

# sec news digest

LIBRARY

Issue 76-83

(SEC Docket, Vol. 9, No. 9 - May 11)

APR 29 1976

April 28, 1976

## DECISIONS IN ADMINISTRATIVE PROCEEDINGS

### U.S. SECURITIES AND EXCHANGE COMMISSION

B. J. LERNER AND COMPANY, INC.

The Commission has issued an order revoking the registration of B. J. Lerner and Company, Inc. as a broker-dealer based upon the failure of the respondent to appear at hearings in administrative proceedings on March 9, 1976 of which it was duly notified and therefore the respondent was in default. (Rel. 34-12346)

## COURT ENFORCEMENT ACTIONS

COMPLAINT NAMES LOUIS BOURGIGNON

The Denver Regional Office announced the filing of a civil complaint in the Federal District Court for the District of New Mexico, Albuquerque, New Mexico, on April 15 seeking to enjoin Louis Bourguignon of Albuquerque, New Mexico from violating the registration and antifraud provisions of the securities laws.

The complaint alleges, among other things, that the defendant made a fraudulent unregistered offering of the following securities: common stock, pre-incorporation interests and participations in profit sharing agreements of Lobo Holding Corporation, a New Mexico corporation; investment contracts in the form of allotments of land under the Desert Land Entry Act; the common stock of Santa Fe Mortgage, an Arizona corporation; and the common stock of Nezona, Inc., an Arizona corporation. (SEC v. Louis Bourguignon, D. New Mexico, Civil Action No. 76-232-M). (LR-7372)

COMPLAINT NAMES HIGH VALLEY INVESTMENTS, OTHERS

The Seattle Regional Office filed a complaint on April 8 in Federal District Court, Missoula, Montana seeking to enjoin High Valley Investments, Inc., a Nevada corporation, Charles von Goerken of Saint Ignatius, Montana, and Robert A. Wagner of Phoenix, Arizona from violations of the registration and antifraud provisions of the securities laws. The alleged violations stem from the unregistered sale of fractional undivided interests in oil and gas leases to members of the public. The complaint also alleges untrue statements about the risk in the venture, ownership of the leases, use of investors' funds, and return on the investment. (SEC v. High Valley Investments, Inc., et al., D. Mont. Missoula Div., CV-76-39-M). (LR-7373)

## INVESTMENT COMPANY ACT RELEASES

HOME LIFE INSURANCE COMPANY

An order has been issued on an application of Home Life Insurance Company, a New York mutual life insurance company, and Home Life Separate Accounts C and D, both registered under the Investment Company Act of 1940 as unit investment trusts, for exemption from Section 27(a)(3) and Rule 27a-2 thereunder. (Rel. IC-9262 - Apr. 27)

## HOLDING COMPANY ACT RELEASES

THE SOUTHERN COMPANY

An order has been issued approving a proposal of The Southern Company, a registered holding company, to issue from time to time through March 31, 1977, up to 2,250,000 shares of its authorized but unissued common stock, par value \$5 per share, pursuant to a dividend reinvestment plan. The proceeds of the sale will be used to make capital contributions and loans to Southern's subsidiaries and to repay short-term debt. (Rel. 35-19498 - Apr. 26)

## AMERICAN ELECTRIC POWER COMPANY

An order has been issued authorizing American Electric Power Company, Inc., a registered holding company, to amend its Certificate of Incorporation to increase its authorized common stock from 100,000,000 to 125,000,000 shares. (Rel. 35-19499 - Apr. 27)

An order has also been issued authorizing American Electric Power Company, Inc., for authorization of transactions incident to its Employee Stock Purchase Plan. (Rel. 35-19500 - Apr. 27)

## OHIO EDISON COMPANY

An order has been issued authorizing Ohio Edison Company, a registered holding company, to amend its Charter to increase its authorized common stock and to create a class of \$25 preferred stock. (Rel. 35-19501 - Apr. 27)

---

## SELF-REGULATORY ORGANIZATIONS

---

### APPROVAL OF PROPOSED RULE CHANGE

The Commission has approved a proposed rule change filed by the New York Stock Exchange, Inc. (SR-NYSE-76-16). The rule change permits members to share unsegregated office space with non-securities organizations and to share segregated office space with non-members in a securities business. (Rel. 34-12377)

---

## SECURITIES ACT REGISTRATIONS

---

### (S-1) EASTERN MOUNTAIN SPORTS, INC.

1041 Commonwealth Ave., Boston, Mass. 02215 - 600,000 shares of common stock, of which 320,000 shares are being offered for sale by the company and 280,000 shares by certain selling shareholders, through underwriters headed by Burgess & Leith, 53 State St., Boston, Mass. 02109 and Janney Montgomery Scott Inc., 5 Penn Center Plaza, Philadelphia, Pa. 19103. The company is a speciality retailer of clothing and equipment associated with outdoor activities, including backpacking, camping, mountaineering, and cross-country skiing, which operates a chain of eleven retail stores located in seven states. (File 2-56139 - Apr. 23)

### (S-16) W. W. GRAINGER, INC.

5959 West Howard St., Chicago, Ill. 60648 - 250,000 shares of common stock, to be offered for sale from time to time by certain shareholders at prices current at the time of sale through Kuhn, Loeb & Co., 40 Wall St., New York, N.Y. 10005, acting as exclusive broker. The company is principally engaged in the national distribution of electrical motors and related products. (File 2-56140 - Apr. 23)

### (S-1) INFORMATION MAGNETICS CORPORATION

5740 Thornwood Dr., Goleta, Cal. 93017 - 816,021 shares of common stock, to be offered for sale by underwriters managed by C. E. Unterberg, Towbin & Co. and Hambrecht & Quist, whose addresses are 61 Broadway, New York, N.Y. 10006 and 235 Montgomery St., San Francisco, Cal. 94104, respectively. 550,000 of the shares are to be offered on behalf of the company and 266,021 of the shares are to be offered on behalf of selling shareholders. The company produces magnetic disc and tape recording heads used in magnetic storage units for data processing systems as well as linear motors and linear motor head positioning subsystems. (File 2-56141 - Apr. 26)

### (S-1) OMNIMEDICAL SERVICES, INC.

16312 Garfield Ave., Paramount, Cal. 90723 - 250,000 shares of common stock, to be offered for sale at \$4.00 per share through underwriters headed by C. L. McKinney & Co. Inc., 523 West Sixth St., Los Angeles, Cal. 90014. Omnimedical Services, Inc. primarily provides technical medical diagnostic services. (File 2-56142 - Apr. 26)

### (S-16) GENERAL HOST CORPORATION

245 Park Ave., New York, N.Y. 10017 - \$600,000 of 11% convertible subordinated debentures, due 1988, and an indeterminate number of shares of common stock issuable upon conversion, presently up to 37,500 shares, which may be offered for sale from time to

time by certain holders thereof at prices current at the time of sale, as well as certain securities covered by previous registration statements. General Host is engaged in food products, convenience stores, salt and agricultural products, footwear and apparel materials and tourism operations. (File 2-56148 - Apr. 26)

(S-7) GENERAL TELEPHONE & ELECTRONICS CORPORATION

One Stamford Forum, Stamford, Conn. 06904 - 4,000,000 shares of no par preferred stock. The no par preferred stock will be offered for sale through underwriters headed by Paine, Webber, Jackson & Curtis Incorporated and Dean Witter & Co. Incorporated. General Telephone & Electronics Corporation is the parent company of more than 60 communications, manufacturing, research and service subsidiaries with operations in 41 states and 16 countries abroad. (File 2-56149 - Apr. 26)

(S-14) JOSTENS, INC.

5501 Norman Center Dr., Minneapolis, Minn. 55437 - 986,923 common shares. It is proposed to issue these shares to the shareholders of Champion Products Inc. in connection with the merger of Champion Products Inc. and a wholly-owned subsidiary of Jostens, Inc. at the rate of 1.08 Jostens shares for each Champion share. Jostens is a manufacturer and distributor of motivation and recognition products for scholastic and commercial markets. (File 2-56150 - Apr. 26)

## RECENT 8K FILINGS

Form 8K is a report which must be filed with the SEC by the 10th of the month after any of the following important events or changes: changes in control of the registrant; acquisition or disposition of assets; legal proceedings; changes in securities (i.e., collateral for registered securities); defaults upon senior securities; increase or decrease in the amount of securities outstanding; options to purchase securities; revaluation of assets; submission of matters to a vote of security holders.

The companies listed below have filed Form 8-K reports for the month indicated, responding to the item of the form specified. Photocopies may be purchased from the Commission's Public Reference Section (in ordering, please give month and year of report). An index of the captions of the items of the form was included in Monday's News Digest.

COMPANY	ITEM NO.	MONTH
ALLERGAN PHARMACEUTICALS	13	03/76
CERTRON CORP	4,7,9,14	03/76
IMOCO GATEWAY CORP	8	03/76
INTER CONTINENTAL COMPUTING INC	7,13,14	01/76
NORTHWEST INDUSTRIES INC	8,13	03/76
STATE EXPLORATION CO	11,13	03/76
AMICOR INC	2,3,11	03/76
BEEFSTEAK CHARLIE'S INC	13,14	03/76
BP PIPELINES INC	7	03/76
CAMPGROUNDS INTERNATIONAL INC	2,7,14	03/76
CAPITOL RESOURCES INC	11,14	03/76
HONEGGER & CO INC DEL	3,7	01/76
IDS MCCULLOCH 1974 OIL EXPLORATION DEVEL	3	03/76
MASSACHUSETTS ELECTRIC CO	3,11	03/76
MIDWEST RUBBER RECLAIMING CO	1,13,14	03/76
SOHIO BP ALASKA PIPELINE CAPITAL INC	7	03/76
SOHIO PIPE LINE CO	7	03/76
WARSHOW H & SONS INC NY	2,7	01/76
AIRPAX ELECTRONICS INC	1,3,13	01/76
ALABAMA OXYGEN CO INC	13	03/76
AUTOMATED DATA ASSOCIATES INC	11,14	03/76
COMPUTER INVESTORS GROUP INC	9,14	03/76
DATA DISC INC	4,7,13,14	03/76
DESERET PHARMACEUTICAL CO INC	3	03/76
FIRST BANC GROUP OF OHIO INC	7	03/76
FIRST NORTHWEST INDUSTRIES OF AMERICA IN	8,11	03/76
FIRST VIRGINIA BANKSHARES CORP	13	04/76
FLYING DIAMOND OIL CORP	3	03/76
GENERAL BANCSHARES CORP	13,14	04/76
GENERAL CAPITAL CORP	2,8,14	03/76

RECENT 8K FILINGS CONT.

GENERAL FELT INDUSTRIES INC	2,14	03/76
GENSTAR LTD	13,14	03/76
HARTFIELD ZODYS INC	9,11,14	02/76
HARTFIELD ZODYS INC	3,7,14	03/76
INTERLAKE INC	3,14	03/76
LUNDY ELECTRONICS & SYSTEMS INC	3	03/76
MB ASSOCIATES	3	03/76
MIDLAND RESOURCES INC	6,13	03/76
PARKVIEW GEM INC	2,3,6,10	03/76
PENN METAL FABRICATORS INC	2	03/76
PHILADELPHIA ELECTRIC CO	13	03/76
POWER DESIGNS INC	13	03/76
SONICS INTERNATIONAL INC	13	04/76
SOUTHLAND CAPITAL INVESTORS INC	11	02/76
STAGE INDUSTRIES INC	11	04/76
STANLEY HOME PRODUCTS INC	13	03/76
SWEITZER HOLDINGS INC	11,13,14	03/76
TEJON AGRICULTURAL PARTNERS	13,14	03/76
TELEFILE COMPUTER CORP	7	03/76
TOPSYS INTERNATIONAL INC	10,14	03/76
UARCO INC	7	03/76
UNITED STATES BANCSHARES INC	11	03/76
VAIL ASSOCIATES INC	13	03/76

AMENDMENTS TO REPORTS ON FORM 8-K

ATCHISON TOPEKA & SANTA FE RAILWAY CO	3	03/75
ATCHISON TOPEKA & SANTA FE RAILWAY CO	3	04/75
ATCHISON TOPEKA & SANTA FE RAILWAY CO	3	06/75
BANK SECURITIES INC	7,14	02/76
BENEFICIAL STANDARD MORTGAGE INVESTORS	10	03/76
CLARK EQUIPMENT CO	10	01/76
CROWN CRAFTS INC	3,14	03/76
HAWKEYE BANCORPORATION	7	02/76
REMBRANDT ENTERPRISES INC	2,3,13,14	12/75
SALEM CARPET MILLS INC	7	01/76
SANTA FE INDUSTRIES INC	3	04/75
SOUTHERN DAISY INDUSTRIES INC	14	10/75
WELLS FARGO & CO	10	12/75
STERLING PRECISION CORP	7	03/76
IDENTIMATION CORP	2,3	06/75

NOTICE

Many requests for copies of documents referred to in the SEC News Digest have erroneously been directed to the Government Printing Office. Copies of such documents and of registration statements may be ordered from the Public Reference Section, Securities and Exchange Commission, Washington, D.C. 20549. The reproduction cost is 15¢ per page plus postage (\$2 minimum) and 30¢ per page plus postage for expedited handling (\$5 minimum). Cost estimates are given on request. All other referenced material is available in the SEC Docket.

SEC NEWS DIGEST is published daily. Subscription rates: \$64.45/yr in U.S. first class mail; \$80.60 elsewhere.

SEC DOCKET is published weekly. Subscription rates: \$43.70/yr in

U.S. first class mail, \$54.65 elsewhere. The News Digest and the Docket are for sale by the Superintendent of Documents, Government Printing Office, Washington, D.C. 20402.