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May 7, 1976

MAY 10 1976

RULES AND RELATED MATTERS

NOTICE OF EXTENSION OF COMMENT PERIOD

U.S. SECURITIES AND EXCHANGE COMMISSION

On March 11, 1976, the Commission gave notice of the filing of proposed Rules 309 and 310 by the New York Stock Exchange, Inc. and instituted proceedings to determine whether to disapprove such rule proposals. To provide interested persons additional time to prepare and to submit comments, the Commission has extended the period for initial comments until May 15, 1976, and the rebuttal period until June 1, 1976.

Copies of all submissions will be available for inspection at the Commission's Public Reference Room, 1100 L Street, N.W., Washington, D.C. Persons desiring to make written submissions should file six copies thereof with the Secretary of the Commission, 500 North Capitol Street, Washington, D.C. 20549, with reference to the appropriate file number. (Rel. 34-12412)

DECISIONS IN ADMINISTRATIVE PROCEEDINGS

OHIO POWER COMPANY AUTHORIZED TO ISSUE \$190 MILLION OF SHORT-TERM DEBT

A decision has been issued under the Public Utility Holding Company Act authorizing Ohio Power Company, of Canton, Ohio, to borrow up to \$190 million on a short-term basis. Ohio Power is the largest operating subsidiary of American Electric Power Company, Inc. (AEP), a registered holding company.

Ohio Power had requested authorization to borrow up to \$270 million. Its application for that amount was opposed by Ormet Corporation, Ohio Power's largest customer, and by the Commission's Division of Corporate Regulation as exceeding Ohio Power's own estimates of its needs. The Commission agreed with the objectors that "nothing justifies authorization of short-term borrowing in excess of the applicant's projected requirements. Applications for exemption from the 5% limitation can be approved only to the extent that the amount requested is demonstrated to be necessary and appropriate."

The Commission declined to issue a formal order, as requested by the Division, directing that Ohio Power file a report of its and AEP's plans to dispose of unnecessary real estate, to sell or share capacity with non-affiliated utility companies and to adjust ownership of generating capacity within the AEP system.

But the Commission endorsed the Division's efforts "to keep itself fully informed about Ohio Power and about every aspect of the holding company system to which Ohio Power belongs." The Commission deemed it "axiomatic" that regulated companies are duty-bound to cooperate with the Division in providing all necessary information. (Rel. 35-19502)

PROCEEDINGS AGAINST INTERNATIONAL SHAREHOLDERS SERVICES CORPORATION & HOWARD M. JENKINS DISMISSED

The Commission has dismissed administrative proceedings instituted under the Securities Exchange Act against International Shareholders Services Corporation, a Jacksonville, Florida, broker-dealer firm, and its president, Howard M. Jenkins. Respondents were charged with wilful violations of the Securities Act's registration requirements, and with failing to file the firm's annual reports of financial condition in a timely fashion.

The Commission found that respondents' registration violations were not wilful because their own sales of securities were wholly intrastate, and because no showing had been made that they knew or had reason to know of the issuer's sales to non-residents.

The Commission also found that the record failed to establish untimely filings of three annual financial reports. It concluded that the Commission's staff had improperly denied two valid requests for extensions of time, and that one report was actually filed within the prescribed time limits. (Rel. 34-12389)

**NASD ACTION AGAINST SAMUEL A. SARDINIA
MODIFIED**

The Commission has reduced sanctions imposed by the NASD on Samuel A. Sardinia, of Springfield, Virginia, to a \$10,000 fine and a 5-year suspension from acting as a principal with any NASD member. Sardinia was associated with the former broker-dealer firm of Aarsand & Co.

The Commission found, as had the NASD, that Sardinia, an accountant, was a principal of Aarsand & Co. but improperly failed to register as such, and that Sardinia was involved in sales of two new issues to the public at prices in excess of the public offering prices, bids for and purchases of a security during a distribution thereof, and improper resales of restricted securities. The Commission also affirmed the NASD's findings that Sardinia was responsible for the improper extension of credit to the firm's customers and for customers being charged excessive mark-ups. (Rel. 34-12392)

COMMISSION ANNOUNCEMENTS

**SEATTLE REGIONAL OFFICE - OFFICE OF OREGON
CORPORATION COMMISSION CO-HOST ANNUAL COOPERATIVE
SECURITIES CONFERENCE**

The Seattle Regional Office and the Oregon Corporation Commission will sponsor the Eighth Annual "Northwest State-Federal-Provincial Securities Conference" at the Ramada Inn, Portland Center, May 12 and 13, 1976. The meeting will include participants from regulatory and enforcement groups at the State, Federal and County level in addition to a number of equivalent Canadian authorities. The private bar, accountants, the broker-dealer community and other interested persons are invited to the second day of the conference, May 13. Information and registration forms may be obtained at the Seattle Regional Office or at the office of the Oregon Corporation Commissioner.

**ANNOUNCEMENT OF COMMISSION CONCLUSIONS AND
FINAL ACTION ON RULEMAKING PROPOSALS RELATING
TO ENVIRONMENTAL DISCLOSURE**

The Commission has announced its conclusions and final action on the rulemaking proposals regarding disclosure of environmental matters which were announced in Securities Act Release No. 5627 dated October 14, 1975. These proposals would have required registrants to disclose any material estimated capital expenditures for environmental control facilities for specified periods; to provide a list of the registrant's most recently filed environmental standard; and to undertake to provide copies of the reports so listed, upon written request.

The Commission has determined to adopt so much of the proposals as related to the disclosure of capital expenditures for environmental compliance purposes. The Commission has, however, concluded that requiring the listing and availability of environmental compliance reports would not provide additional meaningful information to investors interested in the environmentally significant aspects of the behavior of registrants, and that no disclosure alternative of which it is aware would provide such additional information without costs and burdens grossly disproportionate to any resulting benefits to investors and the environment.

Accordingly, the Commission has determined to withdraw disclosure proposals relating to compliance reports announced in Release No. 5627, and has concluded that its existing rules, previously adopted, along with the action it has now taken, satisfy the Commission's obligations under the securities laws and the National Environmental Policy Act of 1969. (Rel. 33-5704)

COURT ENFORCEMENT ACTIONS

WESTERN ORBIS CO. ENJOINED

The SEC announced that on April 27 the Honorable Oliver Gasch, U.S. District Judge for the District of Columbia, granted the Commission's motion for summary judgment against Western Orbis Co. (Western Orbis) of Los Angeles, California. The Court found that Western Orbis had failed and was continuing to fail to file certain periodic reports required by the Securities Exchange Act of 1934. Judge Gasch permanently enjoined Western Orbis from such violations in the future and ordered the defendant corporation to file its delinquent reports within fourteen days or show cause while additional time should be allowed. (SEC v. Western Orbis Co., D.D.C., Civil Action No. 76-0127). (LR-7384)

VTR, INC. AND DAVID E. JORDAN FINED AGAIN IN CIVIL CONTEMPT

The SEC announced that on April 29 the Honorable Oliver Gasch, U.S. District Judge for the District of Columbia, entered judgment for fines against VTR, Inc. (VTR) in the sum of \$1,500 and against VTR's chief executive officer David E. Jordan (Jordan), in the amount of \$4,500. The fines were entered to remedy VTR and Jordan's continuing non-compliance with the Court's order of November 4, 1975 requiring them to file certain reports pursuant to the Securities Exchange Act of 1934. VTR and Jordan had previously paid \$6,300 in fines for their earlier non-compliance. Judge Gasch also ordered that a limited receiver be appointed to oversee the prompt preparation and filing of VTR's delinquent reports and to make recommendations to the Court and the Commission for a program to assure VTR's future compliance with the reporting provisions of the Exchange Act. The Court further ordered that the limited receiver be compensated for such services from the contempt fines imposed on VTR and Jordan. (SEC v. VTR, Inc., D.D.C., Civil Action No. 190-73). (LR-7385)

INVESTMENT COMPANY ACT RELEASES

FULTON REID & STAPLES FUND

A notice has been issued giving interested persons until June 1 to request a hearing on a proposal by the Commission to declare, by order on its own motion, that Fulton Reid & Staples Fund, Inc. has ceased to be an investment company. (Rel. IC-9276 - May 5)

UTILITY SHARES OF AMERICA

An order has been issued declaring that Utility Shares of America, Inc., has ceased to be an investment company. (Rel. IC-9277 - May 5)

E & E MUTUAL FUND

A notice has been issued giving interested persons until June 7 to request a hearing on the application of E & E Mutual Fund, Inc., for an order that it has ceased to be an investment company. (Rel. IC-9278 - May 6)

HOLDING COMPANY ACT RELEASES

CONSOLIDATED NATURAL GAS COMPANY

A notice has been issued giving interested persons until May 28 to request a hearing on proposals of Consolidated Natural Gas Company, a registered holding company, and six of its subsidiaries to engage in intrasystem financing, and the issuance of commercial paper and notes to banks by the holding company. (Rel. 35-19514 - May 5)

JERSEY CENTRAL POWER & LIGHT COMPANY

A supplemental order has been issued authorizing an increase in fees and expenses to be incurred by Jersey Central Power & Light Company, subsidiary of General Public Utilities Corporation, and two of its associated companies, in connection with certain intrasystem transactions. (Rel. 35-19515 - May 5)

WEST PENN POWER COMPANY

An order has been issued releasing jurisdiction over fees incurred by West Penn Power Company, subsidiary of Allegheny Power System, Inc., and two of its associated companies, in connection with the acquisition and financing of certain rail cars. (Rel. 35-19516 - May 5)

SELF-REGULATORY ORGANIZATIONS

NOTICE OF PROPOSED RULE CHANGE

The Midwest Securities Trust Company has filed, pursuant to Rule 19b-4, proposed rule change (SR-MSTC-76-6 and SR-MSTC-76-7) regarding contributions by its members to the Participants' Fund and investment by MSTC of the Participants' Fund. Publication of the proposal is expected to be made in the Federal Register during the week of May 10. (Rel. 34-12413)

TRADING SUSPENSIONS

ADDITIONAL ACTION ON TWO TRADING SUSPENSIONS

The SEC has announced the suspension of exchange and over-the-counter trading in the securities of (a) Emerson's Ltd. for the further ten-day period May 7 - 16, inclusive; and (b) Equity Funding Corp. and Orion Capital Corp. for the further ten-day period May 11 - 20, inclusive.

MISCELLANEOUS

CORRECTION RE MARCH 5 NEWS DIGEST

The News Digest for March 5, 1976 (Issue No. 76-88) was incorrectly dated March 3, 1976.

SECURITIES ACT REGISTRATIONS

(S-7) THE DOW CHEMICAL COMPANY

2030 Dow Center, Midland, Mich. 48640 - 30,000 shares of common stock, to be offered by Gruppo Lepetit S.p.A. to its employees and employees of its subsidiaries, at a price to be established, via installment purchase. The Dow Chemical Company is engaged in the manufacture and sale of chemicals, metals, plastic materials and products and pharmaceutical, agricultural and consumer products and in the performance of certain specialized services. (File 2-56254 - May 4)

(S-1) SCIENCE APPLICATIONS, INC.

1205 Prospect St., La Jolla, Cal. 92037 - 85,500 shares of common stock, to be offered by certain selling shareholders to employees and consultants of the company. The company specializes in applying computer and systems technology to highly complex technical problems primarily in the area of national defense and, to a lesser extent, in the areas of management services and energy and environment problems. (File 2-56263 - May 5)

(S-1) NORTHWEST PIPELINE CORPORATION

315 East 200 South, Salt Lake City, Utah 84111 - \$35 million of sinking fund debentures, due 1996, which are to be offered for sale through underwriters represented by Loeb, Rhoades & Co., 42 Wall St., New York, N.Y. 10005. The company is an interstate natural gas transmission company serving customers in the western United States. (File 2-56270 - May 5)

(S-1) APPLIED DIGITAL DATA SYSTEMS INC.

100 Marcus Blvd., Hauppauge, N.Y. 11787 - 800,000 shares of common stock, to be offered for sale through underwriters managed by Lehman Brothers Inc. and Shearson Hayden Stone Inc., c/o Lehman Brothers Inc., One William St., New York, N.Y. 10004, at a price to be

agreed upon. 450,000 of such shares will be offered for the account of certain stockholders. The company is engaged in the design, manufacture and sale of video display computer terminal equipment. (File 2-56271 - May 5)

(S-1) ITT FINANCIAL CORPORATION

212 South Central Ave., St. Louis, Mo. 63106 - \$75 million of senior debentures, due 1996, to be offered for sale through underwriters headed by Kuhn, Loeb & Co., 40 Wall St., New York, N.Y. 10005 and Lazard Freres & Co., One Rockefeller Plaza, New York, N.Y. 10020. ITT Financial Corporation is a holding company, subsidiaries of which are engaged principally in the consumer and commercial finance business and in the life and accident and health insurance business. (File 2-56275 - May 6)

STOCK PLANS FILED

The following have filed Form S-8 registration statements with the SEC seeking registration of securities to be offered pursuant to employee stock and related plans:

- INA Corp., Philadelphia, Pa. (File 2-56256 - May 4) - 273,972 shares
- American Fletcher Corp., Indianapolis, Ind. (File 2-56257 - May 4) - 75,000 shares
- Morse Shoe, Inc., Canton, Mass. (File 2-56259 - May 3) - 100,000 shares
- Trans Union Corp., Lincolnshire, Ill. (File 2-56260 - May 3) - 400,000 shares
- Inmont Corp., New York, N.Y. (File 2-56261 - May 3) - 600,000 shares
- J. Walter Thompson Co., New York, N.Y. (File 2-56262 - May 3) - 400,000 shares
- The Interpublic Group of Companies, Inc., New York, N.Y. (File 2-56269 - May 5) - 125,000 shares
- United Brands Co., Boston, Mass. (File 2-56272 - May 5) - 500,000 shares
- AMF Inc., White Plains, N.Y. (File 2-56273 - May 5) - 800,000 shares

REGISTRATIONS EFFECTIVE

April 30: American Business Products Inc., 2-55847; American Continental Life Insurance Co., 2-55806; American Telecommunications Corp., 2-55409; Bancshares of New Jersey, 2-55604; CPC International Inc., 2-55840; Central Telephone & Utilities Corp., 2-55999; Chrysler Corp., 2-56138; Cities Service Co., 2-55942; Computer Automation Inc., 2-55696; Crown Cork & Seal Co., 2-56024; Desoto Inc., 2-56112; The Detroit Edison Co., 2-55674; Englehard Minerals & Chemicals Corp., 2-56105; European Coal & Steel Community, 2-56070; Ford Motor Co., 2-56057 & 2-56056; G. D. Searle & Co., 2-56075; General Signal Corp., 2-56014; Gould Inc., 2-55940; Horizon Bancorp., 2-55699; Investors Syndicate of America, Inc., 2-55977; Jeannette Corp., 2-55828; John H. Harland Co., 2-56017; The Mead Corp., 2-56130; Nicor Inc., 2-55987; Oak Industries Inc., 2-55981; Pacific Lighting Corp., 2-55983; Pioneer Corp., 2-56086; The Prudential Insurance Co. of America, 2-56179; Revlon Inc., 2-55963; Shenandoah Oil Corp., 2-56211; Square D Co., 2-56100; Sterling Drug Inc., 2-56133; Sullair Corp., 2-56093; The Tenneco Inc., 2-55935; Teradyne Inc., 2-55974; Texasgulf Inc., 2-56095; The Travelers Fund B-1 For Variable Contracts, 2-54173; Tri-Continental Corp., 2-55886; Upper Peninsula Power Co., 2-56042; Westinghouse Electric Corp., 2-56007.

NOTE TO DEALERS. When applicable the 90-day period of time dealers are required to use the prospectus is noted above in parentheses after the name of the issuer. As to the other issuers, there may be no such requirement to use a prospectus, or the requirement may be for a period of only 40 days; see Section 4(3) of the Securities Act of 1933 and Rule 174 (17 CFR 230.174) thereunder.

ACQUISITIONS OF SECURITIES

Companies and individuals must report to the Commission within 10 days on Schedule 13D if after the acquisition of equity securities of a public company their beneficial interest therein exceeds 5%. The following companies or individuals filed Schedule 13D's during the period April 15 - 30, 1976. The number of shares of the security which are beneficially owned, and the number of shares concerning which there is a right to acquire are set forth for each beneficial owner.

<u>REPORTING COMPANY OR INDIVIDUAL</u>	<u>ISSUER & NUMBER OF SHARES</u>	<u>DATE FILED</u>
Sidney Gross	Docktor Pet Centers, Inc. (Andover, Mass.) Common Stock - 1,480,000 shs. (Mr. Gross & Jeffrey Goldman who have acquired the beneficial interest in above shares which are held in escrow as security for payment of balance of purchase price, have an irrevocable proxy to vote such shares.)	4-15-76

ACQUISITION REPORTS CONT.

United Insurance Company of America Trinity Universal Insurance Company	TRW, Inc. (Cleveland, Ohio) Convertible Preferred Stock - 103,000 shs.	
James P. Cahill	Barnes Engineering Co. (Stamford, Conn.) Common Stock - 42,000 shs.	4-16-76
* Julius W. Zajac	Inarco Corp. (Twinsburg, Ohio) Common Stock - 28,656 shs. Common Stock - 28,500 shs. on exercise of Options	4-16-76
* Hanson Industries Inc. (Wholly-owned subsidiary of Hanson Trust Ltd. (England)	Hygrade Food Products Corp. (Southfield, Mich.) Common Stock - 923,488.79 shs. (94%) (455,861 shares were acquired pursuant to the Tender Offer)	4-16-76
* Beath Tecna Corp.	ESD Co. (San Diego, Calif.) Common Stock - 415,439 shs. (96.6%) (276,772 of above shares were acquired pursuant to the Tender Offer)	4-16-76
Salemon Brothers	APCO Oil Corp. (Houston, Tex.) 5% Convertible Debentures - \$768,000	4-19-76
* Transco Realty Trust	Hospital Mortgage Group (No. Miami, Fla.) Common Stock - 74,800 shs.	4-19-76
* Trade Development Bank Holdings S.A. (Luxembourg) Trade Development Bank (Switzerland) Trade Development Holding B.V. (Netherlands) Safrabank S.A. (Panama) Trade Development Europe Holding B.V. (Netherlands)	Republic New York Corp. (New York City) Common Stock - 1,943,579 shs.	4-20-76
Zychick Group of Shareholders	International Seaway Trading Corp. (Cleveland, Ohio) Common Stock - 136,037 shs.	4-20-76
Trust Under Employee Stock Ownership Plan of Arrow Electronics, Inc.	Arrow Electronics, Inc. (Greenwich, Conn.) Common Stock - 93,049 shs.	4-20-76
Roger S. Penske	American Western Life Insurance Co. (Salt Lake City, Utah) Common Stock - 200,000 shs.	4-20-76
Henry Brott	Rosenau Brothers, Inc. (King of Prussia, Penna.) Common Stock - 47,854 shs.	4-21-76
* Trustees under Harmon International Industries, Inc. Employees' Stock Bonus and Ownership Trust U/T/A	Harmon International Industries, Inc. (Lake Success, N.Y.) Common Stock - 172,634 shs.	4-21-76
* Group of Shareholders	GSC Enterprises, Inc. (Lincolnwood, Ill.) Common Stock - 1,708,877 shs.	4-21-76
* Edward L. Murphy, Jr.	Murphy Motor Freight Lines, Inc. (St. Paul, Minn.) Common Stock - 764,257 shs. (224,707 of above shares were acquired pursuant to the Tender Offer which expired March 22, 1976)	4-22-76
John R. Lauritzen Bruce R. Lauritzen Ann L. Pope	First National of Nebraska, Inc. (Omaha, Neb.) Common Stock - 111,237 shs.	4-22-76

ACQUISITION REPORTS CONT.

American General Insurance Co.	Washington National Corp. (Evanston, Ill.) Common Stock - 45,125 shs. on conversion of Preferred Stock	4-22-76
* Harold H. George	Blasius Industries, Inc. (Clifton, N.J.) Common Stock - 54,202 shs.	4-23-76
* F. Steven Berg	National Home Products, Inc. (Buffalo, N.Y.) Common Stock - 77,085 shs.	4-23-76
Schwartz Group of Shareholders	Banks of Iowa, Inc. (Cedar Rapids, Iowa) Common Stock - 226,815 shs.	4-23-76
BankAmerica Corp.	Information International, Inc. (Culver City, Calif.) Common Stock - 54,000 shs. (Above shares held as security for loan)	4-26-76
* Hillhaven Inc.	Beverly Enterprises (Pasadena, Calif.) Common Stock - 518,173 shs.	4-26-76

*Amended Acquisition Report

The following have made offers to acquire stock of companies listed below pursuant to tender offers as reported to the Commission on Schedule 13D:

<u>OFFER TO PURCHASE BY:</u>	<u>ISSUER & NUMBER OF SHARES TO BE PURCHASED</u>	<u>DATE FILED</u>
Quality Mills, Inc.	Huntley of York, Ltd. (York, S.C.) Common Stock - 216,990 shs. for cash at \$1.10 net per share	4-15-76
Booth Newspapers, Inc.	ComCorp, Inc. (Valley View, Ohio) Common Stock - All outstanding shares for cash at \$7.50 net per share (Booth presently owns 448,145 shares (64%))	4-16-76
Gulf & Western Industries, Inc. Signal Companies, Inc.	Signal Companies, Inc. (Beverly Hills, Calif.) Common Stock - 6,400,000 shares for cash at \$20.00 net per share (Signal and Gulf & Western will separately offer to purchase 2,500,000 and 3,900,000 shares, respectively)	4-16-76
TBK Partners, Ltd.	Investors Insurance Co. of America (Teaneck, N.J.) Common Stock - 200,000 shs. for cash at \$4.00 net per share (TBK presently owns 88,857 shares (11.4%))	4-22-76
American Benefit Life Insurance Company	Farm & Ranch Financial, Inc. (Wichita, Kan.) Common Stock - All Outstanding shares for cash at \$5.20 net per share (American presently owns 441,910 shares (49%))	4-23-76
Marvin L. Warner Hugh F. Culverhouse	Combanks Corp. (Winter Park, Fla.) Common Stock - All Outstanding shares for cash at \$20.00 net per share (Mr. Culverhouse presently owns 8,600 shares)	4-29-76
Mississippi River Corp.	Missouri Pacific Railroad Co. (St. Louis, Mo.) Common Stock - All Outstanding shares \$1 Convertible Preferred - All Outstanding shares (In exchange for 3,792,321 shares of Common of Mississippi on basis of 0.9 of a share for one share of Missouri) Chicago & Eastern Illinois Railroad Co. (St. Louis, Mo.) Common Stock - All Outstanding shares (In exchange for 724,100 shares of Common of Mississippi on basis of 0.99 of a share for one share of Chicago)	4-30-76

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.

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