

# SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST



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

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**EXCHANGE FUND SEEKS ORDER.** The SEC has issued an order under the Investment Company Act (Release IC-5078) giving interested persons until September 29 to request a hearing upon the application of Life Stock Exchange Fund, Inc., New York, for an order declaring that it has ceased to be an investment company. The Fund is to be dissolved and its single security holder has consented thereto.

**WYOMING INDUSTRIAL SEEKS EXEMPTION.** Wyoming Industrial Development Corporation, Casper, has applied to the SEC for exemption from all provisions of the Investment Company Act; and the Commission has issued an order (Release IC-5079) giving interested persons until September 29 to request a hearing thereon. The company's primary function is to supply needed capital to Wyoming businesses unable otherwise to obtain institutional financing, and its primary motive is the industrial and commercial expansion of Wyoming. It proposes to make an offering of 10,000 common shares at \$100 per share, primarily to established firms and corporations and to sophisticated business men; and it also will borrow from banks and other financial institutions. It will do business only in Wyoming and only with companies doing or proposing to do business in Wyoming.

**EL PASO NATURAL GAS SEEKS ORDER.** El Paso Natural Gas Company and its subsidiary, EPNG Corp., of New York City, have applied to the SEC for an exemption order under the Investment Company Act with respect to the merger of Beaunit Corporation into EPNG; and the Commission has issued an order (Release IC-5080) giving interested persons until September 28 to request a hearing thereon.

El Paso owns 80.4% of the voting stock of El Paso Products Co., a Texas corporation principally engaged in the petrochemical business; and El Paso Products owns about 34.4% of the outstanding stock of Beaunit, which is engaged in the manufacture of fibers and fabrics. Puritan Fund, Inc., a registered investment company, owns 8.8% of the outstanding stock of Beaunit. Under the proposal for merger of Beaunit into EPNG, the outstanding Beaunit stock is to be exchanged for El Paso common at the rate of four shares of El Paso for each five shares of Beaunit; this will result in the issuance of about 3,120,696 additional shares of El Paso. At a meeting of Beaunit shareholders held in May, 82.2% of the outstanding shares voted in favor of the plan and 1.6% voted against it. In view of the intercompany affiliations, the exchange of Puritan Fund's holdings of Beaunit stock for El Paso shares is prohibited by the Investment Company Act in the absence of an order of the Commission exempting the transaction from such prohibition.

**NEW ENGLAND POWER PROPOSES BOND OFFERING.** New England Power Company, Boston subsidiary of New England Electric System, has filed a proposal with the SEC under the Holding Company Act for the public offering at competitive bidding of \$15,000,000 of first mortgage bonds, due 1997; and the Commission has issued an order (Release 35-15849) giving interested persons until October 5 to request a hearing thereon. Net proceeds of the bond sale will be applied by the company to the payment of notes evidencing borrowings for capital expenditures or to reimburse its treasury therefor.

**TILNEY CO. ENJOINED.** The SEC New York Regional Office announced September 1 (LR-3804) the entry of a Federal court order (USDC SDNY) preliminarily enjoining Tilney & Company, New York broker-dealer firm, and its partner, Frederick Tilney, from engaging in the securities business in violation of the Commission's record-keeping and financial reporting rules, and directing the firm to get its books up to date and file a certified financial report with the Commission. The defendants consented to the court order.

**FOUR STOCKS DELISTED.** The SEC has granted applications (1) of the American Stock Exchange to strike from listing and registration the 6% convertible preferred stock of Coburn Corp. of America, the capital stock of National Petroleum Corp., Ltd., and the common stock of Pilot Radio - Television Corp. and (2) of the Midwest Stock Exchange to delist the common stock of Burton-Dixie Corp., effective as to each at the opening of business on September 11. Most of the outstanding preferred stock of Coburn has been converted; National Petroleum and Pilot Radio have sustained operating losses for each of the last three years; and most of the Burton-Dixie shares have been tendered in acceptance of a tender offer. (Release 34-8155)

**STOCK PLANS FILED.** The following companies have filed Form S-8 registration statements with the SEC proposing the issuance of stock under employee stock option and related plans:

Medtronic, Inc., Minneapolis, Minn. 55418 (2-27229) - 82,200 common shares

Simmons Company, New York 10022 (2-27231) - 200,000 common shares

Litton Industries, Inc., Beverly Hills, Calif. 90210 (2-27237) - 40,000 common shares and options to purchase 40,000 shares

OVER

**BARNETT NATIONAL SECURITIES FILES EXCHANGE PLAN.** Barnett National Securities Corporation, 100 Laura St., Jacksonville, Fla. 92202, filed a registration statement (File 2-27247) with the SEC on September 7 seeking registration of 57,765 common shares. It is proposed to offer these shares in exchange for the 30,000 outstanding shares of common stock of The American National Bank and Trust Company in Winter Haven, and for the 15,000 outstanding common shares of The American National Bank in Cypress Gardens - 45,000 shares will be offered in exchange for the Winter Haven Bank stock, at the ratio of 1.5 shares of company stock for each share of Winter Haven Bank stock, and 12,765 shares will be offered in exchange for the Cypress Gardens Bank stock, at the ratio of .851 shares of company stock for each share of Cypress Gardens Bank stock.

Barnett National controls eight constituent banks in Florida. It now has outstanding 1,258,494 common shares, of which Consolidated Financial Corporation, Sebring, Fla., owns 17.58%. Guy W. Botts is president.

**WHITE ELECTROMAGNETICS PROPOSES OFFERING.** White Electromagnetics, Inc., 670 Lofstrand Lane, Rockville, Md. 20853, filed a registration statement (File 2-27248) with the SEC on September 8 seeking registration of 150,000 shares of common stock, to be offered for public sale at \$6 per share. The offering is to be made on an all or none basis through underwriters headed by Mayflower Securities Co., Inc., 32 Broadway, New York 10004, which will receive a 50¢ per share commission. The company also has agreed to sell for \$200 to the Mayflower firm and Paul O. Koether, a "Finder," five year warrants to purchase 20,000 common shares, exercisable initially at \$6 per share; and it will pay \$12,000 to the underwriter for its expenses.

The company was organized in 1961, and is engaged in the manufacture and sale of instruments and accessories; the primary areas within which its systems are used include the identification and control of radio frequency interference associated with communication-electronics systems and components with industrial, scientific and medical instruments and with intelligence community equipment. Its present product line includes a series of automatic spectrum scanning and recording instruments known as "Automatic Spectrum Display and Signal Recognition Systems". Net proceeds of its stock sale will be used for the repayment of loans (\$225,000), cost of additional systems available for finished goods (\$350,000), additional research and test equipment, and working capital. The company now has outstanding 245,715 common shares, of which Donald R. J. White, president and board chairman, and his wife own 53% and other management officials an additional 10%. According to the prospectus, purchasers of the 150,000 shares will acquire a 37% equity interest in the company, for which they will have paid \$900,000; present shareholders will have a 63% interest, which on June 30 had a book value of \$349,245.

**DETROIT EDISON FILES RIGHTS OFFERING PROPOSAL.** The Detroit Edison Company, 2000 Second Ave., Detroit, Mich. 48226, filed a registration statement (File 2-27249) with the SEC on September 8 seeking registration of 962,978 shares of convertible cumulative preferred stock, \$100 par. The shares are to be offered for subscription by common stockholders at the rate of 1 preferred share for each 30 common shares held of record September 28. The dividend rate, subscription price and underwriting terms are to be supplied by amendment. Morgan Stanley & Co., 2 Wall St., New York 10005, and two other firms are listed as the principal underwriters.

A public utility company, Detroit Edison will add the net proceeds of the preferred stock sale to its general funds, to be used in connection with its construction program and for the repayment of bank loans, expected to be about \$41,000,000, incurred chiefly in connection with the interim financing of this program. The company estimates that some \$355,500,000 will be expended on its construction program through 1968. In addition to indebtedness, the company has outstanding 28,830,942 common shares. Walker L. Cisler is board chairman and Edwin O. George is president.

**GREAT WESTERN ASSURANCE FILES RIGHTS OFFERING PROPOSAL.** Great Western Assurance Company, Suite 905, First National Bank Bldg., East, Albuquerque, N. Mex., filed a registration statement (File 2-27250) with the SEC on September 8 seeking registration of 200,000 shares of common stock. The stock is to be offered for subscription at \$10 per share by shareholders of record June 30, 1967, on a one for one basis; unsubscribed shares will be offered for public sale at \$10 per share. The offering is to be made by company officials; and selling expenses are estimated at 15%.

The company is engaged in the sale of life insurance in New Mexico. Net proceeds of its stock sale will be applied to its insurance business, expansion of insurance sales force, acquisition of new business, and the purchase of other life insurance companies or interest in such companies, if opportunities arise. The company now has outstanding 239,328 common shares, of which management officials own some 34.6%. V. L. Wood is president and Marshall J. Wylie is board chairman.

**AERODEX FILES FOR OFFERING AND SECONDARY.** Aerodex, Inc., Miami International Airport, Miami, Fla., filed a registration statement (File 2-27251) with the SEC on September 8 seeking registration of \$3,000,000 of convertible subordinated debentures due 1987, to be offered for public sale at 100% of principal amount. Also included in the statement are 300,000 common shares, of which 100,000 shares are to be offered/public sale by the company and 200,000 (being outstanding shares) by the present holder thereof. The offering price for the common shares (\$25 per share maximum\*) and underwriting terms for both the debentures and shares are to be supplied by amendment.

The company's business consists primarily of the overhaul and repair of piston, prop jet and pure jet aircraft engines. It has entered into an agreement to purchase all the outstanding stock of API Corporation, which is engaged in the rework, plating, brazing and coating of aircraft engine parts, the overhaul of landing gear and the electron beam welding of aircraft components. A subsidiary of API engages in the manufacture of high grade aircraft, missile, ordnance and gas turbine engine castings. The company will apply \$1,510,000 of the proceeds of its financing to the prepayment of the balance of the purchase price on the repurchase of company stock held by Executive Fiduciary Co., Inc.; \$138,000 to reduce outstanding long term indebtedness;

\$2,250,000 to reduce short term indebtedness and accounts payable; and the balance for working capital. Following a proposed recapitalization Raymond M. Tonks, president and board chairman, will own all of the then outstanding 575,697 common shares. In its purchase of API, an additional 425,343 shares are to be issued - 376,157 to Tonks. After his sale of 200,000 and the company's sale of 100,000 shares, Tonks will own 751,854 shares, or 68% of the then outstanding stock. The repurchase of stock from Executive Fiduciary Co., Inc., is being made pursuant to a December 30, 1965, agreement; an aggregate of \$1,125,000 has been paid on the \$2,635,605 purchase price thereof.

**HORIZON LAND PROPOSES OFFERING.** Horizon Land Corporation, P. O. Box 5128, Tucson, Ariz., filed a registration statement (File 2-27253) with the SEC on September 8 seeking registration of \$2,200,000 of eight-year subordinated convertible debentures, due 1975, to be offered for public sale through Allen & Company, Inc., 30 Broad St., New York 10004. The interest rate, public offering price and underwriting terms are to be supplied by amendment. The company will issue to Allen & Co. 25,000 five-year common stock purchase warrants.

The principal business of the company is the acquisition of large tracts of unimproved land for the purpose of subsequent resale in the form of subdivided lots, commercial and industrial sites, and parcels of various sizes. Net proceeds of its debenture sale will be used to reduce indebtedness to Standard Financial Corporation which, at August 31, approximated \$7,499,500. In addition to indebtedness, the company has outstanding 1,855,142 common shares, of which management officials and their families own some 24.5%. Irving Geist is board chairman and Joseph Timan is president.

**TRADING IN JODMAR STOCK SUSPENDED.** The SEC today ordered the temporary suspension of over-the-counter trading in the common stock of Jodmar Industries, Inc. (Jodmar), of Long Island, N. Y., for the 10-day period of September 11, 1967 through September 20, 1967, inclusive.

On August 27, 1967 Jodmar stock was quoted over-the-counter at a bid price of 3/8. On September 6, the bid price was \$7 per share. No current information is available to the public concerning the company's operations and financial condition, and its president has advised the Commission's staff that he is unable to explain the recent substantial rise in the market price of the company's stock. It appears on the basis of information supplied by Jodmar's president that the company's sole asset consists of some \$70,000 in cash, obtained when it sold its only operating subsidiary. There are no present officers or directors other than the president, who owns 90,000 of the 180,000 outstanding common shares.

Under the circumstances, the Commission concluded that it was necessary and appropriate in the public interest to suspend trading in the company's securities pending clarification of the relevant facts.

**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 in parentheses. Photocopies thereof may be purchased from the Commission's Public Reference Section (please give News Digest's "Issue No." in ordering). Invoice will be included with the requested material when mailed. An index of the captions of the several items of the form was included in the September 7 News Digest.

American Business Systems Inc Aug 67 (1)	1-4332-2	Computer Research Inc Aug 67 (1,7)	2-19830-2
American Standard Inc Aug 67 (13)	1-470-2	Computer Sciences Corp Aug 67 (2,8,13)	1-4850-2
Associated Dry Goods Corp Aug 67 (12)	1-599-2	Crouse Hinds Co Aug 67 (11,13)	1-5238-2
Associated Products Inc Aug 67 (12,13)	1-4761-2	Culligan Inc Aug 67 (11,13)	0-1785-2
Atlas Chemical Industries Inc Aug 67 (12)	1-177-2	Denson Co Aug 67 (11,13)	0-2427-2
Bemis Co Inc Aug 67 (7)	1-5277-2	Equitable Real Estate Investment Trust Aug 67 (3,13)	0-1605-2
Bunker Hill Co Aug 67 (7)	1-5060-2	Erie Lackawanna Rr Co Aug 67 (11,13)	1-1113-2
Cattlemens Foundation Corp Inc Aug 67 (12)	0-2067-2	FMC Corp Jul 67 (7,13)	1-2376-2
Clear Creek Corp Aug 67 (6)	0-1379-2	Fidelity Real Estate Invt Tr Aug 67 (3,13)	0-1929-2
Commonwealth Inc Aug 67 (7,13)	0-1488-2	First Western Financial Corp A Aug 67 (12)	1-4938-2
Commonwealth Oil Refining Co Inc Aug 67 (4,7,8,13)	1-4900-2	General Portland Cement Co Aug 67 (13)	1-3438-2
		Greatamerica Corp Aug 67 (8,12,13)	0-976-2

**SECURITIES ACT REGISTRATIONS.** Effective September 8: Levin-Townsend Computer Corp., 2-27034 (40 days); The New Britain Machine Co., 2-27045 (40 days); Signal Oil and Gas Co., 2-27063; Wisconsin Natural Gas Co., 2-27101.

**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.