

# SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

Brief summary of financial proposals filed with and actions by the S.E.C.



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**NICHOLS & CO. WITHDRAWAL AUTHORIZED.** The SEC today announced that the initial decision of Hearing Examiner Samuel Binder ordering that the request of Louis P. Nichols, doing business as Louis P. Nichols & Company, for withdrawal of his broker-dealer registration be granted, subject to the condition that Nichols may not engage in the securities business or be associated with a broker or dealer or engage in the business of or become associated with an investment adviser without the prior consent of the Commission, was not appealed or called up for review by the Commission and has become final.

The proceedings were based in part upon the prior history of the registrant including his association as an officer and major stockholder of Christopulos & Nichols Brokerage Company, formerly registered as a broker-dealer which Nichols aided and abetted in the commission of numerous violations of the Securities Exchange Act including violations of Section 7(c) thereof and Regulation T adopted thereunder as well as violations of Section 15(c)(1) and 17(a) of such act and the rules adopted thereunder, resulting in a judgment of injunction against such firm, Nichols and others. In addition such broker-dealer and Nichols were thereafter held in criminal contempt for their continued violations of the permanent injunction and the Exchange Act, and the company's registration with the Commission was thereafter revoked. Further, the respondent failed to pass a test for brokers and dealers given by the Utah Securities Commission, the passing of which was required of persons seeking to engage in such business in Utah. This and other evidence reflected that Nichols did not possess sufficient knowledge or training to supervise either registered representatives or back office employees, according to the Examiner's decision.

**FOUR NAMED IN INDICTMENT.** The SEC Seattle Regional Office announced February 24 (LR-4246) that Dero B. Forslund, John S. Sarver, Joseph E. Witzerman and William S. Eichelberger had been indicted by the Orange County Grand Jury in Santa Ana, Calif., of violating the State Penal Code and Corporation Code in the sale of management agreements for livestock to be placed on the Saddle Butte Ranch near Crane, Oregon. Members of the Seattle Office assisted in the investigation.

**DELISTINGS GRANTED.** The SEC has issued orders under the Securities Exchange Act (Release 34-8546) granting applications of the New York Stock Exchange to strike from listing and registration the common stocks of Alside, Inc., Anken Chemical and Film Corporation and U. S. Borax and Chemical Corporation, all effective at the opening of business February 28, 1969. Only 399,570 shares of Alside are publicly held (exclusive of the concentrated ownership by U. S. Steel Corporation). Anken has net tangible assets of only \$6,100,000 available to the common stock of the company as of the fiscal year ended December 31, 1967, and it has suffered substantial losses averaging \$1,000,000 per year for the three years ended December 31, 1965, 1966 and 1967. Only 278,368 shares of U. S. Borax remain publicly held exclusive (of concentrated ownership of Rio Tinto-Zinc Corporation Limited and a subsidiary thereof). (Unlisted trading privileges on the Boston Stock Exchange in Borax common will terminate on the date the stock is delisted from the New York Stock Exchange.)

**TRADING TO RESUME IN MICROBIOLOGICAL SCIENCES.** The SEC today announced that over-the-counter trading in shares of Microbiological Sciences, Inc. ("Micro"), of Salt Lake City, may resume at the opening of business March 10 (Release 34-8544). However, the Commission cautioned that, in connection with future transactions in the shares, investors should consider carefully information contained in a letter recently made public by the company and distributed to its shareholders in an attempt to correct "unfounded and false rumors" which have been circulating about the operations of the company. The trading ban in Micro stock had been ordered by the Commission on February 20 because of the lack of financial information about the company, various rumors concerning the operations of a subsidiary, and a rise in the market price of its stock from \$2 per share in December 1968 to \$8 at the time of the suspension. In its letter, the company states that it "is not now nor has it ever been, directly or indirectly, engaged in any activities which could be termed a cancer cure." The company is solely engaged in cancer detection research and development; its efforts have only produced through blood tests encouraging results in detecting malignant melanoma, a cancer of the skin. The company has outstanding 4,859,540 shares; total assets approximate \$63,000 and liabilities \$1,400; at September 1, 1968, there was an operating deficit of about \$8,600. "Your company wishes to make clear," the letter stated, "that its operations at this time are rather limited and no assurance can be made that its research will be successful and, if successful, there are numerous technical difficulties to overcome before profitable production can be obtained. . ."

**TEXAS URANIUM SUSPENSION CONTINUED.** The SEC has ordered the suspension of over-the-counter trading in the common stock of Texas Uranium Corporation for the further ten-day period March 5-14, 1969, inclusive.

OVER

**STRATEGIC SYSTEMS FILES OFFERING PROPOSALS.** Strategic Systems Inc., 604 Third Ave., New York 10016, filed a registration statement (File 2-31870) with the SEC on February 27 seeking registration of 155,000 shares of common stock, of which 150,000 are to be offered for public sale by the company ("SSI") and 5,000 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters headed by Gregory & Sons, 40 Wall St., New York; the offering price (\$30 per share maximum\*) and underwriting terms are to be supplied by amendment.

In a separate statement (File 2-31869) filed by two subsidiaries, Strategic Software, Inc., and Strategic Time-Sharing, Inc., both of the Third Avenue address, SSI proposes to offer for subscription by its stockholders 440,800 shares of Software common and 220,400 shares of Time-Sharing common, in units each consisting of 2 Software shares and 1 Time-Sharing share. Gregory & Sons is the principal underwriter of this offering; the subscription price (\$4.75 per unit maximum\*) and underwriting terms are to be supplied by amendment. Irwin Gertz, board chairman and president of SSI, and three other principal shareholders of SSI, have advised SSI that they plan to sell all or a major portion of their rights to subscribe to the units.

SSI, through subsidiaries, is engaged, among other things, in the operation of data processing service centers (and performance of related services) and the design and construction of environmentally-controlled computer rooms. Of the net proceeds of the two offerings by SSI, \$250,000 is to be used for the repayment of a bank loan the proceeds of which were used to purchase 990,000 shares of Time-Sharing stock; \$500,000 will be allocated towards the expansion of the SSI Washington, D. C. location in the form of advances to subsidiaries which will operate from that location; \$750,000 for the purchase of 300,000 shares of Time-Sharing common, the proceeds to be used by Time-Sharing for the purchase of various equipment and for working capital; and the balance for use by other subsidiaries and for general corporate purposes, including possible acquisitions. Software offers services in the areas of feasibility studies, systems design and computer programming; and Time-Sharing intends to offer computer time-sharing services and related program packages. Irwin Gertz is board chairman and chief executive officer of Software and of Time-Sharing; Michael Brody is president of Software and Franklin S. D. Heiss, Jr., is president of Time-Sharing.

**CHRIS-CRAFT INDUSTRIES FILES EXCHANGE OFFER.** Chris-Craft Industries, Inc., 600 Madison Ave., New York 10022, filed a registration statement (File 2-31871) with the SEC on February 27 seeking registration of 400,000 shares of preferred stock (1969 series) and 400,000 common stock purchase warrants. CCI proposes to offer to exchange these securities for a minimum of 80,000 and up to 300,000 shares of the common stock of Piper Aircraft Corporation, in the ratio of 1 share and 1 warrant for each share of Piper common. Loeb, Rhoades & Co., 42 Wall St., New York, and Shields & Co., Inc., 44 Wall St., New York, will head the group of soliciting dealers. CCI now owns 547,106 shares of Piper common, or about 33.36% of the outstanding Piper shares. Of its holdings, CCI acquired 304,516 shares pursuant to a tender offer made in January at \$65 per share net. The tender offer was opposed by the management of Piper, which subsequently announced that Grumman Aircraft Engineering Corp. had agreed to purchase 300,000 unissued shares of Piper common at \$65. CCI has filed a court action alleging that such acquisition would violate the Federal anti-trust laws. If its exchange offer is successful, CCI intends to combine its business with that of Piper through merger or otherwise. In addition to indebtedness and preferred stock, CCI now has outstanding 1,505,474 common shares of which the Merrill Lynch firm is record holder of 17.9%. Herbert J. Siegel is president and board chairman.

**HOLIDAY UNIVERSAL FILES FOR OFFERING AND SECONDARY.** Holiday Universal, Inc., 2321 North Point Blvd., Baltimore, Md. 21222, filed a registration statement (File 2-31872) with the SEC on February 27 seeking registration of 235,000 shares of common stock, of which 200,000 are to be offered for public sale by the company and 35,000 (being outstanding shares) by the present holders thereof. The names of the underwriters, as well as the offering price (\$15 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company owns and operates 12 health and recreation centers in the Washington, Baltimore, Philadelphia and New York metropolitan areas. The net proceeds of its sale of additional shares will be used to finance the construction and establishment of new health and recreation centers and the acquisition of existing centers. In addition to indebtedness, the company now has outstanding 720,000 common shares (with a \$1.63 per share book value), of which Frank Bond, president, owns 583,197 and Norman Pessin, executive vice president, 78,713; they propose to sell 30,000 and 5,000 shares, respectively. Theodore Granik is board chairman. Purchasers of the shares being registered will acquire a 25.5% stock interest in the company for their investment of \$3,525,000\*; present stockholders will then own 74.5%, with an indicated present book value of \$1.63 per share.

**MARINE EXPLORATION TO SELL STOCK.** Marine Exploration Company, Inc., 2995 Northwest South River Drive, Miami, Fla. 33125, filed a registration statement (File 2-31873) with the SEC on February 27 seeking registration of 300,000 shares of common stock, to be offered for public sale at \$3 per share. The offering is to be made through Charles Plohn & Co., 200 Park Ave., New York, which will receive a 30¢ per share commission plus \$12,500 for expenses. In addition, the underwriter will be entitled to acquire 30,000 shares at 10¢ per share, which shares may not be resold for two years.

The company is engaged in various marine activities, including dredging, towing and barge rentals, ship delivery, marine salvage, oceanographic support facilities, and marine construction. The major portion of the proceeds of this offering will be used to expand its present operations; \$400,000 will be used to acquire one ocean-going tug, ocean-going barges, and other vessels and \$250,000 for the construction of an additional and larger off-shore dredge; the balance will be used for general corporate purposes. The company now has outstanding 135,000 common shares (with a \$1.04 per share book value), of which James A. Green, president, and three other officers own 20.9% each. Purchasers of the shares being registered will acquire a 68.9% stock interest in the company for their investment of \$900,000; present stockholders will then own 31.1% for which they paid an aggregate of \$18,000, or an average of 13¢ per share.

**DATA SCIENCES FILES OFFERING PROPOSAL.** Data Sciences Corporation, 150 West 52d St., New York, N. Y. 10019, filed a registration statement (File 2-31824) with the SEC on February 25 seeking registration of 200,000 common shares, to be offered for public sale at \$5 per share. The offering is to be made on a "best efforts" basis by Dunhill Securities Corporation, 21 West St., New York, N. Y. 10006, which will receive a 50¢ per share selling commission plus \$20,000 for expenses. The company has agreed to sell the underwriter, for \$14, five-year warrants to purchase 14,000 shares at \$5 per share, exercisable immediately but not transferable for one year; and it has agreed to pay Marvin Sharfstein 3% of the total proceeds of the underwritten stock and to sell him 6,000 similar warrants for \$6.

Organized in May 1968, the company's basic operation is the lease brokering of data processing equipment to customers in the New York City metropolitan area; the development and sale of information systems and the development of a "Program Check Debug Module," as well as the marketing of this product. Of the net proceeds of its stock sale, \$295,000 will be used for administration and general operating funds (including expansion and contingencies), \$275,000 for salaries, \$75,000 for sales promotion, \$92,000 for additional technical equipment, and the balance for working capital and other purposes, including the repayment of \$9,000 of loans by officers. The company now has outstanding 300,000 shares, of which Melvin A. Lintz, president, owns 59% and management officials as a group 95%. Purchasers of the shares being registered will acquire a 40% stock interest in the company for an investment of \$1,000,000; holders of the outstanding shares will then own 60%, for which the company received \$17,000, or about 6¢ per share.

**STERLING STORES FILES FOR SECONDARY.** Sterling Stores Company, Inc., Box 2301, Little Rock, Ark. 72203, filed a registration statement (File 2-31825) with the SEC on February 25 seeking registration of 310,000 outstanding shares of common stock, to be offered for public sale by the present holders thereof through underwriters headed by Hornblower & Weeks-Hemphill, Noyes, 8 Hanover St., New York, N. Y. 10004. The offering price (\$18 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company operates a chain of retail variety stores in Arkansas, Mississippi, Missouri, Tennessee, Texas and Louisiana. In addition to indebtedness and preferred stock, it has outstanding 1,050,000 common shares, of which management officials as a group own 92.53%. Dave Grunfest, Sr., is president, Arnold L. Mayersohn is a vice president, and Theodore D. Birnkrant is a director. Maurine F. Grunfest proposes to sell 79,600 shares, Loris G. Birnkrant 40,000, Janet G. Mayersohn 40,000, trustees under the will of Mabel F. Grunfest 75,000 and the Goldfarb Investing Corp. 30,000. The balance of the shares being registered are to be sold by fourteen other stockholders. The 19 selling stockholders propose to sell 310,000 of 819,045 shares held.

**EDP RESOURCES FILES OFFERING PROPOSAL.** EDP Resources, Inc., One North Broadway, White Plains, N. Y. 10601, filed a registration statement (File 2-31827) with the SEC on February 25 seeking registration of \$22,500,000 of secured equipment notes, due 1984, and \$11,250,000 of senior subordinated debentures, Second Issue, due 1984, each to be offered for sale with common stock purchase warrants (in amounts to be supplied by amendment). The offering of the notes and debentures (with warrants) is to be made through underwriters headed by Hornblower & Weeks-Hemphill, Noyes, 8 Hanover St., New York, N. Y. 10004; the interest rate on the securities, offering prices and underwriting terms are to be supplied by amendment.

The company provides multiple services to the computer user, consisting of leasing computers and ancillary equipment, and offering software services. Of the net proceeds of this financing, \$22,500,000 will be used to repay a like principal amount of secured term loans, an unspecified amount to retire the \$4,000,000 outstanding senior subordinated debentures, and the balance for working capital and other corporate purposes. In addition to indebtedness, the company has outstanding 748,000 common shares; of these shares, the Hornblower firm owned of record 55%, including 24% owned beneficially by such firm and its partners. W. Bryan Satterlee, Jr., is president.

**AMERICAN AGRONOMICS FILES FOR OFFERING AND SECONDARY.** American Agronomics Corporation, 3830 West Flager St., Miami, Fla. 33134, filed a registration statement (File 2-31828) with the SEC on February 26 seeking registration of 200,000 shares of common stock, of which 100,000 are to be offered for public sale by the company and 100,000 (being outstanding shares) by two selling stockholders. The offering is to be made through underwriters headed by D. H. Blair Securities Corporation, 66 Beaver St., New York, N. Y. 10004; the offering price (\$30 per share maximum\*) and underwriting terms are to be supplied by amendment. The Blair firm will receive \$15,000 for expenses; and the company has sold that firm for a total consideration of \$150,000 a note convertible into 15,000 shares; the note is convertible after 13 months and for 3 years and 11 months thereafter.

The company is engaged in the business of developing and selling citrus groves to individual investors, maintaining citrus groves, and in the packing and marketing of citrus products for those investors; it transacts business under the name of Tropical River Groves. Of the net proceeds of its sale of additional stock, \$361,550 will be applied to the exercise of an option for the purchase of 11,600 acres of land to be developed as part of Tropical River Groves, Joshua Division, \$300,000 to develop a cattle breeding and investment program, \$300,000 to close a purchase and pay the first year's carrying charges on 19,800 acres of land in DeSota County, Fla., to be acquired for cattle program, and \$100,000 for research and development of a mariculture program; the balance will be added to general funds to be used for current operations. In addition to indebtedness, the company has outstanding 1,180,182 common shares. The principal stockholders are the Jules Freeman Trust and the Jack A. Freeman Trust, each of which owns 19.62% of the outstanding stock. Jules Freeman is board chairman and Jack A. Freeman president. They propose to sell 50,000 shares each of their holdings of 90,544 shares each.

**ART'S-WAY MFG. FILES FOR SECONDARY.** Art's-Way Manufacturing Company, Inc., Armstrong, Iowa, filed a registration statement (File 2-31843) with the SEC on February 26 seeking registration of 200,000 outstanding shares of common stock, to be offered for public sale by the present holders thereof through underwriters headed by Kirkpatrick, Pettis, Smith, Polian Inc., of Omaha, Nebraska. The offering price (\$16.25 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company is engaged in the manufacture and sale of a specialized line of farm equipment (principally a portable feed mixer and hammermill). It has outstanding 500,000 common shares, of which management officials as a group own 239,985 (48%) and propose to sell 89,778. Among the 37 selling stockholders are Vernon Heins, of Highland Park, Ill., who proposes to sell all of his holdings of 27,000 shares; Richard E. Williams, a vice president, 32,250 of 34,750 shares; and Allen & Company, Inc., of New York, 22,500 of 50,000 shares.

**R. J. REYNOLDS TOBACCO FILES EXCHANGE OFFER.** R. J. Reynolds Tobacco Company, Winston-Salem, North Carolina 27102, filed a registration statement (File 2-31844) with the SEC on February 26 seeking registration of \$425,280,000 of 7% subordinated debentures, due 1989, and 6,645,500 warrants to purchase common stock. Reynolds proposes to offer to holders of the A or B common stock of McLean Industries, Inc., the opportunity to exchange each share of such stock for either (i) \$50 cash or (ii) a package of Reynolds securities consisting of \$40 of such debentures and 0.625 of a warrant to purchase Reynolds common stock at \$47.50 per share. According to the prospectus, Malcom P. McLean, founder and president of McLean, and certain other McLean stockholders (who own an aggregate of 6,547,827 or 61.5% of McLean common) have agreed to accept the exchange offer; and the board of directors of McLean has recommended acceptance of the exchange offer by holders of McLean common. In addition to indebtedness and preferred stock, Reynolds now has outstanding 40,235,552 common shares.

**QUANTRONIX TO SELL STOCK.** Quantronix Corporation, 167 Marine St., Farmingdale, N. Y. 11725, filed a registration statement (File 2-31845) with the SEC on February 26 seeking registration of 180,000 shares of common stock, to be offered for public sale through underwriters headed by Collins Securities Corporation, 26 Beaver St., New York, N. Y. 10004. The offering price (\$10 per share maximum\*) and underwriting terms are to be supplied by amendment. The company has agreed to pay \$12,500 to the underwriter for expenses and to sell it, for \$180, five-year warrants for the purchase of 18,000 shares; 1,800 of such warrants will be transferred to Joseph R. Hardiaman as a finder's fee.

The company was formed in October 1967 to engage in the design, development and manufacture of laser and other electro-optic systems and products, primarily for industrial and commercial applications. Net proceeds of the public offering and sale of the 180,000 shares, together with \$350,000 expected from the sale of shares in March upon exercise of outstanding warrants, are to be used as follows: \$600,000 for product development costs, \$600,000 for additions to machinery and equipment, \$200,000 for increases in inventory, \$140,000 for prepayment of debentures and deferred interest thereon, and the balance for working capital. The company now has outstanding 585,000 common shares (assuming the issuance of 175,500 shares upon exercise of the warrants, at \$2 per share), of which Richard T. Daly, president, owns 26.2% and management officials as a group 77.5%. Purchasers of the shares being registered will acquire a 23½% stock interest in the company for an investment of \$1,800,000\*; present stockholders will then own 77½%, purchased at an aggregate cost of \$435,000, or about 74¢ per share.

**STANDARD & POOR'S FUND FILES.** Standard & Poor's/InterCapital Growth Fund, Inc., 1775 Broadway, New York, N. Y. 10019, filed a registration statement (File 2-31846) with the SEC on February 26, seeking registration of 20,000 shares of common stock. The company is an open-end diversified investment company of the management type. Its shares are to be offered for public sale at \$10 per share with a \$0.875 commission to the underwriters; when the shares are offered on a continuance basis, they will be sold at net asset value plus a maximum sales load of 8.75%. The investment manager and general distributor is S&P InterCapital Management Corporation of the Broadway address. Charles C. Reilly is president of the Fund and executive vice president of the Management Corporation; Arthur Zeikel, president of the Management Corporation, is a vice president and treasurer of the Fund. The Management Corporation is a majority-owned subsidiary of Standard & Poor's/InterCapital Inc.

**DUPLAN CORP. FILES EXCHANGE PLAN.** The Duplan Corporation, 1440 Broadway, New York, N. Y. 10018, filed a registration statement (File 2-31847) with the SEC on February 20 seeking registration of \$2,048,000 of 5½% convertible subordinated debentures due 1994. It is proposed to offer the debentures in exchange for shares of the common stock of Cap-Roc Inc.; the exchange ratio is to be supplied by amendment. The statement also includes 10,000 shares of Duplan common to be issued to selected employees at no cost to such employees, in recognition of services performed and to be performed.

Duplan is engaged primarily in the textile field. Cap-Roc engages principally in the manufacture of plastic buttons. Duplan owns 86% of the 486,696 outstanding shares of Cap-Roc common. In addition to indebtedness and preferred stock, Duplan has outstanding 2,206,262 common shares, of which Sarb Inc. owns 39.4%. T. Nash Broadbuss is president.

**PIPERS BASKETBALL CLUB TO SELL STOCK.** Pipers Basketball Club, Inc., 122 East 42d St., New York, N. Y. 10017, filed a registration statement (File 2-31848) with the SEC on February 26 seeking registration of 250,000 shares of common stock, to be offered for public sale at \$6 per share. The offering is to be made by Kenneth Bove & Co., Inc., 42 Broadway, New York, N. Y.; the underwriting terms are to be supplied by amendment. The underwriter will receive \$21,500 for expenses; and the company has agreed to sell to the underwriter for \$250 five-year warrants to purchase 25,000 common shares, exercisable after one year at \$6 per share. Saul Kampf is to receive \$10,000 plus 5,000 common shares for services in arranging this financing.

The company was organized in November 1968 for the purpose of acquiring and operating a basketball franchise in the American Basketball Association. It has entered into a purchase and option agreement with the Minnesota Pipers, Inc., to purchase the assets of the Minnesota Pipers Basketball Club, subject to certain

liabilities. Of the net proceeds of its stock sale, \$600,000 will be used toward the purchase of the assets of the Minnesota Pipers, Inc., some \$100,000 to secure a Performance Bond, and the balance for working capital. The company has outstanding 180,000 common shares, of which management officials own 46.5%. Some 33,333 shares are to be issued on the franchise closing date to Minnesota Pipers, Inc., as part of the purchase price of its assets, and 31,667 to Blumar Inc., as part of the purchase price for such assets. Purchasers of the shares being registered will own about 50% of the then-outstanding stock, for their investment of \$1,250,000 or \$6 per share; holders of the 180,000 shares paid \$127,000 therefor.

**BRAKE-O INTERNATIONAL FILES FOR OFFERING AND SECONDARY.** Brake-O International, Inc., 7135 John W. Carpenter Freeway, Dallas, Texas 75247, filed a registration statement (File 2-31849) with the SEC on February 26 seeking registration of 560,000 shares of common stock, of which 400,000 are to be offered for public sale by the company and 160,000 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters headed by Kohlmeyer & Co., 147 Carondelet St., New Orleans, La. 70130; the offering price (\$14 per share maximum\*) and underwriting terms are to be supplied by amendment. The company has agreed to pay the Kohlmeyer firm \$2,500 for expenses and to sell it, for \$500, four-year warrants for the purchase of 25,000 shares, exercisable initially after one year at 107% of the offering price.

The company is engaged in the business of selling franchises for the operation of "Brake-O Brake Centers" specializing in the repair, replacement and service of brake and exhaust systems, front-end assemblies and other undercarriage parts. It has sold a net of 244 franchises; seven Centers have been opened, eight are under construction, and one additional site has been acquired. The company has contracted to acquire six Brake-O Centers in the Dallas-Fort Worth area operating under licenses granted by prior owners of the "Brake-O" mark, which will be operated as wholly-owned subsidiaries. Of the net proceeds of its stock sale, \$2,800,855 will be used to purchase the proposed subsidiaries from two directors and affiliated interests; the balance will be added to general funds of the company and will be available for working capital and other corporate purposes. The company now has outstanding 1,778,400 common shares (with a book value of \$0.57 per share), of which Robert B. Holland, Jr., board chairman, owns 22.5% and management officials as a group 67.5%. Holland and three others (including the two directors) propose to sell 40,000 shares each. Joseph R. Buffer is president and chief executive officer. Purchasers of the shares being registered will sustain an immediate dilution of \$11.20 per share.

**TECO INDUSTRIAL MANUALS TO SELL STOCK.** Teco Industrial Manuals, Inc., 260 Newtown Road, Plainview, N.Y., filed a registration statement (File 2-31850) with the SEC on February 26 seeking registration of 120,000 shares of common stock, to be offered for public sale at \$5 per share. The offering is to be made on a "best efforts, all or none" basis through company officials, without commission; on shares sold through NASD members, a selling commission of 50¢ per share will be paid.

The company writes, illustrates, types and/or produces a wide variety of technical data as an engineering service to industry and to government agencies; its products and services involve handbooks, catalogues, instruction manuals, etc. Net proceeds of its stock sale are to be used for various purposes, including the payment of debts (including past due federal and state taxes), the hiring of additional personnel, the establishment of a new production facility and the acquisition of printing equipment. The company now has outstanding 336,000 common shares (with a 9¢ per share book value), of which management officials as a group own 28% and a group of 18 investors (including one director) 57%. Eli Cohen is president and board chairman. Purchasers of the shares being registered will sustain an immediate dilution of \$3.75 per share.

**SHERWOOD LEASING FILES FOR OFFERING AND SECONDARY.** Sherwood Leasing Corporation, 299 Park Ave., New York, N. Y., filed a registration statement (File 2-31862) with the SEC on February 27 seeking registration of \$10,000,000 of convertible senior subordinated debentures, due 1989, and 50,000 common shares, to be offered in 10,000 units, each consisting of a \$1,000 debenture and five shares. Also included in the statement are an additional 75,000 outstanding shares of common stock, to be offered by the present holders thereof. The offerings are to be made through underwriters headed by Putnam, Coffin & Burr-Doolittle, 6 Central Row, Hartford, Conn. 06103; the offering prices (\$30.50 per outstanding share\*) and underwriting terms are to be supplied by amendment.

The company is engaged in the business of leasing a variety of equipment and machinery to industrial and commercial organizations. The net proceeds of its sale of the units will be used in part for the repayment of short-term indebtedness owing to banks; the balance will be added to the general funds of the company as additional working capital, principally to aid in increasing its borrowing capability and to finance internally a greater amount of equipment for lease to others. In addition to indebtedness, the company has outstanding 660,000 common shares, of which management officials own 54%. Robert D. Esseks, president, proposes to sell 50,000 of 236,000 shares held, and Alan A. Fischer, vice president, 25,000 of 118,000.

**DELCO FILES OFFERING PROPOSAL.** Delco Corporation, 534 Merrick Road, Lynbrook, N. Y. 11568, filed a registration statement (File 2-31863) with the SEC on February 27 seeking registration of 120,000 shares of common stock, to be offered for public sale at \$5.50 per share. The offering is to be made through Kenneth Bove & Co., Inc., 42 Broadway, New York, N. Y., which will receive a 55¢ per share commission plus \$15,000 for expenses. The company also has agreed to sell to the underwriter and Jerome Marshall (a finder and employee of the underwriter) at 1¢ per warrant, five-year warrants for the purchase of 9,300 and 2,700 shares, respectively, exercisable after one year at \$5.50 per share.

The company is engaged primarily in the exterior resurfacing of residential and commercial buildings in New Jersey, Metropolitan New York and Connecticut, with a product known as "RE-NU-IT;" in addition, it has franchise rights from the manufacturer of RE-NU-IT in approximately 70% of the United States and Canada to use and sub-franchise RE-NU-IT for residential work. Of the net proceeds of its stock sale, \$270,000 will be used for the promotion of sub-franchising RE-NU-IT, \$30,000 for the purchase of additional equipment, and the balance for working capital. The company now has outstanding 280,000 common shares (with a 27¢ per share book value), of which Bernard Gutman, board chairman, and Richard L. Emerson, president, own 47.3% each. Purchasers of the shares being registered will acquire a 30% stock interest in the company; they will sustain an immediate dilution of \$3.98 per share from the offering price.

**TELEVISION UTILITIES FILES OFFERING PROPOSAL.** Television Utilities Corporation, 46-45 Vernon Blvd., Long Island City, N. Y., filed a registration statement (File 2-31864) with the SEC on February 27 seeking registration of 120,000 shares of common stock, to be offered for public sale through underwriters headed by First Alabama Securities, Inc., 400 Frank Leu Building, Montgomery, Ala. The offering price (\$5 per share maximum\*) and underwriting terms are to be supplied by amendment. The company has agreed to sell to the underwriters, for \$100, five-year warrants for the purchase of 10,000 shares, exercisable after one year at the initial price of \$5.35 per share.

The company is engaged in the design, assembly, import and wholesale distribution of closed circuit television equipment and accessories; its principal line is zoom and fixed focal length television lenses and special adaptations of these lenses. Net proceeds of its stock sale will be used for various purposes, including an increase in inventory, development of new products, repayment of loans and working capital. The company now has outstanding 206,400 common shares (with a 69¢ per share book value), of which K. Alfred Jenkins, president and board chairman, owns 39% and management officials as a group 69%. Purchasers of the shares being registered will acquire a 40% stock interest in the company for their investment of \$600,000; book value of the outstanding stock, which will then amount to 60% of the shares outstanding, is \$141,938. Public purchasers will sustain a \$2.99 per share dilution from the offering price.

**TRANSIDYNE GENERAL FILES OFFERING PROPOSAL.** Transidyne General Corporation, 462 S. Wagner Road, Ann Arbor, Mich. 48103, filed a registration statement (File 2-31865) with the SEC on February 27 proposing the public offering of 150,000 shares of common stock (at \$8 per share maximum\*). No underwriting is involved; participating NASD members will receive a selling commission (the amount to be supplied by amendment). Such members will be entitled to purchase 15,000 common stock purchase warrants at 10¢ per warrant.

Organized in May 1967, the company is engaged in the business of developing, manufacturing and selling products and services related to electronic thin-film and instrumentation technology, with particular application to the fields of biomedical sensors, industrial instrumentation and computer thin-film memory technology. To date, it has concentrated its efforts in research and development and to the recruitment of technical personnel. Of the net proceeds of its stock sale, the company will use \$280,000 for research and development, \$170,000 for advertising and promotion, \$140,000 for expansion of the present plant and the purchase of equipment to increase manufacturing production, and the balance for other and related purposes, including working capital. The company now has outstanding 793,150 common shares (with a 19¢ per share book value), of which Howard Diamond, president and board chairman, owns 35% and Mildred Diamond 13%. Purchasers of the shares being registered will sustain an immediate dilution of \$6.59 per share and present stockholders will benefit to the extent of \$1.22 per share held.

**PARKWOOD HOMES FILES FOR OFFERING AND SECONDARY.** Parkwood Homes, Inc., Box 237, Elkhart, Ind. 46514, filed a registration statement (File 2-31866) with the SEC on February 27 seeking registration of 200,000 shares of common stock, of which 60,000 shares are to be offered for public sale by the company and 140,000 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters headed by Dominick & Dominick, Inc., 14 Wall St., New York, N. Y. 10005; the offering price (\$15 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company designs, manufactures and sells medium to high priced mobile homes. Of the net proceeds of its sale of additional shares, \$125,000 will be used to repay bank loans incurred in connection with the construction and equipping of a new facility at Moultrie, Ga., \$140,000 to pay part of the cost of a new facility near Bristol, Ind., and the balance for general corporate purposes. In addition to indebtedness, the company has outstanding 750,000 common shares (with a \$2.86 per share book value), of which Raymond Bassett, board chairman, and Robert Gaume, president, own 375,000 shares each; they propose to sell 70,000 shares each.

**KATHOL PETROLEUM FILES OFFERING PROPOSAL.** Kathol Petroleum, Inc., 900 Sutton Place, Wichita, Kansas 67202, filed a registration statement (File 2-31867) with the SEC on February 27 seeking registration of 800 units of participation in the Kathol Joint Venture No. 2 (a limited partnership), to be offered for public sale at \$5,000 per unit. The units will be offered through Kathol Securities, Inc., a subsidiary of Kathol Petroleum; the underwriter will receive an underwriting fee of \$50 for each unit subscribed; in addition, a selling commission of \$300 will be paid for each subscription procured by NASD members (all underwriting and selling commissions and other expenses of the offering will be charged to Kathol Petroleum). The proceeds of the offering will be used for oil and gas exploratory drilling and development drilling. Kathol Petroleum, as general partner, will manage the operations of the venture. Gerald J. Kathol is president.

**MATERIALS TECHNOLOGY FILES OFFERING PROPOSAL.** Materials Technology, Inc., 220 Churchill Ave., Somerset, N. J. 08873, filed a registration statement (File 2-31868) with the SEC on February 27 seeking registration of 150,000 shares of common stock, to be offered for public sale at \$8 per share. The offering is to be made on a best efforts, all or none basis by Amos Treat Associates, Inc., 79 Wall St., New York, N. Y., which will receive an 80¢ per share selling commission plus \$14,000 for expenses. The company also has agreed to sell to the underwriter, for \$15, five-year warrants for the purchase of 15,000 shares, exercisable after one year at an initial price of \$8.56 per share.

The company is engaged in the development of techniques and the construction of equipment related to the electrodeposition of metal foils; thus far, it has been engaged solely in the construction of prototype equipment and the pilot production of products and in exploring the market for such products. Of the net proceeds of its stock sale, \$700,000 will be spent for machinery, equipment and start-up costs to produce electrodeposited foil in volume; the balance will be used for general working capital and further development work. In addition to indebtedness, the company has outstanding 450,000 common shares (with a negative book value of 18¢ per share), of which Roy E. O'Brien, president, owns 56% and management officials as a group 76%. Purchasers of the shares being registered will acquire a 25% stock interest in the company for their investment of \$1,200,000, and they will sustain an immediate dilution of about \$6.38 per share; present stockholders will then own the remaining 75%, and will benefit to the extent of an increase in book value of \$1.80 per share held.



**RECREAMA FILES OFFERING PROPOSAL.** Recreama, Inc., 1500 Broadway, Saugus, Mass., filed a registration statement (File 2-31875) with the SEC on February 27 seeking registration of 130,000 shares of common stock, to be offered for public sale at \$6 per share. The offering is to be made through D. H. Blair Securities Corporation, 66 Beaver St., New York, which will receive a 48c per share commission plus \$20,000 for expenses. The underwriter will pay 20% of its underwriting profits to Stone, Leavitt and Shuman as a finders fee. The underwriter has purchased 11,440 shares at \$2.50 per share, not transferable for two years.

The company is engaged in the business of furnishing banquet and catering facilities and services for weddings, banquets and similar social functions; and it also operates two banquet halls in Boston. It intends to apply the proceeds of its stock sale towards the construction, furnishing and other opening costs of a new banquet and catering facility in Boston (a portion of the cost of which will be financed through a building loan and mortgage). In addition to indebtedness and preferred stock, the company now has outstanding 210,000 common shares (with a \$1.32 per share book value), of which Mario Ciroti, president, owns 37.14% and management officials as a group 94.55%. Purchasers of the shares being registered will acquire a 38% stock interest in the company for their investment of \$780,000; present stockholders will then own 62%, for which they paid \$149,000 or an average of about 69c per share.

**ACADEMIC COMPUTER SYSTEMS TO SELL STOCK.** Academic Computer Systems, Inc., 590 Newark Ave., Jersey City, N. J. 07306, filed a registration statement (File 2-31876) with the SEC on February 27 seeking registration of 250,000 shares of common stock, to be offered for public sale at \$1.50 per share. The offering is to be made on a "best efforts, all or none basis" by A. J. Carno Co., Inc., 42 Broadway, New York, which will receive a 15c per share selling commission plus \$9,375 for expenses. The company has agreed to sell the Carno firm, for \$200, six-year warrants to purchase 20,000 shares, exercisable after one year at \$1.50 per share; warrants for 5,000 shares are to be sold to Aaron Schwinger, a company director and a finder of this transaction, for \$50.

The company (formerly Computer Industries, Ltd.) operates data processing and computer programming schools pursuant to a franchise agreement with Computer Enterprises, Inc., of Merrick, N. Y. Net proceeds of its stock sale will be used for various purposes, including \$80,000 for the opening of an additional school in Hackensack, N. J., and \$122,100 for working capital. The company now has outstanding 600,000 common shares (with a 10c per share book value), owned in equal amounts by Paul Pransky, president, and Joseph Kaminsky, vice president. Purchasers of the shares being registered will acquire a 29% stock interest in the company for their investment of \$375,000 (they will sustain an immediate dilution of \$1.10 per share); present stockholders will then own 71% (with a \$60,700 book value).

**SOUTHERN CONTAINER TO SELL STOCK.** Southern Container Corp., 140 West Industry Court, Deer Park, L. I., N. Y., filed a registration statement (File 2-31877) with the SEC on February 27 seeking registration of 166,667 shares of common stock, to be offered for public sale at \$5 per share. The offering is to be made through Grimm, D'Alis, 54 Wall St., New York, which will receive a 40c per share commission plus \$7,500 for expenses. In addition, the company has agreed to sell to the underwriter, for \$150, five-year warrants for the purchase of 15,000 shares, exercisable after one year at \$6 per share.

The company is engaged in manufacturing and selling corrugated containers made to customer specifications, for use in shipping and in point-of-purchase displays, and in the sale of corrugated board. Of the net proceeds of its stock sale, \$400,000 will be used to repay current obligations (including \$327,000 of commercial loans), \$150,000 to purchase equipment, and the balance for working capital and other corporate purposes. In addition to indebtedness, the company has outstanding 500,000 common shares (with a \$1.34 per share book value), of which Louis Grossman, president, and other officer-members of the Grossman family own 96.1%. Purchasers of the shares being registered will acquire a 26% stock interest in the company; they will sustain an immediate dilution of \$2.89 per share from the offering price.

**OMNIFUND FILES OFFERING PROPOSAL.** Omnifund, Inc., Suite 1330, 60 East 42d St., New York 10017, filed a registration statement (File 2-31878) with the SEC on February 27 seeking registration of 200,000 shares of common stock. The shares are to be offered at net asset value (\$5 per share maximum\*) plus a sales commission of 1½%. The company differs from other mutual funds in that it does not invest in operating companies, but invests in five or more mutual funds, with not more than 20% of its assets in any one of them. H. A. Greenburg & Co. will serve as investment adviser as well as Distributor.

**SORG PRINTING SHARES IN REGISTRATION.** Sorg Printing Company Inc., 80 South St., New York 10038, filed a registration statement (File 2-31879) with the SEC on February 27 seeking registration of 50,000 shares of common stock and options to purchase such shares, which options are to be granted eligible employees of the company under its Qualified Stock Option Plan.

**MALLORY OUTERWEAR FILES FOR OFFERING AND SECONDARY.** Mallory Outerwear, Inc., 519 8th Ave., New York, filed a registration statement (File 2-31880) with the SEC on February 27 seeking registration of 200,000 shares of common stock, of which 115,808 are to be offered for public sale by the company and 94,192 (being outstanding shares) by the present holders thereof. The offering is to be made at \$5.25 per share through underwriters headed by A. J. Carno Co., Inc., 42 Broadway, New York; the underwriters will receive a 52c per share commission plus \$10,000 for expenses. The Carno firm will be entitled to purchase, for \$200, six-year warrants for the purchase of 20,000 shares, exercisable after one year at \$6 per share.

The company designs, manufactures and sells women's leather and cloth coats, suits and sportswear; it also imports and sells Italian knit women's suits and dresses and hand-embroidered, fur-lined vests and jackets from Afghanistan. Of the net proceeds of its stock sale, about \$200,000 is to be used to start a men's division, which will design and manufacture a line of men's leather and cloth coats, suits and sportswear; most of the balance will be used for general corporate purposes. The company now has outstanding

409,192 common shares (with a 60¢ per share book value), of which Henry Kislak, president and board chairman, and Myron Kislak, executive vice president, own 50% each. They propose to sell 47,096 shares each. Purchasers of the shares being registered will own 38.1% of the outstanding stock for their investment of \$1,050,000; they will sustain an immediate dilution of \$3.81 per share from the offering price.

**VACATIONS WEST TO SELL STOCK.** Vacations West, Inc., 230 Park Ave., New York 10017, filed a registration statement (File 2-31838) with the SEC on February 26 seeking registration of 250,000 shares of common stock, to be offered for public sale at \$5 per share. The offering is to be made through Mayflower Securities Co., Inc., 32 Broadway, New York, which will receive a 50¢ per share commission plus \$20,000 for expenses. On February 6, the company sold 22,500 and 2,500 shares, for a total of \$1,000, to Gene Mulvihill and Richard Wellbrock, respectively, officers of the underwriter. Also included in this registration statement are 10,000 outstanding shares and outstanding warrants to purchase 40,000 shares, issued by the company in connection with a loan of \$200,000.

Organized under Delaware law in July 1968 as Transcontinental Travel, Inc., the company is primarily engaged in the business of arranging and conducting all-expense paid package travel tours, principally on an exclusive tour charter basis. Of the net proceeds of its stock sale, \$90,000 will be used to finance the development and operation of the company's existing tour operations to the West Coast, \$140,000 to finance development and operation of its proposed combination air-land-sea cruise to points in the Caribbean, \$200,000 for development and operation of its proposed all-inclusive 14-day trip to the Soviet Union, and \$350,000 to repay loans from principal shareholders incurred in connection with advertising expenses; the balance will be added to working capital and used for general corporate purposes. The company has outstanding 690,000 common shares (with a negative book value of 36¢ per share), of which Donald V. McCann, president, owns 47%, and Henry Neuwirth 38%. Upon completion of this offering, purchasers of the shares being registered will sustain an immediate dilution of \$4.07 per share in the book value from the public offering price. Purchasers of the shares being registered will acquire a 27% stock interest in the company for their investment of \$1,250,000 or \$5 per share; present shareholders will then own 73%, which had a negative book value of \$248,000.

**O'BRIEN EXPLORATION FUND PROPOSES OFFERING.** O'Brien Exploration Fund, Inc., 1434 Westwood Blvd., Los Angeles, Calif. 90024, filed a registration statement (File 2-31839) with the SEC on February 26 seeking registration of \$750,000 of commitments to the 1969 O'Brien Oil and Gas Exploration Program, to be offered for public sale at \$5,000 per unit. Under the Program, Colonial Production Company will be engaged to explore on behalf of O'Brien Exploration Fund, Inc. ("agent"), for oil and gas, using funds supplied by participants. Jerome J. O'Brien is president and board chairman of agent and Colonial.

**HYCEL FILES FOR OFFERING AND SECONDARY.** Hycel, Inc., 7920 Westpark Drive, Houston, Tex. 77042, filed a registration statement (File 2-31840) with the SEC on February 26 seeking registration of 170,000 shares of common stock, of which 100,000 are to be offered for public sale by the company and 70,000 (being outstanding shares) by the present holders thereof. The offering is to be made through Moroney, Beissner & Co., Inc., 1300 Bank of the Southwest Bldg., Houston, Texas; the offering price (\$12 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company is engaged principally in the research, development and sale of chemical reagents and methodologies for medical laboratory use. In addition, it manufactures and sells glassware and other apparatus for use in medical laboratories. Part of the net proceeds of its sale of additional stock will be used for the construction of Mark X Discretionary Multiphasic Analyzers (electrically controlled, chemical-mechanical systems which permit the automatic duplication of manual chemical tests on blood serum, each in a single reaction tube); the balance will be used for general corporate purposes. In addition to indebtedness, the company has outstanding 1,155,096 common shares, of which John J. Moran, board chairman and president, owns 43% and his wife 39%; each proposes to sell 35,000 shares of 500,080 and 450,000 shares held, respectively.

**SECURITIES ACT REGISTRATIONS. Effective March 3:** Elsburg Gold Mining Co. Ltd., 2-31746; Management Data Processing Systems, 2-30212 (90 days); Regal Chef Inc., 2-31031 (90 days); Serendipity, Inc., 2-31822; Stage Delicatessen & Restaurant, Inc., 2-30495 (90 days); Whittaker Corp., 2-31391 (40 days).

**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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