

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST



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

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FOR RELEASE May 3, 1965

CRESTMONT OIL & GAS PROPOSES OFFERING. Crestmont Oil & Gas Company, 2622 Mission St., San Marino, Calif 91108, filed a registration statement (File 2-23531) with the SEC on April 29 seeking registration of \$2,000,000 of 6% convertible subordinated debentures due 1980. The debentures are to be offered for public sale at \$1,000 per unit through underwriters headed by McDonnell & Co. Inc., 120 Broadway, New York 10005, which will receive a \$60-per-unit commission. The company has also agreed to sell to McDonnell & Co. for an aggregate cash price of \$300, five-year warrants to purchase 30,000 shares of common stock.

The company (formerly Crestmont Consolidated Corporation) is principally engaged in the exploration, developing, producing and selling of crude oil and natural gas, primarily in California and Texas. Of the net proceeds from its debenture sale, \$750,000 will be used to develop certain oil-producing properties in Kern County, Calif.; \$120,000 to purchase two steam-generating units for use in the company's secondary recovery program; \$629,957 to repay bank loans; \$114,713 to discharge the balance of the company's share of costs incurred in the expansion of a gas treating plant in Goliad County, Tex. of which the company owns 25%; and the balance will be added to working capital. In addition to indebtedness, the company has outstanding 34,069 common shares, of which management officials own 48.4%. Carl T. Long (board chairman) and members of his family own an aggregate of 65.7% of the outstanding stock. Carl T. Long, Jr., is president.

CONTROL DATA FILES FINANCING PROPOSAL. Control Data Corporation, 811 34th Ave. S., Minneapolis, Minn. 55420, filed a registration statement (File 2-23534) with the SEC on April 29 seeking registration of \$40,000,000 sinking fund debentures due 1985, and 500,000 shares of convertible preferred stock (cumulative--par value \$50 per share). The debentures are to be offered for public sale through underwriters headed by Dean Witter & Co., 50 W. Adams St., Chicago, Ill. 60603, with the interest rate, public offering price and underwriting terms to be supplied by amendment. The preferred stock is to be offered for subscription by company stockholders at the rate of one preferred share for each 15 common shares held. The record date, dividend rate and subscription price (\$50 per share maximum*) are also to be supplied by amendment. Any unsubscribed shares are to be offered for public sale through underwriters of the debenture offering.

The company is primarily engaged in the development, design, manufacture and marketing of advanced high-speed digital computing systems and related components and peripheral equipment. Net proceeds from this financing will be used to prepay the company's outstanding bank loans (estimated at \$57,000,000), and the balance will be added to general funds. In addition to indebtedness, the company has outstanding 7,311,719 common shares, of which management officials own 7.9%. William C. Norris is president and board chairman.

AMA FILES RETIREMENT PLAN. American Medical Association, 535 N. Dearborn St., Chicago, Ill. 60610, filed a registration statement (File 2-23536) with the SEC on April 29 seeking registration of \$15,000,000 of participations in the American Medical Association Members Retirement Plan for Self-Employed Physicians and their Employees.

HALO LIGHTING FILES FOR SECONDARY. Halo Lighting, Inc., 9301 W. Bryn Mawr Ave., Des Plaines, Ill. 60016, filed a registration statement (File 2-23537) with the SEC on April 29 seeking registration of 134,000 outstanding shares of common stock. The stock is to be offered for public sale by the present holder thereof, Robert S. Fremont (president), through underwriters headed by A. G. Becker & Co. Inc., 120 S. La Salle St., Chicago, Ill. 60603. The public offering price (\$15 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is engaged principally in the manufacture and sale of recessed incandescent lighting fixtures for residential, commercial and institutional buildings. In addition to indebtedness, it has outstanding 291,550 common and 375,000 Class B shares. Fremont, the selling stockholder, owns 134,000 common and all of the outstanding Class B shares.

SUSAN THOMAS INC. FILES FOR SECONDARY. Susan Thomas Incorporated, 498 Seventh Ave., New York 10018, filed a registration statement (File 2-23538) with the SEC on April 29 seeking registration of 375,000 outstanding shares of common stock. The stock is to be offered for public sale by the present holders thereof through underwriters headed by Drexel & Co., 1500 Walnut St., Philadelphia, Pa. 19101, and Glore Forgan, Jm. R. Staats Inc., 45 Wall St., New York 10005. The public offering price (\$24 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is engaged in the design, production and sale of ladies' apparel, sold primarily under the company's registered trademarks "Susan Thomas" and "Adele Martin" to department and specialty stores. In April 1965, it issued 45,000 common shares to William R. Thomas (president) and George M. Thomas (vice president), as custodians for their six children and the three children of Reuben Thomas (vice president), in exchange for all of the outstanding stock of Jan Stevens, Inc., which was subsequently merged into the company. The company has outstanding 1,065,000 common shares. The prospectus lists five selling stockholders, as follows: Reuben Thomas, William B. Thomas and George M. Thomas, each offering 110,000 of holdings of 340,000 shares each; and William B. Thomas, as custodian under gift to minors, and George M. Thomas, as custodian under gift to minors, offering their entire holdings of 30,000 and 15,000 shares, respectively. Victor Tomshinsky is board chairman of the company.

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STANDARD PRESSED STEEL FILES STOCK PLAN. Standard Pressed Steel Co., Jenkintown, Pa., filed a registration statement (File 2-23540) with the SEC on April 30 seeking registration of 219,228 shares of common stock, to be offered under its 1964 Stock Option Incentive Plan.

BORG-WARNER FILES STOCK PLANS. Borg-Warner Corporation, 200 S. Michigan Ave., Chicago, Ill., 60604, filed registration statements with the SEC on April 30 seeking registration of common stock, as follows: (1) File 2-23541 - 100,000 common shares to be offered pursuant to its 1964 Stock Option Plan for Key Employees and 300,000 common shares to be offered under the company's 1965 Stock Option Plan for Key Employees; and (2) File 2-23542 - 17,180 common shares which may be acquired under Borg-Warner's 1965 Supplement to Amended Contingent Compensation Plan.

CONTINENTAL TELEPHONE FILES EXCHANGE PROPOSAL. Continental Independent Telephone Corporation, 130 S. Bemiston, St. Louis, Mo. 63105, filed a registration statement (File 2-23533) with the SEC on April 29 seeking registration of 2,133,932 shares of common stock. The stock is to be offered in exchange for common shares of California Interstate Telephone Company, at the rate of two company shares for each share of California Interstate. As of April 19, 1965, the company owned 243,514 common shares of California Interstate, representing approximately 20% of the then outstanding common stock.

The company is a telephone holding company incorporated in 1960 to acquire controlling interests in telephone operating properties. In addition to indebtedness and preferred stock, it has outstanding 4,559,979 common and 188,725 Class B common shares. Management officials own 3.625% of the common stock of the company. Charles Wohlstetter is board chairman and Phillip J. Lucier is president.

METROPOLITAN EDISON RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-15232) authorizing Metropolitan Edison Company, Berks County, Pa., to sell a maximum of \$20,800,000 of unsecured promissory notes to a group of banks by April 30, 1966. According to the application, the proceeds from the note sale will be used by the company to finance its construction program (estimated at \$23,400,000 in 1965) and to repay other short-term borrowings incurred for such purpose.

CUSTER CHANNEL WING CITED. The SEC Washington Regional Office announced April 30 (LR-3211) the filing of a criminal contempt action (USDC Md.) against Willard R. Custer and Custer Channel Wing Corporation, both of Hagerstown, Md., who were ordered by the court to show cause why they should not be held in contempt of a May 1962 injunction against further sale of stock of the defendant corporation in violation of the Securities Act registration and anti-fraud provisions. The defendants denied that they had wilfully disobeyed the injunctive order; and a trial is expected in mid-July.

ELIZABETH SECURITIES REVOKED; SAVANT INSTRUMENTS SUSPENSION MADE PERMANENT. The SEC today announced a decision (1) making permanent its prior order temporarily suspending a Regulation A exemption from Securities Act registration with respect to a public offering of common stock by Savant Instruments, Inc. (formerly Servonuclear Corp.), of 221 Park Ave., Hicksville, N. Y. (Release 33-4778); (2) revoking the broker-dealer registration of Elizabeth Securities, Inc., 1 Broad St., Elizabeth, N. J., for violations of the anti-fraud provisions of the Federal securities laws in the sale of Savant stock; and (3) expelling Elizabeth Securities from NASD membership. Nathaniel J. Rothenberg, George Heller, and George Getz, officials and principal stockholders of Elizabeth Securities, were each found to be a cause of the revocation order.

According to the decision, Savant's Regulation A notification related to the proposed public offering of 13,000 of its shares by Elizabeth Securities and 2,000 by another stockholder. The Commission ruled that in 1963 Elizabeth Securities, aided and abetted by the three named individuals, (1) induced customers to purchase Savant stock by means of false representations with respect to company profits, possibilities of merger, probable sharp rise in the value of Savant stock, while at the same time persuading other customers to sell Savant shares to the firm by telling them that Savant had no future and that the price of its shares was likely to decline; (2) made sales of Savant stock to customers at unreasonable prices some 20% to 75% above the firm's contemporaneous costs, and at prices which had been artificially inflated by the firm's manipulative practices; and (3) caused other firms to insert quotations for Savant stock in the daily quotation sheets at arbitrary and progressively increasing prices "in a campaign designed artificially to raise the market price in anticipation of the proposed public offering."

Savant's filing with the Commission stated that the public offering would be at the market and contained information with respect to the stock's price range, but failed to disclose that Elizabeth Securities had manipulated the market.

MICHIGAN CONSOLIDATED GAS SEEKS ORDER. Michigan Consolidated Gas Company, One Woodward Ave., Detroit, Mich., 48226, has applied to the SEC for an order under the Holding Company Act authorizing it to acquire from the City of Escanaba, Mich., the municipally owned propane-air gas production and distribution facilities located in that City for \$725,000; and the Commission has issued an order (Release 35-15234) giving interested persons until May 26 to request a hearing thereon.

PENN ELECTRIC SEEKS ORDER. Pennsylvania Electric Company, 1001 Broad St., Johnstown, Pa. 15907, has applied to the SEC for an order under the Holding Company Act authorizing it to amend its charter, solicit proxies, and acquire shares of its preferred stock. The Commission has issued an order (Release 35-15235) giving interested persons until May 25 to request a hearing thereon. According to the application, Penelec proposes to amend its charter to increase the amount of unsecured debt securities that may be outstanding at any one time from 10% to 20% of the aggregate of its secured indebtedness, capital and surplus. All the outstanding Penelec common is owned by General Public Utilities Corp., which proposes to vote in favor of

of the charter amendment. The amendment also is subject to approval by holders of two-thirds of the outstanding 405,000 shares of preferred stock (of several series). GPU will not vote to approve the charter amendment if preferred stockholders submit written objections thereto (pursuant to the appraisal provisions of Pennsylvania law) to the extent that it would become necessary for Penelec to reacquire so substantial an amount of its preferred stock as to unduly deplete its treasury. Penelec proposes to acquire not more than 40,000 preferred shares from holders who object to the charter amendment and who perfect their appraisal rights; but before offering to acquire any such shares it will seek an SEC order of approval of the terms of such offer.

If the requisite favorable vote in respect of the proposed charter amendment is received, Penelec proposes during the latter part of 1965, through an invitation for tenders, to purchase such number of preferred shares which, together with shares (if any) acquired by it from dissenting stockholders who perfect their appraisal rights, does not exceed 40,000 shares. The maximum tender prices also will be subject to a later approval order of the Commission.

O/C REGISTRATIONS REPORTED. The following issuers of securities traded over-the-counter have filed registration statements with the Commission pursuant to requirements of Section 12(g) of the Securities Exchange Act (companies which currently file annual and other periodic reports with the SEC are identified by "***"):

File No.	0- Registrant	Location
439	AVM Corp.	Jamestown, N.Y.
437	Aloha Airlines, Inc.	Honolulu, Hawaii
458	Beryllium Corp. **	Reading, Pa.
443	Calbiochem	L. A., Cal.
464	Cal. Water Service Co. **	San Jose, Cal.
450	Cowles Magazines & Broadcasting Inc. **	N. Y., N.Y.
449	Fall River Gas Co.	Fall River, Mass.
447	Farrel Corp.	Ansonia, Conn.
444	Fleming Co. Inc. **	Topeka, Kan.
445	General Tel. Co. of Ohio **	Marion, Ohio
461	Granger Associates	Palo Alto, Cal.
457	Gulf Interstate Co.	Houston, Tex.
455	Home Tel. & Tel. Co. of Va.	Tarboro, N.C.
438	Langley Corp.	San Diego, Cal.
448	Nat'l Gas & Oil Corp.	Newark, Ohio
451	New Yorker Magazine, Inc.	N. Y., N.Y.
442	Pittsburgh & Lake Erie RR Co.	Pittsburgh, Pa.
462	7 Up Bottling Co. of Los Angeles, Inc. **	L. A., Cal.
436	Sioux Oil Co.	Newcastle, Wyo.
441	Superior Electric Co.	Bristol, Conn.
452	Tecumseh Products Co.	Tecumseh, Mich.
454	Towle Mfg. Co.	Newburyport, Mass.
446	Transcon Lines	L. A., Cal.
453	Travelers Express Co., Inc. **	Minneapolis, Minn.
456	Vanity Fair Mills, Inc. **	Reading, Pa.
440	Westab Inc.	Dayton, Ohio

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. The captions of the items are as follows:

- Item 1. Changes in Control of Registrant.
- Item 2. Acquisition or Disposition of Assets.
- Item 3. Legal Proceedings.
- Item 4. Changes in Securities.
- Item 5. Changes in Security for Registered Securities.
- Item 6. Defaults upon Senior Securities.
- Item 7. Increase in Amount of Securities Outstanding.
- Item 8. Decrease in Amount of Securities Outstanding.
- Item 9. Options to Purchase Securities.
- Item 10. Revaluation of Assets or Restatement of Capital Share Account.
- Item 11. Submission of Matters to a Vote of Security Holders.
- Item 12. Other Materially Important Events.
- Item 13. Financial Statements and Exhibits.

Copies of the reports may be purchased from the Commission's Public Reference Section (please give News Digest's "Issue No." in ordering). Invoice will be included with requested material when mailed.

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Volume Distributors Inc Mar 65 (7)	2-19340-2	Hicks-Ponder Co Mar 65 (11)	0-158-2
CBI Liquidating Corp Mar 65 (2,8,13)	2-16923-2	Phila Suburban Water Co Mar 65 (7)	2-1572-2
The Andrew Jergens Co Mar 65 (4,8,13)	0-217-2	Sovereign Life Ins Co of Calif Mar 65 (11)	2-20919-2
Longines Wittnauer Watch Co Inc Dec 63 (4,7,13)	1-3386-2	Computer Control Co Inc Mar 65 (12)	0-170-2
The Midwestern Indemnity Co Apr 65 (11,12)	2-20971-2	Crown Aluminum Inds Corp Apr 65 (11,13)	1-4584-2
Acushnet Process Co Apr 65 (11)	2-9265-2	Walter E Heller & Co Mar 65 (12)	1-2291-2
Central & South West Corp Apr 65 (11)	1-1443-2	Sun Life Ins Co of America Mar 65 (11,12,13)	2-22102-2
Cle-Ware Industries Inc Mar 65 (2,13)	2-18555-2	Gem Electronic Distributors Inc Mar 65 (2)	2-18757-2
The Greater Nebraska Corp Mar 65 (7)	2-21086-2	Shop-Rite Foods Inc Mar 65 (1,9,11,12,13)	2-14385-2
Gen Tel Co of the Southeast Mar 65 (7,13)	2-13482-2	Southern Calif Water Co Apr 65 (11)	2-2773-2
Georgia Internat'l Life Ins Co Mar 65 (11,13)	2-15307-2	Va Commonwealth Corp Amend #1 to 8K for Mar 64 (11)	2-20053-2
Miss River Transmission Corp Mar 65 (12)	2-17607-2	Pan American Airways Inc Amend #1 to 8K for Feb 65 (7,13)	1-3532-2
Chesapeake Life Ins Co Mar 65 (9,11,12,13)	2-22205-2	Denver National Life Ins Co Amend #1 to 8K for Feb 65 (1,2,13)	2-14651-2
Libbey-Owens-Ford Glass Co Apr 65 (11,13)	1-924-2	Commonwealth Natural Gas Corp Amend #1 to 8K for Dec 64 (13)	0-266-2
Continental Mortgage Investors Dec 64 (12,13)	2-19499-2	Drew Properties Corp Amend #1 to 8K for Feb 65 (4,7)	0-48-2
Olson Bros Inc Mar 65 (3)	2-3914-2	Pan American Airways Inc Mar 65 (7)	1-3532-2
Amer Heritage Life Ins Co Mar 65 (11)	2-12874-2	Duval Corp Mar 65 (11,13)	2-8222-2
First Finance Corp Mar 65 (4,7,11,13)	2-21982-2		

SECURITIES ACT REGISTRATION STATEMENTS. During the week ended April 29, 1965, 28 registration statements were filed, 58 became effective, and 324 were pending at the week-end.

SECURITIES ACT REGISTRATIONS. Effective April 30: El Paso Natural Gas Co. (File 2-23426); National Lead Co. (File 2-23452); Symington Wayne Corp. (File 2-23401).
Effective May 3: American Natural Gas Co. (File 2-23455).

*As estimated for purposes of computing the registration fee.

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