

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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COMMISSION ANNOUNCEMENTS

SEC ORDER CITES J. B. JOHNSTON ASSOCIATES. The SEC has ordered administrative proceedings under the Securities Exchange Act of 1934 naming J. B. Johnston Associates and James B. Johnston, Jr. based upon violations of the net capital, anti-fraud and hypothecation provisions of the Federal securities laws and Regulation T of the Board of Governors of the Federal Reserve System. The Commission's order alleges that the Respondents executed securities transactions while Johnston Associates did not meet net capital requirements; converted customer securities to its own use; failed to promptly deliver securities and the proceeds from sales of securities to customers; failed to promptly execute purchase and sale orders of customers; made false and misleading statements to customers; charged commissions on principal transactions; commingled customer securities with non-customer securities as a part of a pledge for a loan to Johnson Associates; hypothecated customer securities for a sum in excess of the aggregate indebtedness of all customers; and made loans to customers in violation of Regulation T.

A hearing will be scheduled by further order to take evidence on the staff allegations and afford the respondents an opportunity to offer any defenses thereto, for the purpose of determining whether the allegations are true, and if so, whether any action of a remedial nature should be ordered by the Commission.

SEC ORDER CITES FRED SNYDER INVESTMENT CO. The SEC has ordered administrative proceedings under the Securities Exchange Act of 1934 involving the broker-dealer firm of Fred J. Snyder, doing business as Fred Snyder Investment Co. of Phoenix, Ariz. The proceedings are based on allegations of the Commission's staff that from on or about November 29, 1970 to date, registrant, while not a member of a securities association registered with the Commission, did not, within the time prescribed, nor thereafter, file Form SECO-5 and pay to the Commission the fees prescribed by the form. In addition registrant failed to file with the Commission a report of financial condition for the years 1968, 1969 and 1970, as required.

A hearing will be scheduled by further order to take testimony on staff allegations and to afford the respondent an opportunity to offer any defenses thereto, for the purpose of determining whether the allegations are true, and if so, whether any action of a remedial nature should be ordered by the Commission.

SECURITIES ACT REGISTRATIONS

FORESTVILLE KEYSTONE WOODS ASSOCIATES PROPOSES OFFERING. Forestville Keystone Woods Associates (the "Partnership"), 60 E. 42nd St., New York 10017, filed a registration statement with the SEC on May 13 seeking registration of \$4 million of participations in general partnership interests of Lawrence A. Wien and Peter L. Malkin (the general partners) in the partnership, to be offered for public sale at \$10,000 per unit.

The offering is to be made by LAW Capital, Inc. and WL&M Capital, Inc., which acquired the participations in December 1970 for \$4 million, used by the Partnership as capital and to meet the cost of acquiring property and to defray costs of this offering. The Partnership owns the fee title to a garden apartment development located in Forestville, Md., which property is leased to Keystone Woods Apartments Company, a partnership in which the general partners have an interest. The general partners also have substantial interests in LAW Capital and WL&M Capital. (File 2-40392)

AIRWAYS ENTERPRISES TO SELL STOCK. Airways Enterprises, Inc., 575 Madison Ave., New York 10022, filed a registration statement with the SEC on May 13 seeking registration of 200,000 shares of common stock, to be offered for public sale at \$5 per share. The offering is to be made by Saxon Securities Corp., 52 Broadway, New York.

Organized in December 1968, the company is a short haul air taxi carrier engaged in both passenger and cargo operations in Puerto Rico and certain surrounding islands. Of the net proceeds of its stock sale, \$280,000 will be used as down payments on lease/purchases of thirteen aircraft. In addition to indebtedness, the company has outstanding 800,000 common shares (with a 13¢ per share net tangible book value), of which Gabriel T. Podlofsky, president, owns 37%. Purchasers of the shares being registered will sustain an immediate dilution of \$4.03 in per share book value from the offering price. (File 2-40394)

GENERAL RESEARCH CORP. FILES FOR OFFERING AND SECONDARY. General Research Corporation, 5383 Hollister Ave., Santa Barbara, Calif. 93105, filed a registration statement with the SEC on May 13 seeking registration of 300,000 shares of common stock, of which 53,300 are to be offered for public sale by the company and 246,700 (being outstanding shares) by the holders thereof. The offering is to be made (**at \$12 1/16 per share maximum) through underwriters headed by C. E. Unterberg, Towbin Co., 61 Broadway, New York 10006, and Mitchum, Jones & Templeton Inc., 510 S. Spring St., Los Angeles, Calif. 90013.

The company is engaged primarily in the study of complex problems relating to the national security of the United States, virology and civil services. Net proceeds of its stock sale will be used to retire short-term bank loans (\$1,050,000 at March 31) incurred to finance the performance of contracts prior to payment

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for the services performed. In addition to indebtedness, the company has outstanding 970,217 common shares, of which Boston Capital Corporation owns 20.8%, and management officials as a group 18.6%. Ben Alexander is board chairman and Thomas C. Bazemore is president. Boston Capital Corp. proposes to sell all of 205,200 shares held and 19 others the remaining shares being registered. (File 2-40395)

BANKS OF IOWA PROPOSES EXCHANGE OFFER. Banks of Iowa, Inc., 222 Second Ave., S.E., Cedar Rapids, Iowa 52401, filed a registration statement with the SEC on May 13 seeking registration of 407,500 shares of common stock. It is proposed to exchange these shares for all the 12,500 outstanding common shares of Valley Bank and Trust Company, Des Moines, and for all the 6,500 outstanding common shares of Union Bank and Trust Company Ottumwa, Iowa, at the rate of 17 shares for each Valley Bank share and 30 shares for each Union Bank share.

The company owns all the outstanding common stock of The Merchants National Bank of Cedar Rapids. The company has outstanding 865,000 common shares, of which management officials as a group own 16%. Howard Hall is board chairman and John T. Hamilton II is president. (File 2-40396)

WHITE SHIELD SHARES IN REGISTRATION. White Shield Corporation, 595 Madison Ave., New York 10022, filed a registration statement with the SEC on May 13 seeking registration of 850,000 shares of common stock. Such shares are issuable upon conversion of \$5 million of subordinated convertible debentures and \$1 million of notes of the company's subsidiary, White Shield Leasing Corporation. They may be offered for sale from time to time by the holders thereof at prices current at the time of sale (**\$13.375 per share maximum). (File 2-40397)

In a separate registration statement, the company seeks registration of 391,642 outstanding shares of common stock. These shares may be offered for sale from time to time by the holders thereof at prices current at the time of sale. The company has outstanding 4,735,216 common shares. Donald T. Beldock, president, may sell 50,000 of 303,100 shares held and twenty-six others the remaining shares being registered. (File 2-40398)

SUPERSCOPE FILES FOR OFFERING AND SECONDARY. Superscope, Inc., 8150 Vineland Ave., Sun Valley, Calif. 91352, filed a registration statement with the SEC on May 14 seeking registration of 500,000 shares of common stock, of which 200,000 are to be offered for public sale by the company and 300,000 (being outstanding shares) by the holders thereof. The offering is to be made (**at \$26.875 per share maximum) through underwriters headed by Reynolds & Co., 120 Broadway, New York 10005.

The company is engaged principally in the wholesale distribution of Sony consumer-type stereophonic and monaural audio tape recorders and, through a subsidiary, designs and sell high fidelity equipment. Net proceeds of its stock sale will be applied toward the payment of a like amount of outstanding short-term bank debt incurred for financing purchases of inventory. The company has outstanding 2,303,513 common shares, of which Joseph S. Tushinsky, president, and Irving P. Tushinsky, executive vice president, own 19% each. They propose to sell 125,000 shares each and two other Tushinskys the remaining shares being registered. (File 2-40400)

***NORTHERN NATURAL GAS TO SELL DEBENTURES.** Northern Natural Gas Company, 2223 Dodge St., Omaha, Neb. 68102, filed a registration statement with the SEC on May 14 seeking registration of \$60 million of sinking fund debentures, due 1991, to be offered for public sale through underwriters headed by Blyth & Co., Inc., 14 Wall St., New York 10005. Net proceeds of the company's debenture sale will be used to repay some \$54 million of short-term borrowings incurred in connection with its 1971 capital expenditures program and the balance for other corporate purposes. (File 2-40401)

***AMERADA HESS SHARES IN REGISTRATION.** Amerada Hess Corporation, 51 W. 51st St., New York 10019, filed a registration statement with the SEC on May 14 seeking registration of 319,770 outstanding shares of common stock. These shares may be offered for sale from time to time by the holders thereof at prices current at the time of sale (**\$66.125 per share maximum). Leon Hess and Robert M. Hearin, directors, may sell 250,000 and 60,000 shares, respectively, and one other the remaining shares being registered. (File 2-40403)

OPTICAL MEMORY SYSTEMS TO SELL STOCK. Optical Memory Systems, 15200 S. Lyon St., Santa Ana, Calif. 92705, filed a registration statement with the SEC on May 14 seeking registration of 150,000 shares of common stock, to be offered for public sale at \$5 per share. No underwriting is involved; NASD members may participate.

Organized in June 1969, the company is engaged in research, development, production and marketing of optical Read-Only Memory devices. Of the net proceeds of its stock sale, \$100,000 will be used for research and development and the balance for working capital and other corporate purposes. The company has outstanding 667,699 common shares (with a 20¢ per share net tangible book value deficit), of which Robert L. Burr, president, owns 12.8% and management officials as a group 49.7%. Purchasers of the shares being registered will sustain an immediate dilution of \$4.33 in per share book value from the offering price. (File 2-40404)

***FABRI-CENTERS FILES FOR OFFERING AND SECONDARY.** Fabri-Centers of America, Inc., 23550 Commerce Park Rd. Beachwood, Ohio 44122, filed a registration statement with the SEC on May 14 seeking registration of 275,000 shares of common stock, of which 125,000 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 \$30 per share maximum) through underwriters headed by McDonald & Co., 2100 Central National Bank Bldg., Cleveland, Ohio 44114.

The company is primarily engaged in selling fabrics, notions, draperies and drapery hardware. Of the net proceeds of its stock sale, some \$2.5 million will be used to retire short-term indebtedness incurred to purchase furniture, fixtures, equipment and inventory and the balance will be used for working capital and other corporate purposes. (File 2-40410)

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BLACK INDUSTRIES FILES FOR OFFERING AND SECONDARY. Black Industries, Inc., 2816 Roxboro Rd., Durham, N.C. 27704, filed a registration statement with the SEC on May 10 seeking registration of 186,941 shares of common stock, of which 50,000 are to be offered for public sale by the company and 136,941 (being outstanding shares) by the holders thereof. The offering is to be made (** at \$8 per share maximum) through underwriters headed by First Securities Corporation of North Carolina, Central Carolina Bank Bldg., Durham, N. C. 27702.

The company is primarily engaged in the installation of telephone lines. Net proceeds of its stock sale will be used for working capital and other corporate purposes. The company has outstanding 1,072,018 common shares, of which Craig M. Black, board chairman and president, owns 67.44% and William L. Kirksey, vice president, 23.92%. Black proposes to sell 93,395 shares, Kirksey 43,546 and five others the remaining shares being registered. (File 2-40353)

EQUITY PROPERTIES LTD. PROPOSES OFFERING. Equity Properties Limited 1971 (the "Partnership"), 1900 Avenue of the Stars, Los Angeles, Calif. 90067, filed a registration statement with the SEC on May 14 seeking registration of \$6 million of limited partnership units, to be offered for public sale in \$1,000 units (with a minimum purchase of two units required). The offering is to be made by Equity Funding Securities Corporation and selected NASD members. The Partnership was recently organized to acquire approximately 17.2 acres of land and to develop and construct thereon six garden apartment projects in California and Arizona. EFC Property Management, Inc., a subsidiary of Equity Funding Corporation of America, is the general partner. Herbert Glaser is president of the general partner. (File 2-40416)

ORATRONICS PROPOSES OFFERING. Oratronics, Inc., 405 Lexington Ave., New York, N. Y. 10017, filed a registration statement with the SEC on May 14 seeking registration of 150,000 shares of common stock and warrants to purchase 150,000 common shares, to be offered for public sale in units, each consisting of one share and one warrant, and at \$5 per unit. The offering is to be made through underwriters headed by L. C. Wegard & Co., Inc., U. S. Highway 130 & Levitt Parkway, Willingboro, N. J. 08046.

The company was organized in February primarily to engage in the development, design and sale of certain components relating to the implantation by a dentist into a patient's jawbone of prosthetic components designed to function as a replacement for the roots of natural teeth. Of the net proceeds of its stock sale, \$100,000 will be used for hiring, training and implementing a national sales force and the balance for working capital and other corporate purposes. In addition to indebtedness, the company has outstanding 335,000 common shares (with a 22¢ per share net tangible book value), of which Dr. Leonard I. Linkow, board chairman, and Dr. Charles M. Weiss, president, own 22% each and management officials as a group 70%. Purchasers of the shares being registered will sustain an immediate dilution of \$3.61 in per share book value from the offering price. (File 2-40418)

ANGLAIS BREEDING HERDS PROPOSES OFFERING. Anglais Breeding Herds, Ltd. (the "Partnership"), c/o Ohio Cattle Associates, Inc. (the general partner), 415 Oakes Rd., Clayton, Ohio 45315, filed a registration statement with the SEC on May 14 seeking registration of \$1,750,000 of limited partnership interests, to be offered for public sale in \$25,000 units. The offering is to be made by employees of W. D. Gradison & Company, Dixie Terminal Bldg., Cincinnati, Ohio 45202 or selected NASD members. The Partnership was organized in April for the purpose of acquiring, raising, maintaining, breeding and selling registered Black Angus and registered and/or recorded Charolais breeding cattle. Schearbrook Land and Livestock, Inc., will be responsible for the breeding and maintenance of the cattle herd. Allan Rinzler is president of the general partner. (File 2-40420)

***GENSTAR TO SELL DEBENTURES.** Genstar Limited, One Place Ville Marie, Montreal 113, Canada, filed a registration statement with the SEC on May 14 seeking registration of \$25 million of convertible subordinated debentures, due 1996, to be offered for public sale through underwriters headed by White, Weld & Co., 20 Broad St., and Kuhn, Loeb & Co., 40 Wall St., both of New York 10005.

A Canadian corporation, the company is engaged principally in the manufacture and distribution of building materials, construction, housing, and in the production of portland cement. Net proceeds of its debenture sale will be used to reduce its short-term bank loans and notes payable (aggregating \$53,167,000 at March 31), proceeds of which were used, together with internally generated funds, for general corporate purposes. (File 2-40421)

***AMPAL-AMERICAN ISRAEL CORP. TO SELL DEBENTURES.** Ampal-American Israel Corporation, 30 East 42d St., New York, N. Y. 10017, filed a registration statement with the SEC on May 14 seeking registration of \$3 million of 7% sinking fund debentures, Series Q, due 1981, to be offered for public sale by Israel Securities Corporation, a wholly-owned subsidiary of Bank Hapoalim B.C., a parent of Ampal-American, 30 East 42nd St., New York, N. Y. 10017.

The company is engaged in developing trade between the United States and Israel and in making funds available for the development and expansion of various enterprises in Israel. Net proceeds will be used for general corporate purposes; a portion of such proceeds may be used to meet the current sinking fund requirements of the presently outstanding issues of debentures, as well as for the repurchase of such debentures for future redemption. (File 2-40422)

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

Brown Shoe Company, Inc., St. Louis, Mo. (File 2-40399) - 810,719 shares
 Executone, Inc., Long Island City, N. Y. (File 2-40402) - 144,915 shares
 Royal Industries, Inc., Pasadena, Calif. (File 2-40405) - 20,000 shares
 The Carborundum Company, Niagara Falls, N. Y. (File 2-40406) - 251,213 shares
 Allis-Chalmers Manufacturing Company, West Allis, Wis. (File 2-40407) - 625,000 shares
 West Chemical Products, Inc., Long Island City, N. Y. (File 2-40408) - 76,799 shares

RECENT FORM 8-K FILINGS. The companies listed below have filed Form 8-K reports for the month indicated and responding to the item of the Form specified in parentheses. Photocopies thereof may be purchased from the Commission's Public Reference Section (in ordering, please give month and year of report). Invoice will be included with the requested material when mailed. An index of the captions of the several items of the form was included in the May 10 News Digest.

8K Reports for Feb 1971

Hershey Foods Corp (8,12)	1-183-2	Generics Corporation of America (7)	2-28431-2
Mack Trucks, Inc (3)	1-5526-2	Gladding Corp (11)	1-5563-2
International Multifoods Corp (7)	0-4443-2	Hewlett-Packard Co (11,13)	1-4423-2
Mutual Enterprises Inc (9)	0-4328-2	Joslyn Mfg. & Supply Co (12)	0-1252-2
ITT Thorp Corp (7,12,13)	2-33654-2	Levingston Shipbuilding Co (7,8)	0-2891-2
International Controls Corp (11,13)	1-5599-2	Hygrade Food Products Corp (8,11)	1-318-2
Gifford-Hill & Company Inc (12,13)	0-4213-2	Leadville Corporation (3,12)	0-1519-2
Marion Corp (12)	0-1417-2	Mississippi Power Co (3,12)	0-393-2
Garland Corp (1,12)	1-4910-2	Harvey Aluminum Inc (13)	1-4507-2
Harrell International Inc (11)	0-2661-2	Northern California Developers, Inc (1,2,13)	0-2884-2
Heritage Rembrandt Corp (12)	0-4199-2	Infrared Industries, Inc (2,7,13)	0-1648-2
Laclede Steel Co (7,8,12,13)	0-3855-2	Kaiser Cement & Gypsum Corp (7)	1-4598-2
Lindberg Corporation Dec 70 (4,13)	0-2476-2	Mission Equities Corp (4,7,13)	0-871-2
James, Fred S. Co., Inc (7)	0-4446-2	Northwest Industries, Inc (10,13)	1-5509-2
Natural Gas Pipeline Co of America (12)	1-6599-1	Gulf States Land & Industries Inc (11,13)	1-621-2
North Shore Gas Company (12)	2-35965-2	Hammermill Paper Co (7)	1-3100-2
Marine Resources, Inc (3,9,11,12)	0-4296-2	Instrument Systems Corp (2,7,8,12,13)	1-6620-2
International Textbook Co (7,9,13)	0-800-2	Leeds Shoes Inc (7,8)	0-2216-2
National Chemical Corporation (3,9,12,13)	1-6632-2	Materials Research Corporation (12)	1-6427-2
		Madison Square Garden Corp (1,2,3,4,7,9,11,13)	1-1144-2
		H. Miller and Sons, Inc (1)	2-34504-2

SECURITIES ACT REGISTRATIONS. Effective May 18: Ametek, Inc., 2-40028; The Brooklyn Union Gas Co., 2-40215; Caterpillar Tractor Co., 2-40391; Cooper Tire & Rubber Co., 2-40373; Equipment Co. of America, 2-39718 (90 days); General American Transportation Corp., 2-40174; Ideal Toy Corp., 2-40033; Inland Container Corp., 2-39932; Lincoln National Co., 2-39719 (90 days); Marine Midland Banks, Inc., 2-40105; Mathematica, Inc., 2-39842 (90 days); Mercantile Bankshares Corp., 2-39545; New America Industries, Inc., 2-39231 (90 days); Ranger Oil (Canada) Ltd., 2-38677 (90 days); Don Reid Productions, Inc., 2-38375 (90 days); Southwestern Public Service Co., 2-40266; Terminal Equipment Corp., 2-39500; Trans Union Corp., 2-40287.

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.

* This is a reporting company and further information with respect to its business and operations is available in the Commission's Public Reference files.

** As estimated for purposes of computing the registration fee.