8, 1977 of 15,000,000 newly issued shares of the company's common stock in a private transaction pursuant to an exemption from the registration requirement of the Securities Act of 1933, resulting in the lack of adequate and accurate public information about the company's operations and financial condition. (Rel. 34-14736)

COURT ENFORCEMENT ACTIONS

J. WAYNE HAWS INDICTED

The Denver Regional Office and the Salt Lake Branch Office announced that on April 19 a federal grand jury sitting in Salt Lake City, Utah, returned a five-count indictment against J. Wayne Haws charging criminal contempt violations of an order of permanent injunction issued by Judge Aldon J. Anderson of the U.S. District Court's Northern Division in Utah on June 26, 1973 against J. Wayne Haws and others.

Haws was the subject of a civil injunctive action filed by the Commission in 1973 alleging violations of the registration and antifraud provisions of the securities laws in the offer and sale of investment contracts and evidences of indebtedness in a purported silver trading operation. The indictment charged that Haws violated the terms of the injunction by continuing to sell investment contracts and evidences of indebtedness without registration and by making false and misleading promises and representations to investors in August and September of 1973. (U.S. v. J. Wayne Haws, USDC Utah, Criminal Action No. CR-78-00056). (LR-8394)

GARY L. OELSEN, OTHERS ENJOINED

The Denver Regional Office announced that on April 21 final judgments of permanent injunction were entered in the U.S. District Court for the District of New Mexico by Judge Howard Bratton, enjoining Gary L. Oelsen and Jack W. Kelly of Memphis, Tennessee, Dwayne R. Young of Clovis, New Mexico, John Henry Young of Portales, New Mexico and J. Troy Wolfe, Jr. of Chattanooga, Tennessee, in substance, from violating certain antifraud provisions of the Securities Exchange Act of 1934. The complaint alleged that the defendants had violated the provisions of the Act and certain rules adopted thereunder in two successive tender offers to purchase the common stock of United Savings and Loan Association, a New Mexico savings and loan institution. Each of the defendants consented to the entry of final judgments without admitting or denying the allegations in the Commission's complaint. (SEC v. Gary L. Oelsen, et al., U.S.D.C. of New Mexico, Civil Action No. 78-031-B). (LR-8396)

RONALD L. DIGIORNO SENTENCED

The Fort Worth Regional Office announced that on April 21 Ronald L. DiGiorno, Fort Worth, Texas, was sentenced to sixteen years on four counts of securities fraud relating to the offer and sale of securities in the form of joint venture or limited partnership interests in real estate. Federal Judge Eldon Mahon ordered DiGiorno to serve twelve consecutive years, and the four remaining years on probation. In addition, DiGiorno was ordered not to become involved in the securities business during the period of his probation. (U.S. v. Ronald L. DiGiorno, N/D Tex., CR4-7811). (LR-8397)

FREDERIC C. ENTERLINE CONVICTED, SENTENCED

The Washington Regional Office announced that on April 25 Frederic C. Enterline of Pittsburgh, Pennsylvania, entered a plea of guilty in the Pittsburgh Federal Court, before Judge William W. Knox, to a criminal information charging violation of the antifraud provisions of the Securities Exchange Act of 1934. The criminal information alleges that Enterline served as treasurer of a Pittsburgh broker-dealer firm and that he used this position to convert to his own use monies belonging to the firm and its customers. Judge Knox sentenced Enterline to two years imprisonment. (U.S. v. Frederic C. Enterline, U.S.D.C., W.D. Pa., Criminal No. 78-114). (LR-8399)

INVESTMENT COMPANY ACT RELEASES

INTEGON GROWTH FUND CORPORATION

A notice has been issued giving interested persons until May 30 to request a hearing on an application of Integon Growth Fund Corporation, an open-end, diversified management investment company, declaring that it has ceased to be an investment company. (Rel. IC-10231 - May 4)

HOLDING COMPANY ACT RELEASES

PENNSYLVANIA ELECTRIC COMPANY

A notice has been issued giving interested persons until May 30 to request a hearing on a proposal of Pennsylvania Electric Company, subsidiary of General Public Utilities Corporation, to issue and sell, at competitive bidding, up to \$60 million of first mortgage bonds. (Rel. 35-20529 - May 3)

ARKANSAS POWER & LIGHT COMPANY

An order has been issued releasing the jurisdiction reserved over a proposal filed by Arkansas Power & Light Company, Louisiana Power & Light Company, Mississippi Power & Light Company, and New Orleans Public Service Inc. (collectively referred to as Operating Companies), all subsidiaries of Middle South Utilities, Inc., System Fuels, Inc. (SFI), subsidiary of the Operating Companies and Middle South, regarding financing arrangements and other transactions related to the nuclear fuel procurement and services program. (Rel. 35-20530 - May 4)

An order has been issued authorizing Georgia Power Company, subsidiary of The Southern Company, to issue and sell at competitive bidding up to \$100 million of first mortgage bonds. (Rel. 35-20531 - May 4)

SELF-REGULATORY ORGANIZATIONS

APPROVAL OF PROPOSED RULE CHANGE

The Commission has approved proposed rule changes filed by the following stock exchanges: Municipal Securities Rulemaking Board (SR-MSRB-78-6) which amends the MSRB's interdealer uniform practice rule to extend the time period during which a purchaser may issue close-out notices. (Rel. 34-14726); and New York Stock Exchange, Inc. (SR-NYSE-77-36) which provides procedures relating to the prohibition or limitation with respect to services offered by the Exchange or member thereof. (Rel. 34-14727)

WITHDRAWAL OF PROPOSED RULE CHANGE

By letter dated April 28, the New York Stock Exchange, Inc. withdrew a proposed rule change (SR-NYSE-78-25) which had been filed on April 13 and which concerned the registration and regulation of odd-lot bond dealers on the NYSE. (Rel. 34-14729)

MISCELLANEOUS

THE ANACONDA COMPANY

A notice has been issued that a hearing on the application of The Anaconda Company for an exemption from the provisions of Sections 13 and 15(d) of the Securities Exchange Act of 1934 by virtue of Section 12(h) thereof will be held June 29, 1978 at 10:00 a.m. at the Commission's offices at 500 North Capitol Street, Room 776, Washington, D.C. (Rel. 34-14731)

REUTGERS-NEASE CHEMICAL COMPANY, INC.

An order has been issued granting the application of Ruetgers-Nease Chemical Company, Inc., a wholly-owned subsidiary of Rutgers Chemical Corp., a Delaware corporation, pursuant to Section 12(h) of the Securities Exchange Act of 1934, for an exemption from the reporting requirements of Section 15(d) of the Act. It appeared to the Commission that the granting of the requested exemption would not be inconsistent with the public interest or the protection of investors. (Rel. 34-14722)

SECURITIES ACT REGISTRATIONS

The following registration statements have been filed with the SEC pursuant to the Securities Act of 1933. The information noted below has been taken from the cover page and the facing sheet of the prospectus and registration statement and will appear as follows: Form; Name, address and phone number (if available) of the issuer of the security; Title and the number or face amount of the securities being offered; Name of the managing underwriter (if applicable); Whether the offering is a rights offering; and File number and date filed.

- (S-14) CAMPBELL SOUP COMPANY, Campbell Pl., Camden, N.J. 08101 (609) 964-4000 - 1,042,000 shares of capital stock. (File 2-61317 - Apr. 19)
- (S-8) MURPHY OIL CORPORATION, 200 Jefferson Ave., El Dorado, Ark. 71730 (501) 862-6411 - 150,000 shares of common stock. (File 2-61357 - Apr. 20)
- (S-8) ALLIED TELEPHONE COMPANY, Allied Telephone Bldg., Little Rock, Ark. 72203 - 160,000 shares of common stock. (File 2-61490 - May 1)
- (S-8) SEASON-ALL INDUSTRIES, INC., Wayne Ave., Indiana, Pa. 15701 (412) 349-4600 - 100,000 shares of common stock. (File 2-61513 - May 3)
- (S-8) INTER-REGIONAL FINANCIAL GROUP, INC., 100 Dain Tower, Minneapolis, Minn. 55402 - 500,000 shares of common stock. (File 2-61514 - May 3)
- (S-8) DIAMOND INTERNATIONAL CORPORATION, 733 Third Ave., New York, N.Y. 10017 - \$20 million of participations and 930,000 shares of common stock. (File 2-61521 - May 3)

- (S-8) IOWA PUBLIC SERVICE COMPANY, Orpheum Electric Bldg., Sioux City, Iowa 51102 - 79,353 shares of common stock and \$1,755,686 of participations. (File 2-61522 - May 3)
- (S-5) BASCOM HILL INVESTORS, INC., 6333 Odana Rd., Madison, Wis. 53719 - 400,000 shares of common stock. (File 2-61528 - May 1)
- (S-8) UNITED STATES FILTER CORPORATION, 522 Fifth Ave., New York, N.Y. 10036 - 450,000 shares of common stock. (File 2-61537 - May 3)
- (S-7) PUBLIC SERVICE COMPANY OF NEW MEXICO, 414 Silver Avenue, S.W., Albuquerque, New Mexico 87102 (505) 842-2700 - 1,600,000 shares of common stock. Underwriter: Kidder, Peabody & Co. Inc. The company is engaged in the generation, transmission, distribution and sale of electricity. (File 2-61538 - May 4)
- (S-16) BENEFICIAL CORPORATION, Beneficial Bldg., 1300 Market St., Wilmington, Del. 19899 (302) 658-5171 - \$150 million of debentures, due May 15, 2008. (File 2-61539 - May 4)
- (S-16) APPLIED DIGITAL DATA SYSTEMS INC., 100 Marcus Blvd., Hauppauge, N.Y. 11787 (516) 231-5400 - 50,000 shares of common stock. (File 2-61541 - May 4)
- (S-6) MUNICIPAL INVESTMENT TRUST FUND, EIGHTY-SIXTH MONTHLY PAYMENT SERIES, One Liberty Plaza, 165 Broadway, New York, N.Y. 10080 - 25,000 units of beneficial interest, Depositors: Merrill Lynch, Pierce, Fenner & Smith Inc., One Liberty Plaza, 165 Broadway, New York, N.Y. 10080, Bache Halsey Stuart Shields Inc. and Dean Witter Reynolds Inc. (File 2-61542 - May 4)

REGISTRATIONS EFFECTIVE

Apr. 14: First Investors Bond Fund, Inc., 2-59280.

Apr. 26: Brock Exploration Corp. 1978 Drilling Program, 2-60791 (90 days); Cummins Engine Co. Inc., 2-58696; Insured Municipals Income Trust, Series 22A, 2-61052.

Apr. 27: ACF Industries, Inc., 2-61224; Analysts International Corp., 2-60938; CFS Continental, Inc., 2-61127 & 2-61158; Carolina Telephone & Telegraph Co., 2-61151; Columbia General Corp., 2-60976; Cronus Industries, Inc., 2-61084.

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. 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.

RECENT 8K FILINGS

Form 8-K is used by companies to file current reports on the following events: ^{*/}

- Item 1. Changes in Control of Registrant.
- Item 2. Acquisition or Disposition of Assets.
- Item 3. Bankruptcy or Receivership.
- Item 4. Changes in Registrant's Certifying Accountant.
- Item 5. Other Materially Important Events.
- Item 6. Financial Statements and Exhibits.

The companies listed below have filed 8-K reports for the date indicated and/or amendments to 8-K reports previously filed, responding to the item(s) of the form specified. Copies of the reports may be purchased from the Commission's Public Reference Section (in ordering, please give the date of the report). An invoice will be included with the requested material when mailed.

COMPANY	ITEM NO.	DATE
ALABAMA BY PRODUCTS CORP	5	04/09/78
ALBUQUERQUE WESTERN SOLAR INDUSTRIES INC	2,6	04/01/78
ALLEGHENY LUDLUM INDUSTRIES INC	2,6	04/10/78
AMERICAN INCOME LIFE INSURANCE CO	5,6	03/31/78
ANCORP NATIONAL SERVICES INC	5	04/07/78
ANSUL CO	2	04/04/78
BENEFICIAL CORP	5	04/12/78
BOUFAS INC	5	03/01/78
COCA COLA BOTTLING CO OF LOS ANGELES	13	03/30/78 *
COMPUTER TRANSCIEVER SYSTEMS INC	4	03/01/78
CYPRUS MINES CORP	2,6	04/10/78

RECENT 8K FILINGS CONT.

DAYTON MALLEABLE INC	5	04/17/78
DIXICO INC	4,6	04/07/78
FIRST NATIONAL FINANCIAL CORP	5	02/21/78
FIRST VALLEY CORP	3,5	03/14/78
FOSTER WHEELER CORP	5,6	04/24/78
GULF STATES UTILITIES CO	5,6	03/01/78
HANKS SEAFOOD CO INC	1,2,3,4	04/11/78
HEALTH DELIVERY SYSTEMS INC	2	04/01/78
HY GAIN ELECTRONICS CORP	3,5	04/07/78
INTERNATIONAL VIDEO CORP	6	04/01/78
KENTUCKY CENTRAL LIFE INSURANCE CO	2,6	04/11/78
KIDDE WALTER & CO INC	2,6	04/12/78
LESLIE SALT CO	1,6	04/01/78
MID WEST STEEL FABRICATING CORP	5	04/18/78
MORRIS PLAN CO	5,6	04/19/78
OKLAHOMA MORRIS PLAN CO	5,6	04/19/78
OSMONICS INC	2,5	04/11/78
PAMEX FOODS INC	5	04/19/78
PATRICK PETROLEUM CO 1978 DRILLING PROGR	7	04/01/78
PENA DIXIE INDUSTRIES INC	2,6	04/11/78
PETPC LEWIS FUNDS INC	2,6	03/01/78
PHONE MATE INC	1	04/14/78
PIONEER FOOD INDUSTRIES INC	4,6	03/24/78
PRATT HENRY CO	1	04/12/78
SAVANNAH FOODS & INDUSTRIES INC	5	02/24/78
SERNCO INC	5	04/17/78
SIMON STORES INC	5,6	08/01/77
SOUTHERTON CORP	5,6	01/01/78
SOUTHWESTERN INVESTMENT CO	2	03/01/78
STEWART & STEVENSON SERVICES INC	2	03/23/78
TEJAS GAS CORP	5	04/06/78
TRANSCON BUILDERS INC	3,12	01/01/78 *
JDS INC	5,6	04/07/78
VEREX CORP	1,5	04/01/78
WARNER & SWASEY CO	5,6	04/19/78
WARNER COMMUNICATIONS INC	5,6	04/10/78
WINNS STORES INC	4,6	04/10/78
ALLIED TECHNOLOGY INC	2,6	04/14/78
AMERICAN EQUITY INVESTMENT TRUST	2,6	04/01/78
AMINEX RESOURCES CORP	1,3,5,6	03/09/78
AMSTED INDUSTRIES INC	2,5,6	04/12/78
CHARLOTTE MOTOR SPEEDWAY INC	4,6	04/11/78
FEDERAL CO	2,6	04/12/78
HOWARD BROTHERS DISCOUNT STORES INC	1,3	04/01/78
JOY MANUFACTURING CO	5	04/17/78
LAMB COMMUNICATION INC	1,2,5,6	04/20/78
LIL CHAMP FOOD STORES INC	5,6	04/01/78
MCCRORY CORP	5,6	04/14/78
RAPID AMERICAN CORP	5,6	04/14/78
REXHAM CORP	5,6	04/12/78
SIMPLEX DEVELOPMENT CORP	1,2,5,6	04/26/78
SUNAIR ELECTRONICS INC	5	04/01/78
WESTERN AUTO SUPPLY CO	5	04/12/78
WYOMING NATIONAL CORP	5	03/24/78
AUTOMATIC DRILLING MACHINES INC	5	03/21/78
BROOKS INTERNATIONAL INC	1,5	04/18/78
CALIFORNIA WHOLESAL ELECTRIC CO	4,6	01/28/78
CARLYLE REAL ESTATE LTD PARTNERSHIP VII	2,6	04/07/78
ELECTRO SOUND GROUP INC	5,6	04/18/78
FLYING DIAMOND OIL CORP	1,2,4,6	04/14/78
GLOBE BROADCASTING CO	2,6	04/13/78
HAMBRO CANADA LTD	5,6	04/01/78
HICO CORP OF AMERICA	14	03/01/78 *
INDIANA FLORIDA REALTY TRUST	2	01/01/78
MERRILL LYNCH & CO INC	2,6	04/14/78
MICROTRON INDUSTRIES INC	1,5,6	04/18/78
NATIONAL TELEFILM ASSOCIATES INC	5	01/27/78
PROFESSIONAL CARE SERVICES INC	4,6	04/05/78
VALLEY METALLURGICAL PROCESSING CO INC	2,6	04/07/78

RECENT 8K FILINGS CONT.

AMENDMENTS TO REPORTS ON FORM 8-K		
ANGELICA CORP	5	03/29/78
CARDIFF INDUSTRIES INC	12	05/09/77 *
CROWN INDUSTRIES INC	6	10/03/77
JMB INCCME PROPERTIES LTD SECOND	3,5	12/01/76
PENTRON INDUSTRIES INC	6	12/29/77
SB PARTNERS	6	12/30/77
SB PARTNERS	6	12/20/77
UNITRODE CORP	2,6	03/03/78
ACTON CCFP	2	09/24/77
PLASTILINE INC	6	02/01/78
CONSOLIDATED FOODS CORP	2	01/10/78
MICRODATA CORP	6	12/12/77
SB PARTNERS	6	03/29/78

/ The Form 8-K was amended (Rel. 34-13156, January 13, 1977) effective for all events which occur subsequent to February 28, 1977. Those companies above which are noted with an asterisk () have filed pursuant to the old Form 8-K; the captions of the item numbers under which such reports are filed are as follows:

- | | |
|--|--|
| <i>Item 1. Changes in Control of Registrant</i> | <i>Item 9. Options to Purchase Securities</i> |
| <i>Item 2. Acquisition or Disposition of Assets</i> | <i>Item 10. Extraordinary items, other material charges and credits and capital restatements</i> |
| <i>Item 3. Legal Proceedings</i> | <i>Item 11. Submission of Matters to a Vote of Security Holders</i> |
| <i>Item 4. Changes in Securities</i> | <i>Item 12. Changes in Registrant's Certifying Accountant</i> |
| <i>Item 5. Changes in Security for Registered Securities</i> | <i>Item 13. Other Materially Important Events</i> |
| <i>Item 6. Defaults upon Senior Securities</i> | <i>Item 14. Financial Statements and Exhibits</i> |
| <i>Item 7. Increase in Amount of Securities Outstanding</i> | |
| <i>Item 8. Decrease in Amount of Securities Outstanding</i> | |

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 10c per page plus postage (7 days) (\$3.50 minimum); 20c per page plus postage for expedited service (4 days) (\$5.00 minimum) and 30c 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.

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