

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

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



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SEC INVITES COMMENTS ON "NO-ACTION" LETTERS. The SEC today invited the comments of interested persons on the "advantages and disadvantages" of following a procedure whereby interpretative advice and "no-action" letters provided by staff officials to inquiring persons should be publicly available. Comments are due not later than November 1 (Release 33-4924).

The informal advice given by members of the Commission's staff to the public frequently takes the form of interpretative letters and no-action letters. The former are opinions of the application of the law to contemplated factual situations. In a no-action letter, an officer of the Commission's staff may state with respect to a specific proposed transaction that the staff will not recommend to the Commission that it take enforcement action if the transaction is consummated exactly as it has been described. In the past, neither interpretative letters, no-action letters, nor the inquiries upon which they have been based have generally been made available to the public. In part, this policy has been based upon a belief that a member of the public should be able to obtain the advice of the Commission's staff without fear that information provided to the staff for that purpose might be made public in a manner that might adversely affect his lawful business activities or invade his personal privacy. The willingness of the staff to state its position with respect to particular proposed transactions has undoubtedly promoted compliance with the statutes by reducing uncertainty and by deterring persons from consummating transactions which they might otherwise proceed with in the mistaken belief that no enforcement action would be called for.

On the other hand, it has been stated that it would seem anomalous that an agency which embraces disclosure as a fundamental philosophy should adopt a flat non-disclosure policy with respect to administrative determinations it generates; and it has been contended that "some of the most important law of the SEC is embodied in this big batch of no action letters. This is law. The interpretations are law." While the Commission does not agree that this much significance should be attached to views expressed by the staff, it may nevertheless be true that practitioners might find these letters helpful, even if available in a modified form, as, for example, with identifying details deleted. Further advantage of public disclosure may result from the fact that some persons may be less than candid in purporting to provide the complete and accurate information requested by the staff; if a procedure were adopted by which all requests for no-action and interpretative letters were made public in the form in which received, it is argued that this would be less likely to occur. Another possible advantage of public disclosure might be that of discouraging unnecessary requests.

An approach that has been suggested to, and which is under consideration by, the Commission would be the public disclosure of all interpretative and no-action letters, and the requests to which they respond, but only after an appropriate length of time has elapsed--such as two or three months. It is argued that this would eliminate the possibility in many cases of a premature public disclosure of the facts involved in the requests when such disclosure might adversely affect significant lawful interests and might thus permit full and unabridged disclosure of both inquiry and response. Such a procedure could be made flexible to provide that disclosure in an appropriate case could be accelerated or delayed.

MASS. INVESTORS TRUST SEEKS ORDER. Massachusetts Investors Trust, Boston investment company, has applied to the SEC for an exemption order under the Investment Company Act with respect to its acquisition of Ralmar Investment Corporation; and the Commission has issued an order (Release IC-5495) giving interested persons until October 10 to request a hearing thereon. MIT proposes to acquire substantially all of the assets of Ralmar (approximating \$2,590,000 on August 22); it will issue its shares therefor at their net asset value.

LATHAM PROCESS FILES FOR OFFERING AND SECONDARY. Latham Process Corp., 200 Hudson St., New York, N. Y., filed a registration statement (File 2-30818) with the SEC on September 18 seeking registration of 160,000 shares of common stock, of which 85,000 are to be offered for public sale by the company and 75,000 (being outstanding shares) by the present holders thereof. The offering is to be made on a "best efforts, all or none basis" by Amos Treat Associates, Inc., 79 Wall St., New York; the offering price (\$9 per share maximum*) and underwriting terms are to be supplied by amendment. The company will pay the underwriter \$14,000 for expenses and sell it, for \$16, four-year warrants, to purchase 16,000 shares.

The company was organized under Delaware law in August; thereafter, in exchange for its common stock, it acquired Latham Process Corp., Universal Offset Corp., and Charles J. Harris, Inc., which had been jointly operated in the lithographic printing industry in New York City since 1941. The two Latham companies were then merged; the other two companies are subsidiaries. Of the net proceeds of its sale of additional stock, the company will use \$75,000 for the acquisition of new automated presses and bindery equipment for high speed production; the balance will be used for working capital, and possible acquisitions. The company now has outstanding 440,000 common shares (with a \$2.13 per share book value), of which J. M. Meyer, president and board chairman, owns 79.88% and Harold A. Casner, executive vice president, 17.89%.

OVER

TESORO PETROLEUM TO SELL DEBENTURES. Tesoro Petroleum Corporation, 533 Busby Drive, San Antonio, Texas 78209, filed a registration statement (File 2-30186) with the SEC on September 19 seeking registration of \$15,000,000 of subordinated debentures, due 1988, and warrants to purchase 150,000 shares of common stock. It is proposed to offer these securities in units, each consisting of a \$1,000 debenture with warrants to purchase common shares (the number to be supplied by amendment), the offering to be made through underwriters headed by E. F. Hutton & Company, Inc., 61 Broadway, New York 10006. The interest rate, warrant exercise price, offering price and underwriting terms are to be supplied by amendment.

The company is an integrated petroleum company engaged in exploration for oil and gas, crude oil refining, crude oil gathering from other producers and the marketing of petroleum products. Net proceeds of this financing will be used in part for repayment of indebtedness incurred principally in connection with the acquisition of oil and gas producing properties, the purchase of equipment and the acquisition of companies; the balance will be added to working capital and may be used in part or in full in the future for the acquisition of new business opportunities with a view to expanding the company's operations. In addition to indebtedness, the company has outstanding 2,071,477 common shares, of which C. F. Harshfield, a director, owns 12% and management officials as a group 24%. Robert V. West, Jr., is president.

PROGRAMMING METHODS TO SELL STOCK. Programming Methods, Incorporated, 51 Madison Avenue, New York, N. Y. 10010, filed a registration statement (File 2-30182) with the SEC on September 18 seeking registration of 88,000 shares of common stock, to be offered for public sale through Michael G. Kletz & Co., Inc., Time and Life Bldg., Rockefeller Center, New York. The offering price (\$6 per share maximum*) and underwriting terms are to be supplied by amendment. The company has agreed to pay the underwriter \$15,000 for expenses and to sell it 8,000 additional shares at 50¢ per share.

The company provides computer systems analysis and programming services for users and prospective users of computers. Of the net proceeds of its stock sale, \$150,000 will be used to develop new proprietary software systems, \$125,000 to open additional facilities in one or more cities, and the balance for working capital. The company now has outstanding 685,000 common shares, of which Riker Video Industries, Inc., owns 89.5%. George Langnas is president.

ABERCROMBIE & FITCH FILES FOR RIGHTS OFFERING. Abercrombie & Fitch Company, 45th St. at Madison Ave., New York, N. Y., filed a registration statement (File 2-30185) with the SEC on September 19 seeking registration of 75,000 shares of common stock. It is proposed to offer this stock for subscription by common stockholders of record on October 15, at the rate of one share for each five shares then held; the offering price (\$22.50 per share maximum*) is to be supplied by amendment.

The company carries a general retail department store line of quality gifts, sporting goods and clothing. Net proceeds of its stock sale will be added to its working capital. In addition to indebtedness, the company has outstanding 288,549 common shares, of which Harry G. Haskell, Jr., a director, owns some 33.5%, trusts for his children an additional 18.6%, and management officials as a group 44.3%. Earle K. Angstadt, Jr., is president and board chairman.

INTERNATIONAL LIFE HOLDING FILES EXCHANGE OFFER. International Life Holding Corporation, 120 Delaware Avenue, Buffalo, N. Y. 14202, filed a registration statement (File 2-30183) with the SEC on September 18 seeking registration of 1,431,986 shares of common stock. It is proposed to offer this stock in exchange for stock of International Life Insurance Company of Buffalo, at the rate of two shares of Holding Company stock for each share of Insurance Company stock. Agway Inc., a Delaware corporation, has agreed with Holding Company, when and if the exchange offer becomes effective as above provided, to purchase for investment 120,000 shares of the common stock of Holding Company at a price of \$7.75 per share and for a price of \$3,600 a stock purchase option which will entitle Agway Inc. to acquire for investment an additional 120,000 shares of common stock of Holding Company at a price of \$8.525 per share in annual installments over a period of nine years, commencing one year after the date the option is acquired. The board of directors of the two companies, the memberships of which are identical, have approved the exchange offer and recommended that it be accepted by Insurance Company stockholders. All of the directors of the Insurance Company have indicated that they intend to exchange their holdings of Insurance Company stock for Holding Company stock. According to the prospectus, the Holding Company will provide a flexibility of operation, a freedom to diversify and opportunities to develop profitable activities not presently available to International Life, as a New York life insurance company, while at the same time preserving the basic nature of the insurance operation now engaged in by International Life. Harold D. Farber is president and board chairman of both companies.

SECURITY MORTGAGE INVESTORS PROPOSES OFFERING. Security Mortgage Investors, 1720 Peachtree Road, N. W., Atlanta, Ga. 30309, filed a registration statement (File 2-30184) with the SEC on September 19 seeking registration of 1,630,000 shares of beneficial interest in the trust. Their offering price (\$10 per share maximum*) and underwriting terms, as well as the names of the underwriters, are to be supplied by amendment. On August 5, Allen & Company Inc., and an officer thereof purchased 130,000 shares from the Trust at \$1.33-1/3 per share.

The Trust was organized in July 1968 as a business trust and plans to operate as a real estate investment trust. It was organized by North American Acceptance Corporation, which acquired 1,500,000 of the 1,630,000 outstanding shares for \$2,000,000. Its initial portfolio of mortgage notes will be purchased from North American with the proceeds of this offering together with the proceeds to be received from the sale of long-term debt. The two original trustees of the Trust, Sol Blaine and Kenneth H. Killmaster, are the president and executive vice president, respectively, of North American; it is contemplated that they will resign as trustees and will be replaced by trustees not affiliated with North American. Names of the trustees are to be supplied by amendment.

CONTINUED

THALHEIM EXPOSITION FILES FOR OFFERING AND SECONDARY. Thalheim Exposition Management Corp., 161 Great Neck Road, Great Neck, N. Y. 11021, filed a registration statement (File 2-30189) with the SEC on September 19 seeking registration of 100,000 shares of common stock, of which 40,000 are to be offered for public sale by the company and 60,000 (being outstanding shares) by the present holders thereof. The offering is to be made by Gregory & Sons, 40 Wall Street, New York 10005; the offering price (\$10 per share maximum*) and underwriting terms are to be supplied by amendment. The company has agreed to sell the underwriter, for \$100, five-year warrants to purchase 12,000 shares, of which 2,950 warrants will be transferred to Blair & Company, Inc., as a finder's fee.

The company is engaged in the independent production and operation of trade shows for exhibition and display by suppliers of various product lines and services to potential purchasers other than the general public; and it provides other support services. Net proceeds of its sale of additional stock will be added to working capital, to be available for general corporate purposes, the funds may eventually be utilized to finance the development and production of new trade shows or to acquire existing shows or companies engaged in the production and/or management of trade shows or in performing related services. The company has outstanding 280,000 common shares, of which Jay Thalheim, president and board chairman, and Beth (Mrs. Jay) Thalheim, secretary-treasurer, own 131,040 and 113,680 shares, respectively (aggregating 87.4%). They propose to sell 30,000 shares each.

OLYMPIC GEOPHYSICAL FILES FOR OFFERING AND SECONDARY. Olympic Geophysical Company, 4009 Richmond Avenue, Houston, Texas 77027, filed a registration statement (File 2-30190) with the SEC on September 19 seeking registration of 115,000 shares of common stock, of which 110,000 are to be offered for public sale by the company and 5,000 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters headed by Middendorf, Colgate & Co., 80 Broad St., New York 10004; the offering price (\$15 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is engaged primarily in conducting oceanographic seismic surveys for the petroleum industry. Of the net proceeds of its sale of additional stock, \$720,000 is to be used to purchase specially designed vehicles and other equipment to form two crews for the conduct of seismic land surveys on the North Slope of Alaska and Canada, and \$360,000 to defray the costs of establishing a computer center, the purchase of certain related equipment and the development of computerized programs to process seismic data; the balance will be used to continue certain development programs aimed at improving field techniques, to purchase additional seismic apparatus and for other corporate purposes. The company now has outstanding 855,342 common shares, of which management officials as a group own 46%. Charles B. Robinson, president and board chairman, proposes to sell 5,000 of his holdings of 246,935 shares (28.9%), which do not include 76,000 shares held in trust for his minor children.

WM. HODGES CO. FILES FOR OFFERING AND SECONDARY. William Hodges & Co., Inc., American Street at Columbia Avenue, Philadelphia, Pa. 19122, filed a registration statement (File 2-30191) with the SEC on September 19 seeking registration of 175,000 shares of common stock, of which 75,000 are to be offered for public sale by the company and 100,000 (being outstanding shares) by the present holders thereof. The offering is to be made at \$10 per share by underwriters headed by S. D. Fuller & Co., 26 Broadway, New York 10004, which will receive a \$1 per share commission. The company has agreed to sell the Fuller firm 30,000 common stock purchase warrants for \$300, exercisable at \$11 per share after one year and for four years thereafter; and the company and selling stockholders have agreed to pay the firm \$15,000 for expenses.

The company is engaged in the manufacture and sale of wire shelving systems, wire and plastic dish racks, and other wire and sheet metal products primarily for the food service industry. It intends to apply substantially all of the net proceeds of its sale of additional stock toward the construction of a new manufacturing plant and the installation therein of additional production and material handling equipment, at an estimated cost of \$1,400,000, the balance of which will be provided through long term secured borrowings. The company now has outstanding 370,000 common shares, owned in equal amounts by Sol Kesilman, president, and two other officers. They propose to sell some 33,333 shares each.

I-D SYSTEMS TO SELL STOCK. I-D Systems, Inc., 705 Phillips Road, Victor, N. Y. 14564, filed a registration statement (File 2-30192) with the SEC on September 19 seeking registration of 180,000 shares of common stock, to be offered for public sale at \$3 per share. No underwriting is involved.

The company is primarily engaged in the marketing, sale and servicing of the IDENTI-PROOF photo identification card system as a territorial licensee of R. D. Products, Inc., under the terms of three franchise agreements with that company. It has agreed to purchase or lease the majority of its capital equipment and essential supplies from R. D. Products. Of the net proceeds of its stock sale, \$150,000 will be used for leasing of additional IDENTI-PROOF cameras and cartridges, \$135,000 for expansion of sales and service staff and the opening of additional offices, and the balance for advertising and sales promotion and other purposes. The company now has outstanding 280,000 common shares, of which Richard D. Tierney, Jr., president and founder, owns 40% and management officials as a group 91.96%. If all the shares being registered are sold, the purchasers will acquire a 39% stock interest in the company at a cost of \$540,000; existing stockholders will own the remaining 61%, for which they paid an aggregate consideration of \$95,500.

ACETO CHEMICAL TO SELL STOCK. Aceto Chemical Co. Inc., 126-02 Northern Blvd., Flushing, N. Y. 11368, filed a registration statement (File 2-30193) with the SEC on September 19 seeking registration of 70,000 shares of common stock, to be offered for public sale through underwriters headed by S. D. Fuller & Co., 26 Broadway, New York 10004. The offering price (\$13 per share maximum*) and underwriting terms are to be supplied by amendment. The company has agreed to pay the Fuller firm \$12,000 for expenses and to sell it, for \$150, 15,000 common stock purchase warrants exercisable after one year and for four years thereafter at a price 10% above the offering price.

The company is engaged in the manufacture, purchase and sale of industrial and laboratory chemicals. Of the net proceeds of its stock sale, \$300,000 will be used for additional equipment and plant expansion, \$100,000 for research, \$50,000 for expansion of laboratory and research chemical inventories, and the balance for working capital and for general corporate purposes. The company now has outstanding 254,496 common shares (with a book value of \$4.53 per share), of which Seymour Mann, president, owns 32.6% and Arnold Frankel, board chairman, 32.5%.

ROSELON INDUSTRIES FILES FOR OFFERING AND SECONDARY. Roselon Industries, Inc., C Street and Indiana Avenue, Philadelphia, Pa. 19134, filed a registration statement (File 2-30194) with the SEC on September 19 seeking registration of 350,000 shares of common stock, of which 150,000 are to be offered for public sale by the company and 200,000 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters headed by Goldman, Sachs & Co., 55 Broad St., New York 10004; the offering price (\$25 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is engaged in texturing nylon and other synthetic filament yarns, selling the resulting product to knitted apparel and fabric manufacturers. Net proceeds of its sale of additional stock will be available for general corporate purposes, including the purchase of new equipment, the extension of plant facilities, and for working capital. In addition to indebtedness, the company has outstanding 1,470,000 common shares, of which A. Gordon Adams, board chairman, owns 1,057,000 (71.90%) and proposes to sell 83,320. His wife proposes to sell all of her holdings of 70,000 shares; and two others propose to sell 23,340 shares each. Elwood W. Ming is president.

UNITED INNS FILES EXCHANGE PLAN. United Inns, Inc., 205 Oak Hall Building, 555 South Perkins Extended, Memphis, Tenn. 38117, filed a registration statement (File 2-30195) with the SEC on September 19 seeking registration of 18,644 common shares. It is proposed to exchange these shares for all of the outstanding stock of Duval Holiday, Inc., a Florida company. The present stockholders of Duval Holiday are Mr. and Mrs. Robert M. Barnes and B & F Corporation (which is owned by Mr. and Mrs. Barnes). United Inns now has outstanding 986,065 shares.

GOLDEN AGE MINES SUSPENSION CONTINUED. The SEC has ordered the suspension of over-the-counter trading in securities of Golden Age Mines, Ltd., for the further ten-day period September 23 to October 2, 1968, inclusive.

UNLISTED TRADING SOUGHT. The SEC has issued an order (Release 34-8414) giving interested persons until October 4 to request a hearing upon application of the Philadelphia-Baltimore-Washington Stock Exchange for unlisted trading privileges in the common stocks of the following: Air West, Inc., Fuqua Industries, Inc. and Whittaker Corporation.

BAUMERT ENJOINED. The SEC Fort Worth Regional Office announced September 18 (LR-4114) that the U. S. District Court in Houston entered a default judgment permanently enjoining Joseph A. Baumert, Jr., of Austin, from further violations of the Securities Act registration and anti-fraud provisions in the sale of securities in a resort facility called Hotel Montevideo, Club de Acapulco, S. A.

STOCK PLANS FILES. The following companies have filed Form S-8 registration statements with the SEC proposing the offering of securities pursuant to stock option and related plans:
 Damon Creations, Inc., New York (File 2-30161) - 50,000 shares of Class A stock
 Simmonds Precisions Products, Inc., Tarrytown, N. Y. (File 2-30187) - 225,000 stock option plan shares
 Simmonds Precisions Products, Inc., Tarrytown, N. Y. (File 2-30188) - 98,634 employee stock plan shares

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 "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 3 News Digest.

Automatic Retailers of America Inc Jul 68(7)	1-4762-2	Natl Video Corp-Rico Electronics Inc Jul 68 (4,12,13)	1-4280-2
Uarco Inc Aug 68 (7,13)	1-5081-2	Optical Scanning Corp Jun 68(13)	0-2262-2
Unilever Ltd (6K) Aug 68	1-4546-2	Western Invmt Real Estate Tr Jul 68(2,11,13)	0-2809-2
Wickes Corp Aug 68 (12)	1-3447-2	Wolverine Aluminum Corp Jul 68(7,9,13)	0-3122-2

SECURITIES ACT REGISTRATIONS. Effective September 19: Allegheny Beverage Corporation, 2-29008 (Oct 29); American Automatic Vending Corp., 2-29697 (40 days); American Bioculture, Inc., 2-28214 (90 days); The Barclay Fund, Inc., 2-29060; Cinema V. Distributing, Inc, 2-29512 (90 days); The Columbia Gas System, Inc., 2-29834; The Commodore Corp., 2-29775 (90 days); Dero Research & Development Corp., 2-28392 (90 days); Empire Associates, Inc., 2-29363 (90 days); Mutual Exploration Funds, Inc., 2-29341 (90 days); Gulf Life Holding Company, 2-29291 (90 days); Honeycomb Products, Inc., 2-29343 (40 days); Kappa Frocks, Inc., 2-29446 (90 days); Leigh Products, Inc., 2-29401 (90 days); MEM Co., Inc., 2-29741 (40 days); National General Corp., 2-29818 (40 days); Vetco Offshore Industries, Inc., 2-29533 (90 days); Systems Associates, Inc., 2-29457 (90 days); Trend Industries, Inc., 2-29778 (90 days); Vega Precision Laboratories, Inc., 2-28922 (90 days); Weight Watchers International Inc., 2-29411 (90 days). Withdrawn September 16: The Lamson & Sessions Co., 2-29637.

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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