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Issue 80-65

U.S. SECURITIES AND
EXCHANGE COMMISSION

April 2, 1980

TRADING SUSPENSIONS

TRADING SUSPENSION OF SECURITIES OF BACHE GROUP, INC. TERMINATED

The Commission announced the termination at midnight on Tuesday, April 1 of the suspension of exchange and over-the-counter trading of the securities of Bache Group, Inc., New York, New York, which was commenced at 2:15 p.m. (EST) on March 27, 1980.

The Commission previously suspended trading in Bache securities on March 27 for one ten-day period. The Commission ordered the termination of the suspension in view of various disclosures made by Bache with respect to the impact of recent developments in the commodities markets on the financial condition of Bache. (Rel. 34-16715)

CIVIL PROCEEDINGS

COMMISSION CHARGES PATENT LAW FIRM AND OTHERS WITH INSIDER TRADING VIOLATIONS, OBTAINS DISGORGEMENT AND OTHER RELIEF

The Commission announced on April 2 the filing of a complaint in the U.S. District Court for the District of Columbia against the Westfield, New Jersey, patent law firm of Lerner, David, Littenberg & Samuel (LDL & S), Donald R. McGregor, Joel Silverman, Stanley Silverman, Irwin Sutton, Joseph Mezrahi and Solomon Tawil alleging violations of the antifraud provisions of the Securities Exchange Act of 1934 (Exchange Act). Simultaneous with the filing of the complaint, the Court entered Consent Orders against the defendants which, among other things, require them to comply with the antifraud provisions of the Exchange Act. LDL & S and the other defendants each consented to the entry of the Court's Orders, without admitting or denying the allegations in the complaint.

The Commission's complaint alleged that in May 1977, all of the partners and one associate at LDL & S and various members of their families, certain persons associated with clients of LDL & S and friends of members of LDL & S made substantial purchases of Refac Technology Development Corporation common stock while in possession of material, non-public information concerning the allowance by the U.S. Patent Office of certain principal claims in an application for the basic patent on the laser, being prosecuted by LDL & S under a joint royalty arrangement with Refac and the inventor of the laser. The complaint also charged that the other defendants each purchased Refac common stock after learning of the material, non-public information, directly or indirectly, from partners or associates of LDL & S. All of the transactions discussed in the complaint occurred prior to public dissemination of the information relating to the patent application and without disclosure of such information by the defendants.

In addition to the entry of the Court's Orders with respect to further violations, the defendants consented to and the Court ordered certain other equitable relief, including disgorgement of profits in the amount of \$91,897. LDL & S further undertook to adopt, implement and maintain policies and procedures designed to prevent the use or dissemination of any material non-public information received by any member or employee of LDL & S by virtue of, or during the course of, their employment. The Statement of Policy and Procedures of LDL & S, adopted by LDL & S, was filed with the Court. (SEC v. Lerner, David, Littenberg & Samuel, et al., U.S.D.C. D.C., Civil Action No. 80-0845). (LR-9049)

INVESTMENT COMPANY ACT RELEASES

MUTUAL INVESTING FOUNDATION

An order has been issued on an application of Mutual Investing Foundation, registered under the Investment Company Act of 1940 as a diversified, open-end, management investment company, and Heritage Securities, Inc., Mutual's principal underwriter and investment adviser, (1) pursuant to Section 6(c) of the Act exempting certain transactions from the provisions of Section 22(d) of the Act and exempting Mutual from Rules 2a-4 and 22c-1 under the Act to permit it to calculate the price per share of one of its classes of shares, the MIF/Nationwide Money Market Fund, to the nearest one cent on a share value of one dollar, and (2) pursuant to Section 11(a) of the Act approving certain proposed exchanges. (Rel. IC-11111 - Apr. 1)

HOLDING COMPANY ACT RELEASES

CENTRAL AND SOUTH WEST FUELS, INC.

An order has been issued authorizing fuel exploration and development budgets aggregating \$72,996,000 for the 12-month period ending March 31, 1981, for Central and South West Fuels, Inc., and five other direct and indirect subsidiaries of Central and South West Corporation, a registered holding company. (Rel. 35-21506 - Apr. 1)

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-8) OCEAN DRILLING & EXPLORATION COMPANY, 1600 Canal St., New Orleans, La. 70112 (504) 561-2286 - 150,000 shares of common stock. (File 2-67094 - Mar. 31)
- (S-14) I.R.E. FINANCIAL CORPORATION, 2000 South Dixie Highway, Miami, Fla. 33133 - 2,960,359 shares of Series A noncumulative convertible preferred stock. (File 2-67135 - Apr. 1)
- (S-1) AMPECO 1980-1 AND 1980-2 DRILLING PROGRAM, Two North Park East, Suite 800, Dallas, Tex. 75231 - 3,300 units of preformation interests. (File 2-67136 - Apr. 1)
- (S-16) AMFAC, INC., P.O. Box 3230, Honolulu, Hawaii 96801 (808) 945-8111 - 91,632 shares of common stock. (File 2-67137 - Apr. 1)
- (S-8 AND S-16) COMPUTER AUTOMATION, INC., 2181 Dupont Dr., Irvine, Cal. 92713 (714) 833-8830 - 100,000 shares of common stock. The company designs, manufactures, markets, and services digital minicomputer processing systems. (File 2-67138 - Apr. 1)
- (S-1) TOWNER PETROLEUM COMPANY, 5445 Beavercrest Dr., P.O. Box 402, Lorain, Ohio 44052 - 700,000 shares of common stock. Underwriter: Bear, Stearns & Co. The company is engaged in oil and gas exploration, development and production. (File 2-67139 - Apr. 1)
- (N-1) SECOND UNION CASH MANAGEMENT FUND, INC., One Bankers Trust Plaza, New York, N.Y. 10006 (212) 432-4000 or 800-221-2450 - an indefinite number of shares of capital stock. (File 2-67141 - Mar. 31)
- (S-8) WISCONSIN ELECTRIC POWER COMPANY, 231 West Michigan St., Milwaukee, Wis. 53201 (414) 277-2345 - 150,000 shares of common stock. (File 2-67142 - Apr. 1)

In a separate (S-16) statement the company seeks registration of 1,050,000 shares of common stock. (File 2-67143 - Apr. 1)

- (S-8) SOUTHERN RAILWAY COMPANY, P.O. Box 1808, 920 Fifteenth St., N.W., Washington, D.C. 20013 (202) 383-4639 - 900,000 shares of common stock. (File 2-67145 - Apr. 1)
- (S-11) SB PARTNERS, 1345 Avenue of the Americas, New York, N.Y. 10019 - 2,778 limited partnership interests. (File 2-67148 - Apr. 1)
- (S-8) MERCK & CO., INC., P.O. Box 2000, Rahway, N.J. 07065 (201) 574-6531 - \$54,200,000 of participations and 586,500 shares of common stock. (File 2-67150 - Apr. 1)
- (S-8) EMPLOYEE BENEFITS INCORPORATED, 66 East Rosemary St., San Jose, Cal. 95112 (503) 224-5858 - 150,000 shares of common stock. (File 2-67152 - Apr. 1)
- (S-16) UNION CARBIDE CORPORATION, 270 Park Ave., New York, N.Y. 10017 (212) 551-2345 - 3,000,000 shares of common stock. (File 2-67153 - Apr. 1)
- (S-14) CENTENNIAL VILLAS, INC., 1604 N.E. 38th Pl., Suite 225, Kirkland, Wash. 98033 (206) 827-9581 - \$1,851,495 of 12% debentures, due 1985. (File 2-67155 - Apr. 1)
- (S-1) AMERICAN BANCORPORATION, 200 Putnam St., Marietta, Ohio 45750 - 62,358 common shares. (File 2-67156 - Apr. 1)
- (S-8) WARNER ELECTRIC BRAKE & CLUTCH COMPANY, 449 Gardner St., South Beloit, Ill. 61080 (815) 389-3771 - 111,739 shares of common stock. (File 2-67158 - Mar. 31)
- (S-7) SANDERS ASSOCIATES, INC., Daniel Webster Highway South, Nashua, N.H. 03061 (603) 885-4321 - 300,000 shares of common stock. The company is engaged in the development, manufacture and sale of advanced technology electronic systems and products for defense and industrial markets. (File 2-67157 - Apr. 1)
- (S-14) SMITHKLINE CORPORATION, 1500 Spring Garden St., Philadelphia, Pa. 19101 (215) 854-4000 - 219,325 shares of common stock. (File 2-67159 - Apr. 1)

In a separate (S-8) statement the company seeks registration of 5,293 shares of common stock. (File 2-67160 - Apr. 1)

In a second (S-8) statement the company seeks registration of 100,000 shares of common stock. (File 2-67167 - Apr. 1)

- (S-8) AIRBORNE FREIGHT CORPORATION, 190 Queen Anne Avenue N., P.O. Box 662, Seattle, Wash. 98111 (206) 285-4600 - 325,000 shares of common stock. (File 2-67161 - Apr. 1)
- (S-8) SUBURBAN BANCORPORATION, 6495 New Hampshire Ave., Hyattsville, Md. 20783 (301) 270-5000 - 525,000 shares of common stock. (File 2-67164 - Apr. 1)
- (S-8) FIRST MARYLAND BANCORP, 25 South Charles St., Baltimore, Md. 21201 (301) 244-4000 - 495,391 shares of common stock. (File 2-67165 - Apr. 1)
- (S-1) FURNITURE BARN, INC., 233 Park Ave., Minneapolis, Minn. 55415 (612) 338-0110 - \$854,000 of subordinated debentures. (File 2-67166 - Apr. 1)
- (S-14) KEY BANKS INC., 60 State St., Albany, N.Y. 12207 (518) 447-3000 - 514,113 shares of common stock. (File 2-67169 - Mar. 31)

REGISTRATIONS EFFECTIVE

Mar. 27: E-Systems, Inc., 2-66754; Omaha Telecommunications, Inc., 2-66658; Walgreen Co., 2-66467.
Mar. 28: Citicorp, 2-66421; Supervised Cash Account, Inc., 2-66990.
Mar. 31: Lutheran Brotherhood Money Market Trust, 2-66394; Millipore Corp., 2-66728; Ohio Citizens Bancorp, Inc., 2-66802; Watkins-Johnson Co., 2-66953.
Apr. 1: American Telephone and Telegraph Co., 2-66922; General Telephone Co. of Wisconsin, 2-66861; Oak Industries, Inc., 2-66919; Public Service Co. of New Mexico, 2-66820; York Research Corp., 2-66730.

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
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