

SECURITIES AND EXCHANGE COMMISSION

NEWS DIGEST

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



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SEC

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FOR RELEASE September 25, 1967

NEES RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-15856) granting an application of the New England Electric System (NEES) Boston holding company, and two of its subsidiaries, Massachusetts Electric Company and The Narragansett Electric Company, with respect to increased borrowings by the subsidiaries. Previously, the two subsidiaries, were authorized to borrow from banks or NEES, from time to time through December 1967, sums aggregating \$23,750,000 and \$9,700,000, respectively; the subsidiaries now propose to increase these borrowings to \$25,000,000 and \$12,000,000, respectively. The funds are needed by the subsidiaries to meet their cash requirements pending permanent financing.

WILLIAM C. MAYS INDICTED. The SEC Seattle Regional Office announced September 14 (LR-3808) the return of a 17-count indictment by the Federal grand jury at Spokane charging William C. Mays of Hooper, Wash., with violations of the anti-fraud provisions of the Securities Act and the mail fraud statute in the sale of evidences of indebtedness, and with making a false oath in bankruptcy proceedings.

COURT FINES RALPH L. SCHIFFER. The SEC Washington Regional Office announced September 22 (LR-3809) that the U. S. District Court in Philadelphia had imposed a \$300 fine upon Ralph L. Schiffer, suspended the imposition of any imprisonment, and placed the defendant on two years probation, following his plea of guilty to various counts of an indictment charging violations of the anti-fraud provisions of the Securities Act and the mail fraud statute in connection with the offer and sale of the common stock of National Industries, Inc. by Mayo & Co., Inc., a former broker-dealer located in Philadelphia. Schiffer was president and a director of National Industries.

RICHARD RUBLOFF SENTENCED. The SEC Chicago Regional Office announced September 22 (LR-3810) that Richard M. Rubloff of Chicago had received a 5-year suspended sentence (USDC, Chicago), following his plea of guilty to charges of violating the anti-fraud provisions of the Federal securities laws and the mail fraud statute in connection with the offer, sale and purchase of stocks and investment contracts while employed as a customers' man in the Chicago office of H. Hentz & Company, a broker-dealer in securities. Hentz & Company was not implicated. Execution of the sentence was suspended and Rubloff was placed on probation for five years on the condition that he not engage in the securities business and, further, that he cooperate in connection with a pending civil case which arose out of his conduct.

PEOPLES PROTECTIVE LIFE FILES PLANS. Two registration statements have been filed with the Commission by the Peoples Protective Life Insurance Company, of Jackson, Tenn., as follows: (a) Peoples Investment Annuity Separate Account A (File 2-27305); and (b) Peoples Investment Annuity Separate Account B (File 2-27306). The Account A statement proposed the offering of \$1,000,000 of "Qualified Variable Retirement Annuity Contracts," and the Account B statement \$1,000,000 of "Individual Variable Annuity Contracts;" each was to be offered and sold by the Insurance Company.

CHARTER FUND PROPOSES OFFERING. Charter Fund, Inc., 1032 Life Bldg., Dallas, Tex., 75202, filed a registration statement (File 2-27310) with the SEC on September 21 seeking registration of 50,000 shares of common stock. The shares are to be offered for public sale at net asset value, plus a sales load of 8.50% on sales of less than \$10,000 (\$10.93 per share maximum*).

The company was organized under Texas law on July 18, 1967, as an open-end, diversified, management investment company to seek appreciation. Fund Management Company is the investment adviser. Julian A. Lerner is president of the Fund and of the adviser.

REX-NORECO FILES FOR SECONDARY. Rex-Noreco, Inc., 616 Palisade Ave., Englewood Cliffs, N. J. 07632, filed a registration statement (File 2-27311) with the SEC on September 22 seeking registration of 140,000 outstanding shares of common stock. The shares are to be offered for public sale by the holder thereof through underwriters headed by Goodbody & Co., 55 Broad St., New York 10004. The public offering price (\$12.00 per share maximum*) and underwriting terms are to be supplied by amendment.

The company was incorporated under New Jersey law on July 31, 1967 to acquire the interests of Mark A. Salitan (its president and the selling shareholder) in a group of companies which represents banks in arranging and servicing mobile home loans, acts as agents for mobile home physical damage, credit and credit life insurance carriers; and underwrites credit life policies on purchasers of mobile homes. The company has outstanding 475,000 common shares, all of which (except for 3 director's qualifying shares) are owned by Mr. Salitan, who proposes to sell 140,000 shares.

G-L INDUSTRIES FILES FOR OFFERING AND SECONDARY. G-L Industries, Inc., 300 Harvard Ave., Westville, N.J. 08093, filed a registration statement (File 2-27312) with the SEC on September 22 seeking registration of 183,250 shares of common stock. Of this stock, 75,000 shares are to be offered for public sale by the company and 108,250 (being outstanding shares) by the present holders thereof. Dominick & Dominick, Inc., 14 Wall St., New York 10005 is listed as the principal underwriter. The public offering price (\$18.00 per share maximum*) and underwriting terms are to be supplied by amendment.

OVER

The company is a diversified manufacturing enterprise principally engaged in the production of specialty plastic and specialty metal products for industrial customers. Of the net proceeds to be received from its sale of additional stock, \$580,000 will be used to discharge outstanding indebtedness (\$400,000 of which was incurred in connection with the acquisition of all of the capital stock of Modern Hard Chrome Service Company of Camden, N. J.); the balance of the net proceeds will be available for general corporate purposes, including working capital, expenditures for the expansion and improvement of existing plants and facilities and possible future acquisitions. In addition to indebtedness, the company has outstanding 581,287 common shares of which management officials own 23.2% (including 21.0% held by Stephen Girard Lax, board chairman and president). The prospectus lists three selling stockholders. Dr. Edward A. Gaugler proposes to sell 98,250 of his holdings of 115,922 shares, Joseph T. Begley, Jr., 6,000 of 7,228 and J. Frank Motson, 4,000 of 7,528 shares.

RITTER PFAUDLER FILES FOR SECONDARY. Ritter Pfaudler Corporation, 1100 Midtown Tower, Rochester, N.Y. 14604, filed a registration statement (File 2-27314) with the SEC on September 22 seeking registration of 280,562 outstanding shares of common stock. The shares are to be offered for public sale by the holders thereof through underwriters headed by White, Weld & Co., 20 Broad St., and Lehman Brothers, 1 William St., both of New York. The public offering price (\$45.00 per share maximum*) and underwriting terms are to be supplied by amendment.

The company manufactures and sells a diversified line of equipment and supplies in five markets, including (1) professional health, including physicians, dentists and hospitals; (2) process industries, including chemical, pharmaceutical, plastics and food and beverage processing; (3) water and water treatment; (4) laboratories; and (5) specialty chemicals. In addition to indebtedness, the company has outstanding 8,264,674 common shares, of which management officials own 10.2%. A. Ritter Shumway is honorary board chairman, F. Ritter Shumway is board chairman, and Donald A. Gaudion is president. The prospectus lists 13 selling shareholders. Mary Louise Meyer proposes to sell 61,310 of her holdings of 63,700 shares, the New England Merchants National Bank, Successor Trustee under Trust Agreement dated December 6, 1955 for Mary Louise Meyer, 56,532 of 63,700 shares, and Emanuel Goldberg, 40,000 of 305,646 shares; the others propose to sell shares ranging in amount from 422 to 37,292 shares.

CORPORATE WORKING CAPITAL REPORTED. The SEC reports (for September 26 newspapers) that the net working capital of U. S. corporations increased \$1.2 billion in the second quarter of 1967 and at the end of June totaled \$196.4 billion. The second quarter rise in working capital -- the excess of current assets over current liabilities -- compares with a gain of \$2.5 billion in the first quarter and the exceptionally large increase, \$4.4 billion, in the corresponding period of last year. The increase in net working capital in the April-June quarter, as in the first quarter of this year, resulted partly from an increase in current assets and, in part, from a small decline in current liabilities. The period was marked by a drain on the more liquid or "quick" assets, primarily Government securities, resulting from the acceleration of payments on Federal income taxes by corporations. (For further details, see Stat. Release No. 2235).

ALASKA AIRLINES FILES DEBENTURE OFFERING. Alaska Airlines, Inc., Seattle-Tacoma International Airport, Seattle, Wash. 98158, filed a registration statement (File 2-27322) with the SEC on September 22 seeking registration of \$6,700,000 of convertible subordinated debentures, due 1987. The debentures are to be offered for public sale through underwriters headed by Auchincloss, Parker & Redpath, 2 Broadway, New York 10004. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

The company is engaged in the air transportation of persons, property and mail, between Seattle, Wash. and Anchorage and Fairbanks, Alaska, and between Anchorage and Kotzebue, Alaska. In addition to scheduled operations on certified routes, it performs passenger and cargo charter flights for both military agencies of the Federal Government and private persons and organizations. In three out of the last five years the company has experienced a net loss. In 1963, however, after allowance of a special credit of \$65,455, and the realization of a gain of \$272,169 from the disposition of equipment, it produced a net profit of \$106,064; and in 1966, due principally to a substantial increase in military and commercial charter revenue, it had a net profit of \$563,600. For the six-month period ended June 30, 1967, it had gross revenues of \$11,083,169 and a net profit of \$31,852. Of the net proceeds from the company's debenture sale, \$3,700,000 will be applied to the balance due on the purchase of one Boeing 727-90C aircraft to be delivered on or before May 31, 1968, \$385,450 for progress payments due prior to December 31, 1967 on one Boeing 747 aircraft, and \$108,750 as deposit due prior to December 31, 1967 on three spare engines for Boeing 747 aircraft; the balance will be added to working capital. In addition to indebtedness, the company has outstanding 1,255,965 common shares. Charles F. Willis, Jr. is president.

WEST PENN POWER FILES FOR OFFERING. West Penn Power Company, Cabin Hill, Greensburg, Pa. 15601, filed a registration statement (File 2-27316) with the SEC on September 22 seeking registration of \$25,000,000 of first mortgage bonds, Series V, due 1997, and 100,000 shares of preferred stock, Series D, to be offered for public sale at competitive bidding.

An electric utility subsidiary of Allegheny Power System, Inc., the company will use the net proceeds of this financing for its construction program, including payment of some \$20,000,000 of short-term bank loans incurred thereof. Construction expenditures are estimated at \$45,000,000 for 1967, \$64,000,000 for 1968, and \$56,000,000 for 1969. In addition to indebtedness and preferred stock, the company has outstanding 3,774,086 common shares. R. G. MacDonald is president.

THREE TRADING BANS CONTINUED. The SEC has issued orders under the Securities Exchange Act suspending exchange and/or over-the-counter trading in securities of Dyna Ray Corporation, Interamerican Industries, Ltd., and Penrose Industries Corp., for the further ten-day period September 26 through October 5, 1967, inclusive.

BURNS & TOWNE PROPOSES OFFERING. Burns & Towne, Inc., 662 Cross St., Malden, Mass. 02148, filed a registration statement (File 2-27318) with the SEC on September 22 seeking registration of 110,000 shares of common stock. The shares are to be offered for public sale through underwriters headed by Graham Loving & Co., 111 Broadway, New York. The public offering price (\$3.50 per share maximum*) and underwriting terms are to be supplied by amendment. The company has agreed to pay up to \$3,000 to the underwriters for expenses.

The company designs, develops, manufactures and markets electronic modules, electroless plating chemicals and allied products, and performs related services. Of the net proceeds of its stock sale, approximately \$125,000 will be used to retire short-term bank indebtedness which was incurred primarily to finance increased inventories; approximately \$100,000 to expand the company's Electro-Chemical Division in the areas of production and marketing; and the balance to increase working capital. In addition to indebtedness and preferred stock, the company has outstanding 525,000 shares of common stock, of which management officials own 95% (including 42% held by Theodore Steinberg, board chairman, and 42% held by Donald B. Cutter, president).

PROVINCE OF NOVA SCOTIA PROPOSES OFFERING. The Province of Nova Scotia (agent's address: Canadian Consulate General, 680 Fifth Ave., New York 10019) filed a registration statement (File 2-27317) with the SEC on September 22 seeking registration of \$35,000,000 of sinking fund debentures, due 1992. The debentures are to be offered for public sale through underwriters headed by Halsey, Stuart & Co. Inc., 123 S. La Salle St. Chicago, Ill. 60690 and Royal Securities Inc., 2 Wall St., New York 10005. The interest rate, public offering price, and underwriting terms are to be supplied by amendment.

Of the net proceeds to be received from the debenture sale, approximately \$23,000,000 will be used for industrial development, and the remainder for general government purposes including public works and universities assistance.

LIN BROADCASTING FILES FOR OFFERING AND SECONDARY. The Lin Broadcasting Corporation, 311 Church St., Nashville, Tenn. 37219, filed a registration statement (File 2-27320) with the SEC on September 22 seeking registration of \$9,000,000 of convertible subordinated debentures, due 1992, and 363,000 shares of common stock. The debentures and 280,000 common shares are to be offered for public sale by the company, and 83,000 shares (being outstanding stock) by the present holders thereof. The interest rate on and offering price of the debentures, public offering price of the stock (\$27.00 per share maximum*), and underwriting terms are to be supplied by amendment. Lehman Brothers, 1 William St., and C. E. Unterberg, Towbin Co., 61 Broadway, both of New York, are listed as the principal underwriters.

The company is engaged in the operation of radio and television stations as well as other businesses in communications and related fields. Of the net proceeds of its financing (a) \$3,314,000 will be used to make the initial payments required in connection with the purchase of AM and FM radio stations in Houston, Tex., ^{1/} (b) \$7,500,000 will be applied to the purchase of the television station (and radio station to be re-sold) in Portsmouth, Va.; (c) \$1,024,000 will be used to make the down payments in connection with the purchase of telephone answering services; (d) \$2,797,000 will be used to repay short-term bank borrowings of which \$1,500,000 was borrowed to finance the purchase of RTV Sales, Inc. (a mail order business), \$500,000 was borrowed to finance the down payment of the purchase price of the television station in Portsmouth, Va., \$478,500 was borrowed to finance the cash portion of the purchase price of AM and FM radio stations in St. Louis, Mo., and \$319,000 was borrowed for working capital and construction purposes; and (e) the balance will be used for general corporate purposes. In addition to indebtedness, the company has outstanding 992,021 common shares. Frederic Gregg, Jr. is board chairman and president. The prospectus lists three selling stockholders. The Broadcast Industries Corporation proposes to sell 50,000 of its holdings of 125,000 shares; Smith, Barney & Co. Incorporated (and officers), all of its holdings of 25,000 shares; and the Media Consulting Corp., 8,000 of 15,000 shares. ^{1/} and the FM radio station in Louisville, Ky;

ASHLAND OIL SHARES IN REGISTRATION. Ashland Oil & Refining Company, 1409 Winchester Ave., Ashland, Ky. 41101, filed a registration statement (File 2-27319) with the SEC on September 22 seeking registration of 121,625 shares of cumulative preferred stock, \$2.50 convertible series of 1966. These shares were issued by Ashland in December 1966 under an agreement between the company and J. Robert Fisher, in exchange for all the outstanding common stock of Fisher Chemical Company, Inc., and in connection with the acquisition of a minority interest in a subsidiary of Fisher Chemical. The prospectus indicates that Fisher may sell 109,800 of the 159,800 shares which he received; six others may sell all of their holdings, ranging in amount from 107 to 3,500 shares. In addition to indebtedness and preferred stock, Ashland Oil has outstanding 18,161,450 common shares, of which management officials own 4.2%. Rexford S. Blazer is board chairman and Orin E. Atkins president.

SHAWMUT ASSOCIATION FILES EXCHANGE PLAN. Shawmut Association, Inc., 82 Devonshire St., Boston, Mass. 02106, filed a registration statement (File 2-27313) with the SEC on September 22 seeking registration of 131,837 shares of common stock. The company proposes to offer these shares in exchange for all of the issued and outstanding shares of capital stock not owned by Shawmut Association of the following eleven affiliated banks at the rate of one company share for (1) .95 of a share of First County National Bank, (2) .70 of a share of The County Bank N.A., (3) one share of The Everett National Bank, (4) 1.25 shares of Lexington Trust Company, (5) 1.30 shares of Melrose Trust Company, (6) .80 of a share of Needham National Bank, (7) .75 of a share of Newton National Bank, (8) 1.25 shares of Merchants-Warren National Bank of Salem, (9) 1.30 shares of Wakefield Trust Company, (10) 1.50 shares of Waltham Citizens National Bank; and (11) 1.10 shares of The Winchester National Bank.

The company is a bank holding company which controls twelve banks or trust companies engaged in a general commercial banking business and serving communities in eastern Massachusetts. In addition to indebtedness, the company has outstanding 1,510,000 common shares, of which management officials own 0.63%. Lawrence H. Martin is president.

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.

Allied Artists Pictures Corp Mar 67 (6,7,8,13)	1-2965-2	Rucker Co Aug 67 (2,7,13)	0-2624-2
American Bosch Arma Corp Aug 67 (7,13)	1-705-2	"Shell" Transport and Trading Co Ltd Sept 67 (6K)	1-4039-2
Bobbie Brooks Inc Aug 67 (11,13)	1-4168-2	Talley Ind Inc Aug 67 (7)	1-4778-2
CCI Corp 4-30-67	1-4239-2	Visual Electronics Corp Aug 67 (2,7,13)	1-5460-2
Cemantics Corp Aug 67 (2,11,12,13)	0-543-2	Vulcan Corp Jun 67 (7)	1-5463-2
Continental Conveyor & Equipment Co Aug 67 (7)	2-26830-2	Coleman Cable & Wire Co Amend #1 to 8K for Apr 67 (1)	2-19645-2
The Cyclotron Corp Aug 67 (7)	0-2554-2	Purolator Products Inc Amend #1 to 8K for Jul 67 (2,12,13)	1-4728-2
Dynell Electronics Corp Jul 67(2,11,13)	2-25861-2	Sealed Air Corp Amend #1 to 8K for Aug 67 (1)	2-22976-2
Esquire Inc Aug 67 (12)	1-2983-2		
Foote Mineral Co Aug 67 (2,4,7,8,11,13)	1-406402		
Franklin Stores Corp Jun 67 (7)	1-3239-2		
Fullview Ind Inc Aug 67 (11)	0-2698-2		
General Contract Finance Corp Aug 67 (2,3,4,13)	1-4143-2	Apex Minerals Corp Aug 67 (1,11,12)	1-3848-2
Health Accounting Service Inc Jun 67(13)	0-2310-2	Applied Devices Corp Aug 67 (12)	1-3882-2
Holding Corp of Amer Aug 67 (2,13)	0-2099-2	General Tel Co of Cal Aug 67 (7)	0-765-2
Interstate Bakeries Corp Sept 67 (12)	1-4969-2	Federal Hydronics Inc Aug 67 (11,12)	0-1474-2
C F Kirk Laboratories Inc Aug 67 (7,12)	2-18318-2	KLM Royal Dutch Airlines Sept 67(6K)	1-4059-2
Levitt & Sons Inc Aug 67 (8)	1-4770-2	Ormond Drug & Chemical Co Inc Aug 67 (7,9,13)	0-2190-2
Ling-Temco Vought Inc Jun 67(2,4,7,,913)	1-4368-2	Standard Register Co Sept 67 (12)	0-1097-2
Liquidonics Ind Inc Aug 67 (2,7,13)	0-2273-2	Stanward Corp Sept 67 (12)	2-11242-2
Miracle Mart Inc Aug 67 (1)	0-1360-2	Supronics Corp Aug 67 (2,9,13)	1-4613-2
National Securities Inc Aug 67(1,2,7,13)	0-1105-2	Wilson & Co Inc Jun 67 (4,13)	1-2151-2
Park Premier Mining Co Sept 67 (11)	1-1701-2	Canadian Pacific Ry Co Amended 8K for Aug 67(13)	1-1342-2
Power Ind Products Co Aug 67 (7,8,9,13)	0-2311-2		
Princeton Chemical Research Inc Aug 67 (7)	2-22683-2		

SECURITIES ACT REGISTRATION STATEMENTS. During the week ended September 21, 1967, 38 registration statements were filed, 37 became effective, 1 stop order was issued, and 412 were pending at the week-end.

SECURITIES ACT REGISTRATIONS. Effective September 22: Precision Polymers, Inc., 2-26986 (90 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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