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U.S. SECURITIES AND EXCHANGE COMMISSION

Issue 79-165

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RULES AND RELATED MATTERS

RELATIONSHIP BETWEEN COMMISSION AND ITS STAFF AND MEMBERS OF OTHER GOVERNMENTAL AGENCIES

The Commission is amending its regulations to provide notice that settlement of a Commission enforcement action does not extend to pending or possible criminal prosecutions; to clarify the Commission's practices with respect to referrals and grants of access to its files and the initiation of administrative proceedings and other enforcement activities in individual cases; to provide expressly that Commission officials may discuss non-public investigations with officials of other governmental agencies and self-regulatory organizations; and to delegate to the Director of the Division of Enforcement, with the concurrence of the General Counsel in matters in which the Commission has entered a formal order of investigation, authority to grant requests by domestic and foreign governmental authorities and self-regulatory organizations for access to the Commission's investigative files. These regulations will become effective upon publication in the Federal Register. (Rel. 33-6111)

FOR FURTHER INFORMATION CONTACT: James R. Farrand at (202) 755-1144

CIVIL PROCEEDINGS

ISIS INDUSTRIES, INC. AND FUTURISTIC FOODS, INC. ENJOINED

The New York Regional Office announced that on July 23 the Honorable William C. Conner, U.S. District Judge for the Southern District of New York signed final orders and judgments concluding civil actions against Futuristic Foods, Inc. (FFI) and certain related companies [SEC v. Futuristic Foods, Inc., et al., 74 Civ. 3665]. FFI and its principal officers are now awaiting sentence in the related criminal contempt action wherein FFI, its subsidiary, Future Mart, Inc. and four of the companies' officers, Arthur Shevack, Dennis Shevack, Peter Cancilla and Richard Mulligan pled guilty and agreed to settle the related civil actions. [U.S. ex rel., SEC v. Futuristic Foods, Inc., et al., 79 Cr. Misc. #1 (page 7)].

Dennis J. Block, Esq., of Weil, Gotshal & Manges, New York, New York, has been appointed as Receiver of FFI and certain of its subsidiaries, namely: Future Mart, Mind Trek, Inc., Juval Properties, Inc. and Success Advertising, Inc. In addition, a separate civil injunctive action was brought against the subsidiary, Isis Industries, Inc. A Final Consent Judgment of Permanent Injunction was entered on July 23 enjoining that corporation from violating the registration and antifraud provisions of the securities laws. Dennis Block, Esq. was also appointed as the Special Fiscal Agent to monitor the business activities of Isis and report back to the Court on the corporation's compliance with the injunction.

Sentencing of the defendants for criminal contempt is scheduled for September 6, 9:30 a.m. (SEC v. Isis Industries, Inc., 79 Civ. 3667 [WCC]). (LR-8844)

LEO E. DWORK ENJOINED

The Commission announced that on August 23 the U.S. District Court for the District of Columbia entered a Final Judgment of Permanent Injunction restraining and enjoining Leo E. Dwork of Los Altos Hills, California, from violations of Sections 10(b), 16(a) and 16(c) of the Securities Exchange Act of 1934 and Rules 10b-5 and 16a-1 promulgated thereunder and ordered him to disgorge the sum of \$31,579.72 to the sellers of Advanced Micro Devices, Inc. (AMD) common stock from whom he purchased stock and to the purchasers of AMD common stock to whom he sold stock short. Dwork consented to the entry of the Final Judgment without admitting or denying the allegations of the complaint, which was also filed that same day.

The complaint alleged Dwork violated the antifraud provisions of the Exchange Act by purchasing AMD common stock on September 23, 1977 while in possession of material non-public information concerning a proposed joint venture and stock purchase agreement between AMD and Siemens, A.G., which he helped negotiate, and also by his short sale of AMD common stock on October 12, 1977 while in possession of material non-public information concerning the quarterly earnings of AMD without disclosing such information.

The complaint also alleged that Dwork was an officer of AMD for the purposes of Section 16 of the Exchange Act by virtue of his participation in high level management councils at AMD, his negotiation of various agreements for AMD and his internal management duties for AMD. The complaint alleged Dwork failed to file beneficial ownership reports required of officers by Section 16(a) and Rule 16a-1 of the Exchange Act and also violated Section 16(c) of the Exchange Act by selling AMD's stock short on four occasions while he was an officer of AMD. (SEC v. Leo E. Dwork, U.S.D.C. D.C., Civil Action No. 79-2215). (LR-8849)

COMPLAINT NAMES INDUSTRIAL ELECTRONIC HARDWARE CORPORATION

The Commission announced that on August 23 it filed a civil injunctive action in the U.S. District Court for the District of Columbia against Industrial Electronic Hardware Corporation (IEHC), alleging violations of the reporting provisions of the securities laws. The Commission's complaint alleged that IEHC has failed to file its Annual Report on Form 10-K for its fiscal year ended March 31, required to have been filed with the Commission by June 29, and its Quarterly Report on Form 10-Q for its fiscal quarter ended June 30, required to have been filed by August 14. Further, the complaint charged that IEHC, as part of a course of conduct extending over several years, has failed timely to file certain of its annual and quarterly reports required to have been filed with the Commission. (SEC v. Industrial Electronic Hardware Corporation, U.S.D.C., D.C., Civil Action No. 79-2217). (LR-8850)

GERTRUDE L. FIKE ENJOINED FOR INSIDER TRADING VIOLATIONS

The Commission announced on August 23 the filing of a complaint in the U.S. District Court for the Southern District of New York against Gertrude L. Fike of Brighton, Colorado, alleging violations of the antifraud provisions of the Securities Exchange Act of 1934. Simultaneously with the filing of the complaint, the court entered a Final Judgment of Permanent Injunction against Mrs. Fike which, among other things, enjoins her from further violations of the antifraud provisions of the Exchange Act and orders her to comply with an undertaking providing for a disgorgement of profits from her purchases and sales of Hardee's Food Systems, Inc. common stock in March and April of 1978. Mrs. Fike consented to the entry of the Final Judgment without admitting or denying the allegations in the Commission's complaint.

The Commission's complaint alleges that on March 9, 1978, Mrs. Fike purchased 10,000 shares of Hardees common stock while in the possession of material, non-public information concerning a proposal by Pet, Inc., to acquire all of the common stock of Hardees, without disclosing such information to those with whom she was dealing.

In addition to the injunctive relief, the Final Judgment orders Mrs. Fike to comply with her undertaking, given in connection with the settlement of the action, providing for the disgorgement of \$46,056.60, her profits from her purchases and sales of Hardee's common stock, to the persons from whom she purchased the stock on March 9, 1978. (SEC v. Gertrude L. Fike, U.S.D.C. S.D.N.Y., Civil Action No. 79-4434). (LR-8851)

HOLDING COMPANY ACT RELEASES

AMERICAN ELECTRIC POWER COMPANY, INC.

An order has been issued setting a briefing schedule on the remaining matters in the proceeding involving the proposed acquisition by American Electric Power Company, Inc., a registered holding company, of the common stock of Columbus and Southern Ohio Electric Company. (Rel. 35-21192 - Aug. 22)

CONSOLIDATED NATURAL GAS COMPANY

A supplemental order has been issued authorizing Consolidated Natural Gas Company, a registered holding company, \$75 million of long-term bank financing, and releasing jurisdiction previously reserved in this proceeding over certain intrasystem financing. (Rel. 35-21198 - Aug. 23)

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-1) DRUM FINANCIAL CORPORATION, 105 South 17th St., Omaha, Neb. 68102 - \$25 million of senior subordinated debentures, due September 15, 1999. Underwriters: Drexel Burgham Lambert Inc. and The Robinson-Humphrey Company, Inc. The company is engaged in the sale, underwriting and servicing primarily of property and casualty insurance. (File 2-65299 - Aug. 22)
- (S-14) ANACOMP, INC., 6161 Hillside Ave., Indianapolis, Ind. 46220 (317) 257-6555 - 659,842 shares of common stock. (File 2-65306 - Aug. 23)
- (S-16) AMFAC, INC., P.O. Box 3230, Honolulu, Hawaii 96801 (808) 945-8111 - 66,325 shares of common stock. (File 2-65307 - Aug. 23)
- (S-1) FEDERAL DISCOUNT CORPORATION, 224 18th St., Rock Island, Ill. 61201 (309) 794-0068 - \$1,143,000 of senior subordinated notes. The company is engaged in the consumer finance business. (File 2-65308 - Aug. 23)
- (S-6) EMPIRE STATE MUNICIPAL EXEMPT TRUST, SERIES 15, 522 Fifth Ave., New York, N.Y. 10036 - 23,000 units. Depositors: Glickenhau & Co., 522 Fifth Ave., New York, N.Y. 10036, Moseley, Hallgarten, Estabrook & Weeden Inc. and Lebenthal & Co., Inc. (File 2-65310 - Aug. 23)
- (S-14) THE TIMES MIRROR COMPANY, Times Mirror Sq., Los Angeles, Cal. 90053 (213) 972-3700 - \$18,240,400 of 9% installment notes. (File 2-65311 - Aug. 23)
- (S-1) HOSPITAL CORPORATION OF AMERICA, One Park Plaza, Nashville, Tenn. 37203 - 109,500 shares of common stock. The company is engaged in the operation of hospitals. (File 2-65312 - Aug. 23)
- (S-1) EMPIRE OF CAROLINA, INC., 41 Madison Ave., New York, N.Y. 10010 - 1,091,000 shares of common stock. Underwriter: Bache Halsey Stuart Shields Inc. The company is engaged in the design, manufacturing and marketing of children's plastic toys. (File 2-65313 - Aug. 23)
- (S-6) THE CORPORATE INCOME FUND, THIRTY-SECOND SHORT TERM SERIES, One Liberty Plaza, 165 Broadway, New York, N.Y. 10080 - an indefinite number of 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 2-65314 - Aug. 23)

REGISTRATIONS EFFECTIVE

Aug. 10: Belden & Blake and Company Limited Parntership No. 72, 2-64970; Citicorp, 2-64862; Science Management Corp., 2-64788.
Aug. 13: First Bancorp, Inc., 2-64830; Paine Webber Inc., 2-64984; Sykes Data-tronics, Inc., 2-64626; Tymshare, Inc., 2-64752; Western Digital Corp., 2-64919.
Aug. 14: ACF Industries, Inc., 2-65073; Allegheny Power System, Inc., 2-65083; Covington Brothers Technologies, 2-64627; Nuveen Tax-Exempt Bond Fund, Multi-State Series 5, 2-64573; RMI Covered Hopper Railcar Management Program 79-1, 2-64413; Trans World Corp., 2-64794; Witco Chemical Corp., 2-65144.

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