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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UTILITIES TO COMBINE. The SEC has issued an order under the Holding Company Act (Release 35-16245) scheduling a hearing for January 13 upon a proposal of two Boston utility holding companies (New England Electric System, "NEES", and Eastern Utilities Associates, "EUA") to combine under one holding company, Eastern Electric Energy System ("Eastern"), and for Eastern to acquire the outstanding stock of Boston Edison Company ("Boston") pursuant to a tender offer.

NEES is a holding company whose assets consist principally of all the outstanding common shares of four electric utility subsidiary companies and a 90-100% stock interest in eight gas utility companies (the latter are held subject to an SEC divestiture order). Its total assets, per books, as of December 31, 1967, approximated $870,126,000, and its 1967 operating revenues for the 12 months ending that date amounted to $264,798,814. EUA's assets per books then amounted to $121,178,000 and its revenues $43,794,500. Boston's assets approximated $530,746,000 and its 1967 revenues $178,280,900. EUA owns three electric utility companies

For the assets of NEES, Eastern will issue its shares in an amount equivalent to the 14,662,755 outstanding shares of NEES common; and for the assets of EUA, Eastern will issue its shares in an amount equivalent to 1.134 shares for each of the 2,570,718 outstanding shares of EUA common. NEES and EUA will each distribute the Eastern shares to their respective stockholders on that basis, following which they will be liquidated and dissolved. Pursuant to an invitation for tenders, Eastern will offer its shares to stockholders of Boston on the basis of 1.55 shares of Eastern for each of the 7,467,687 shares of Boston common outstanding; and Boston will continue as a subsidiary of Eastern.

According to the application, the basic reason for the proposed program is to make possible the complete integration of the physical, financial, managerial and operational resources of the constituent companies, to achieve efficiencies and economies greater than can be realized under present conditions, including substantial economies which the constituent companies are satisfied can be obtained in no other way. The joint application-declaration represents that the territories served are contiguous, that the electric utility systems of each are already interconnected and that under a single holding company the consolidation will provide more efficient engineering, construction, financing and management, particularly with respect to large generating plants and bulk transmission facilities and more efficient use of personnel and equipment.

CERTIFIED CREATIONS FILES FOR SECONDARY. Certified Creations, Inc., 75 Varick St., New York 10013, filed a registration statement (File 2-31022) with the SEC on December 13 seeking registration of 115,000 outstanding shares of common stock, to be offered for public sale by the present holders thereof. The offering is to be made through Gregory & Sons, 40 Wall St., New York 10005; the offering price ($13 per share maximum*) and underwriting terms are to be supplied by amendment. The company has agreed to sell the underwriter (at 1¢ each) five-year warrants to purchase 8,625 common shares, and the selling shareholders have agreed to sell the underwriter 2,875 common shares at the public offering price less the underwriting discount and commission.

The company is engaged primarily in the manufacture and sale of ladies popular priced casual footwear, principally slippers and sandals. It has outstanding 540,000 common shares, of which Robert M. Lehr, executive vice president, owns 50%, and Werner J. Kaplan, president, and his wife 25% each. Lehr proposes to sell 58,937 shares of 270,000 shares held and the Kaplans 29,469 shares each of 135,000 shares held each.

BROADWAY JOE'S FILES OFFERING PROPOSAL. Broadway Joe's, Inc., 7630 Biscayne Blvd., Miami, Fla. 33138, filed a registration statement (File 2-31024) with the SEC on December 13 seeking registration of 200,000 shares of common stock to be offered for public sale at $10 per share. The offering is to be made on an all or none, best efforts basis by Amos Treat Associates, Inc., 79 Wall St., New York, for which it will receive a selling commission of $1 per share plus $11,500 for expenses. The company has agreed to sell to the underwriter, upon consummation of the offering, five-year warrants to purchase 20,000 shares, exercisable after one year at $10.70 per share. Like warrants for 7,500 shares are to be issued to William Mathis as a finder's fee.

The company was organized in May 1968 under Florida law to establish and operate a nationwide system of quick service, limited menu restaurants under the sponsorship of Joe Namath, New York Jets' Quarterback and company board chairman. Its first restaurant was opened for business on December 9. Net proceeds of its stock sale, plus funds obtained through mortgage financing, will be used in connection with the planned construction of 25 restaurants (estimated to cost $3,225,000, including the purchase or lease of sites). The company now has outstanding 530,000 common shares, of which Nameth owns 27%, Thomas L. Marshall, president, 18%, and management officials as a group 99%. Purchasers of the shares being registered will acquire a 28% stock interest in the company for an investment of $2,000,000; holders of the outstanding shares will then own 72%, acquired for promotional services and a cash investment of $255,000.

NORTHWESTERN BELL TO SELL DEBENTURES. Northwestern Bell Telephone Company, 100 S. 19th St., Omaha, Nebr. 68102, filed a registration statement (File 2-31026) with the SEC on December 13 seeking registration of $75,000,000 of forty-year debentures, due 2009, to be offered for public sale at competitive bidding. A telephone subsidiary of A T & T, the company will apply about $12,700,000 of the net proceeds of this financing to the repayment of outstanding notes (bank loans and commercial paper) and the balance toward repayment of advances from the parent, which are expected to approximate $103,000,000 when the debentures are sold. Such advances are received for general corporate purposes, including property additions and improvements.

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EDMOS PRODUCTS FILES FOR OFFERING AND SECONDARY. Edmos Products Corporation, Glen Cove, L.I. N.Y. 11542, filed a registration statement (File 2-31027) with the SEC on December 13 seeking registration of 300,000 shares of common stock, of which 200,000 are to be offered for public sale by the company and 100,000 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters headed by Goodbody & Co., 55 Broad St., and H. Hentz & Co., 72 Wall St., both of New York; the offering price ($16 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is engaged in the design, manufacture and distribution of double-knit natural and synthetic fabrics for use in the manufacture of clothing for men, women and children. The net proceeds of its sale of additional stock will be added to the company's general funds, to be available for working capital and other corporate purposes, including payment for equipment which will be delivered during 1969. In addition to indebtedness the company has outstanding 850,000 common shares, of which management officials own 98.4%. Milton Moskowitz, board chairman, proposes to sell 52,845 of his holdings of 442,000 shares (52%); Edward Moskowitz, president, 18,496; Alan Moskowitz, vice president, 18,496, and Tess Moskowitz, secretary-treasurer, 10,163.

ATLANTIC INDUSTRIES TO SELL STOCK. Atlantic Industries, Inc., 720 N. W. 27th Ave., Miami, Fla. 33125, filed a registration statement (File 2-31028) with the SEC on December 13 seeking registration of 100,000 shares of common stock. The offering is to be made at $3 per share by Security Options Corp., 40 Exchange Pl. New York 10005, which will receive a $.255 per share commission plus $7,500 for expenses. The company also has agreed to sell the underwriter, for $50, 6-year warrants to purchase 5,000 shares, exercisable after one year at $3.50 per share.

The company (formerly Atlantic Portrait Plan, Inc.) is engaged in the direct sale of portrait plans to individuals on an installment payment basis. One plan entitles the customer to 75 color enlargements made from the customer's own snapshot negatives; the other entitles the customer to a series of 18 studio portraits to be taken over a minimum period of 8 years. Of the net proceeds of its stock sale, $243,000 will be added to the general funds of the company and utilized for financing an expansion of its sale program and to pay off a $50,000 bank loan; the balance will be used for other corporate purposes. The company now has outstanding 280,000 common shares, of which Jeffrey J. Weiss, president, and two other officers own 31.4% each. Purchasers of the shares being registered will acquire a 26.32% stock interest in the company; based upon the current book value of outstanding stock, they will suffer an immediate dilution of $2.02 per share in their equity.

CYBERNETICS INTERNATIONAL FILES FOR OFFERING AND SECONDARY. Cybernetics International Corporation, 277 Park Ave., New York 10017, filed a registration statement (File 2-31029) with the SEC on December 13 seeking registration of 385,000 shares of common stock, of which 200,000 are to be offered for public sale by the company and 150,000 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters headed by Sutro & Co., 460 Montgomery St., San Francisco, Calif. 94104; the offering price ($15 per share maximum*) and underwriting terms are to be supplied by amendment.

A professional service organization, the company provides systems analysis, design and development of computer software and computer-based informations systems in addition to other computer related services, and offers such services to commercial and government clients. Of the net proceeds of its stock sale, $500,000 is expected to be used for the development of overseas markets for software services, $400,000 for the development and marketing of proprietary systems and computer oriented educational services, and $450,000 for research, development and marketing of time sharing systems, personnel recruitment and placement services for clients, and a special analog computer; the balance will be used for general corporate purposes. The company now has outstanding 1,239,000 common shares, of which management officials as a group own 77.4%. Lewis W. Kresch, president, proposes to sell 60,000 of 477,000 shares held and Louis J. Fiore, board chairman and chief executive officer, 60,000 of 472,500.

COMPUTER SHARING FILES FOR OFFERING AND SECONDARY. Computer Sharing, Inc., One Bala Ave. Bldg., Bala-Cynwyd, Pa., filed a registration statement (File 2-31030) with the SEC on December 13 seeking registration of 410,000 shares of common stock, of which 366,250 are to be offered for public sale by the company and 43,750 (being outstanding shares) by the present holders thereof. The offering is to be made at $10 per share through underwriters headed by Suplee, Mosley, Close & Kerner, Inc., 1500 Walnut St., Philadelphia, Pa. The underwriting terms are to be supplied by amendment. The company has agreed to pay the underwriters $15,000 for expenses and to sell the Suplee, Mosley firm, for $1,750, six-year warrants to purchase 35,000 common shares, exercisable after one year at $11 per share.

Organized under Pennsylvania law in 1966, the company began offering its services to the public in January 1968. It provides computer services on a time-sharing basis. Scientific Data Resources Corporation ("SRC"), through its wholly-owned subsidiary, Mauchly Associates, Inc., which will own approximately 55% of the common stock of the company to be outstanding after this offering, controls the company. Of the net proceeds of its sale of additional stock, the company will use $148,000 for payment of certain 7% promissory notes to Mauchly representing deferred rentals for the present computer, $162,000 for payment of certain 7% promissory notes to Mauchly representing advances for working capital, $1,100,000 for purchase of the present Scientific Data Systems 940 computer system from Mauchly (which it presently leases), $300,000 for payment of the expenses of opening six to ten new sales offices, and $300,000 for purchase of special communications hardware; the balance will be added to the company's general working funds for use to meet anticipated operational losses and expenses of increased marketing efforts, and, to the extent possible, to develop increased capacity and new capabilities for the company's computer systems. The company has outstanding 1,134,210 common shares (with a 1¢ per share book value), of which Walter T. Jones, Jr., president, owns 13.8%, Mauchly 63.9%, Honig Time Sharing Associates, Inc., 11% and management officials as a group 22.3%. Upon completion of this offering, purchasers of the shares being registered will have paid $4,100,000 for 27% of the common shares to be outstanding, and the existing shareholders will have paid $457,368 for 73% of the shares to be outstanding.

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REGAL CHEF FILES FOR OFFERING AND SECONDARY. Regal Chef Incorporated, 619 East 6th St., New York 10009, filed a registration statement (File 2-31031) with the SEC on December 13 seeking registration of 155,000 shares of common stock, of which 120,000 are to be offered for public sale by the company and 35,000 (being outstanding shares) by the present holders thereof. The offering is to be made at $5 per share through underwriters headed by Frank Ginberg & Co., Inc., 40 Wall St., New York, which will receive a 50¢ per share commission plus $12,500 for expenses. The company has agreed to sell the Ginberg firm, for $125, five-year warrants to purchase 12,500 common shares, exercisable (after one year) at prices ranging from $5.35 to $6.40 per share, and to pay Henry H. Nitzberg $7,750 and to sell him, at 10¢ per share, 2,500 common shares in consideration for his services as a finder.

The company purchases, processes and sells at wholesale ready-to-eat meats (roast beef, corned beef, pastrami and tongue) primarily to jobbers and distributors for resale to retail outlets such as restaurants, delicatessens, luncheonettes, fast-food service outlets and chain stores. In addition, it sells small amounts of fresh meats and ready-to-eat meat loaf and similar items. Of the net proceeds of its sale of additional stock, the company will apply $150,000 toward the purchase price of a new plant and $150,000 for the purchase of additional machinery and equipment and an extension of such plant; the balance will be added to working capital and used for general corporate purposes, including increasing its sales force and carrying additional inventory and receivables. The company has outstanding 285,000 common shares, of which Michael Honig, president, and Aaron Bratskeir, secretary, own 50% each. Each proposes to sell 17,500 shares of 142,500 shares held each.

INSTITUTIONAL TRADING ACTIVITY REPORTED. The SEC announces (for December 19 Newspapers) that institutional activity in the stock markets continued at an accelerated pace in the third quarter of 1968. The dollar value of total transactions in common stock by the four principal categories of financial institutions--private noninsured pension plans, mutual funds, life insurance companies and property and casualty insurance firms--totaled $16.8 billion in the third quarter, 3 percent lower than the second quarter of 1968 but 36 percent higher than in the July-September period last year. By way of comparison, the total reported share volume on the New York Stock Exchange declined 20 percent from the preceding period, reflecting the one-day closing of the market initiated on June 12 of this year. During this same period block transactions of 10,000 or more shares totaled 68.7 million shares, down from 74.4 million shares in the second quarter. Block volume, as a percent of the total reported NYSE volume, increased to 10 percent. Foreigners' transactions in United States issues, while less than the preceding period, were substantially greater than the same period last year.

Third quarter purchases by combined financial institutions were below the record level of the previous quarter. Sales rose to a new peak. Gross purchases totaled $9.3 billion, 7 percent below the previous quarter but exceeding the third quarter of 1967 by nearly 30 percent. Portfolio sales of $7.5 billion increased 3 percent over the preceding period and were sharply higher than in the third quarter last year. Total net purchases of common stock by the group amounted to $1.8 billion, nearly $1 billion below the previous quarter, and bringing the total for the first nine months of 1968 to $6 billion. Mutual funds accounted for over half of the total transactions by the institutional groups covered in this survey. Their total transactions amounted to $9.5 billion, with purchases totaling $4.7 billion and sales $4.8 billion. Private noninsured pension funds purchased $3.4 billion and sold $1.9 billion of common stock in the third quarter. Their net acquisitions of $1.5 billion, the most for any quarter to date, were over 80 percent of the total for the four groups.

The combined portfolio turnover of common stock for the selected institutions covered in this survey declined slightly from the record activity of the previous quarter and amounted to 25.4 percent at annual rates during the third quarter of 1968. This composite rate compares with 21.3 percent and 16.3 percent for the years 1967 and 1966, respectively. Mutual funds continued their heavy trading with an annual turnover rate of 45 percent during the July-September period. Pension funds and property and casualty insurance firms, with turnover rates considerably lower than mutual funds, showed a lower turnover than in the previous quarter. The annual turnover rate for life insurance companies during the third quarter rose to a record 24.5 percent, up from 21.1 percent in the April-June period and nearly twice that of the third quarter a year earlier. The dollar volume turnover rate on the New York Stock Exchange dropped sharply to 20.0 percent from the 27.2 percent of the second quarter of 1968. The comparable NYSE turnover rate during the third quarter last year was 21.4 percent. (For further details, see Stat. Release No. 2331).

TRAVELERS INSURANCE SEEKS ORDER. The Travelers Insurance Company and The Travelers Fund B for Variable Contracts, Hartford, Conn., have jointly applied to the SEC for exemption from certain provisions of the Investment Company Act; and the Commission has issued an order (Release IC-5563) giving interested persons until January 7 to request a hearing thereon. Travelers Insurance established Fund B as the facility through which it will set aside and invest assets attributable to variable annuity contracts not qualifying for federal tax benefits under Sections 401 or 403(b) of the Internal Revenue Code of 1954, as amended. Sales charges in connection with the sale of the variable annuity contracts will be scaled from 8.75% to 1%, based upon the aggregate stipulated payments under the contract. It is proposed to reduce such charges to from 3% to 1% in cases where a variable annuity contract is purchased by application of amounts payable by Travelers Insurance as a lump sum distribution under an insurance contract issued by Travelers Insurance.

CONTINENTAL GROWTH FUND ORDER SOUGHT. Leon Leighton has applied to the SEC for an order under the Investment Company Act declaring that Continental Growth Fund, Inc., a New York mutual fund, and Plans for Accumulation of Shares of Continental, New York unit investment trust, have ceased to be investment companies; and the Commission has issued an order (Release IC-5564) giving interested persons until January 6 to request a hearing thereon. In 1963 the U. S. District Court (SDNY) appointed Leighton as Receiver of all the assets and properties of Continental Growth Fund. The Court also approved a proposal of National Investors Corporation, a management open-end company, to purchase Continental's assets in exchange for its own shares,

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and to extend to the holders of Plans an opportunity to contract for similar plans for the purchase of National shares, as well as a Plan of Reorganization (including the liquidation and dissolution of Continental), as embodied in an Agreement of October 1964 between Continental and National. In December 1964 the Receiver transferred all the assets of Continental to National in exchange for the latter's shares which were distributed to Continental shareholders. Arrangements were also made whereby Broad Street Sales Systematic Investment Plans for the Accumulation of Shares of National Investors Corporation were issued in exchange to the shareholders of Plans. All of Continental's shareholders received their distributive shares of the assets received from National except two, whose proper addresses could not be found--one entitled to $569.29 and the other to $125.61, which sums are to be held by the court to the credit of the respective shareholders.

SOL ZALK ENJOINED. The SEC Atlanta Regional Office announced December 12 (LR-4183) that the U. S. District Court in Miami had issued an order permanently enjoining the sale of stock of Fastline, Inc., by Sol H. Zalk, of New York City, in violation of the Securities Act registration provisions.

TRADING IN ELECTROGEN INDUSTRIES SUSPENDED. The SEC today announced the issuance of an order under the Securities Exchange Act of 1934 temporarily suspending over-the-counter trading in the common stock of Electrogen Industries, Inc. (formerly Jodmar Industries, Inc.) of Garden City, L. I., New York, for the ten-day period December 18 (11:15 A.M.) through December 27, 1968, inclusive.

The stock was quoted over-the-counter at 4 bid, 5 offer on December 3, 1968.

The Commission's action was based upon information coming to its attention regarding allegedly false and misleading information which has been disseminated to the company's shareholders and to the public regarding the company's principal product (an "anti-fatigue device") and its future prospects. Accordingly, the Commission deemed it necessary and appropriate in the public interest and for the protection of investors, to suspend trading in the common stock of Electrogen Industries, Inc., pending clarification of the facts and adequate public dissemination of all pertinent information.

The Commission had previously suspended over-the-counter trading in the common stock of Jodmar Industries Inc., Electrogen's predecessor, from September 11 through November 16, 1967. On February 26, 1968, the U. S. District Court for the Eastern District of New York preliminarily enjoined Electrogen, Schwartzman, Roger J. Browne, the company's president, and Enertronics Industries, Inc., the distributor of Electrogen's product, from further violations of the anti-fraud provisions of the Exchange Act.

SECURITIES ACT REGISTRATION STATEMENTS. During the week ended December 12, 1968, 73 registration statements were filed, 65 became effective, 5 were withdrawn, and 1,015 were pending at the week-end.

SECURITIES ACT REGISTRATIONS. Effective December 17: Anacomp Inc., 2-30014 (90 days); Avnet, Inc., 2-30931; The Brown Institutional Fund, Inc., 2-27585; The Carter Group Inc., 2-30539 (90 days); Computer Installations Corp., 2-30146 (90 days), Computer Systems Development Corp., 2-30211 (90 days); Computer Time Sharing Corp., 2-30416 (90 days); Diversified Data Services and Sciences Inc., 2-29593 (90 days); Fuller Laboratories, Inc, 2-30295 (90 days); Guidance Technology, Inc., 2-30084 (40 days); Gulf Resources & Chemical Corp., 2-30346 (Jan 27); William Hodges & Co., Inc., 2-30191 (90 days); Hollymatic Corp., 2-30299 (90 days); Jetronic Industries, Inc., 2-30266 (40 days); Litton Industries, Inc., 2-30871; Midwest Oil Corp., 2-30977; National Data Corp., 2-30035, Northrup King & Co. 2-30263 (90 days); Olympic Geophsical Co., 2-30190 (90 days) Riviana Foods, Inc., 2-30396 (40 days); Robinson Furniture Co., 2-30355 (Mar 17); Savings Financial, 2-30261 (90 days); Scott Paper Co., 2-30760; Viking Lithographers, Inc., 2-30170 (90 days); Witco Chemical Corp., 2-30837; Zale Corp., 2-31013.

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.

*As estimated for purposes of computing the registration fee.

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