

# SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST



Washington, D C 20549

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

(In ordering full text of Releases from Publications Unit, cite number)

(Issue No. 68-203)

FOR RELEASE October 16, 1968

**WISCONSIN GAS RECEIVES ORDER.** The SEC has issued an order under the Holding Company Act (Release 35-16187) authorizing Wisconsin Gas Company, Milwaukee subsidiary of American Natural Gas Company, to issue and sell to banks from time to time prior to November 15, 1969, up to \$22,000,000 of promissory notes to be outstanding at any one time. Wisconsin Gas also proposes to issue and sell 333,334 additional common shares to American Natural Gas for \$4,000,008. Wisconsin Gas will use part of the net proceeds of this financing to pay any outstanding balance of the \$9,000,000 of short-term promissory notes authorized by the Commission in November 1967; the balance will be used to finance its 1968 and 1969 construction programs. Construction expenditures are estimated at \$17,600,000 for 1968.

**DELMARVA POWER & LIGHT RECEIVES ORDER.** The SEC has issued an order under the Holding Company Act (Release 35-16188) authorizing Delmarva Power & Light Company, Wilmington, Del., holding company, to issue and sell \$25,000,000 of first mortgage and collateral trust bonds, due 1998, at competitive bidding. Net proceeds of the bond sale will be applied toward the cost of the company's construction program, including retirement of borrowings therefor; the program for 1968-69 is estimated at \$113,314,000.

**COMBINED RESEARCH FUND RECEIVES ORDER.** The SEC has issued an order under the Investment Company Act (Release IC-5515) declaring that Combined Research Fund, Inc., Houston, Tex., has ceased to be an investment company and that its registration as such is no longer in effect.

**ALCAR INSTRUMENTS STOCK SALE ENJOINED.** The SEC New York Regional Office announced October 10 (LR-4136) the entry of a order by the U. S. District Court in New York City, by consent of the defendants, enjoining violations of the registration and anti-fraud provisions of the Federal securities laws by the following in connection with the offer and sale of stock of Alcar Instruments, Inc., of New York City, and convertible debentures of Chateau Troutdale, Inc. (an Alcar subsidiary), and of Radford Hills, Inc.: Alcar Instruments, Chateau Troutdale, Radford Hills, Inc. (of Abilene, Tex.), James A. Wooten (of Los Angeles, formerly Waco), and Frank A. Blosser and Charles H. Hearsey (both of New York City). A permanent injunction also was entered against Frank Kanan of Los Angeles and Daniel Stack (by consent) of Chicago. Orders of preliminary injunction were issued against William Skillman and Continental Investment Bankers, Inc., both of Kansas City, as well as William C. Smith of Miami, Fla., Treasure Hunters, Inc., a Nevada corporation, and Lawrence Gottlieb of New York City (the latter as to registration violations only).

**HAGGIS ASSOCIATES STOCK SALE ENJOINED.** The SEC Washington Regional Office announced October 16 (LR-4135) that the U. S. District Court for the District of Columbia had granted an SEC motion for a preliminary injunction against the offer and sale of common and preferred stock of Haggis Associates, Inc., Bethesda, Md., by the said Haggis Associates and Arthur G. Haggis, Jr., in violation of the registration and anti-fraud provisions of the Federal securities laws. Lewanna S. Haggis was enjoined from violations of the Securities Act registration provisions.

**TWO TRADING BANS CONTINUED.** The SEC has ordered the suspension of exchange and/or over-the-counter trading in the securities of BSF Company and Mountain States Development Company for the further ten-day period October 17-26, 1968, inclusive.

**EMERY INDUSTRIES FILES FOR SECONDARY.** Emery Industries, Inc., 4200 Carew Tower, Cincinnati, Ohio 45202, filed a registration statement (File 2-30458) with the SEC on October 11 seeking registration of 189,200 outstanding shares of common stock, to be offered for public sale by the present holders thereof. The offering is to be made through underwriters headed by Blyth & Co., Inc., and W. E. Hutton & Co., both of 14 Wall St., New York 10005; the offering price (\$62.50 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company manufactures oleochemical products, including specialty plasticizers for vinyl resins, separated stearic acids, oleic acids, dimer acids, azelaic and perargonic acids (used as intermediate and finished chemicals in the manufacture of plastics, lubricants, detergents, coatings, textiles and other products). The company also produces drycleaning chemicals and drycleaning and laundry equipment. In addition to indebtedness and preferred stock, the company has outstanding 2,433,086 common shares, of which the Emery family owns 58.4%, including 10.3% owned by John J. Emery, a director. Emery family trusts propose to sell the shares being registered, following which they will own 50.6% (or 1,230,403) of the outstanding common shares.

**HORIZON INDUSTRIES FILES FOR SECONDARY.** Horizon Industries, Ltd., 1815 Westchester Ave., New York 10472, filed a registration statement (File 2-30459) with the SEC on October 11 seeking registration of 110,000 shares of common stock, to be offered for public sale at \$6 per share. The offering is to be made through Charles Plohn & Co., 200 Park Ave., New York 10017, which will receive a 60¢ per share commission. Upon completion of this offering, the company has agreed to grant the Plohn firm a non-transferable option to purchase 11,000 common shares, exercisable after one year at \$6 per share.

OVER

The company was organized under New York law in December 1967 for the purpose of engaging in the development and marketing of medical and hygienic equipment and devices (primarily disposable). It is in the early stage of development and has not yet commenced any marketing operations. Of the net proceeds of its stock sale, the company will use \$75,000 each for the establishment of office and laboratory facilities and for sales promotion and \$100,000 for advances to manufacturers for expenses of tooling and an initial sample run of products which the company intends to market; the balance will be used for general working capital and other corporate purposes, including the cost of initial production runs of products the company will market, development and testing of new products and the conduct of business during the initial period of operations. The company has outstanding 220,000 common shares (with an 8¢ per share book value), of which Harvey J. Engelsher, president, 46.7%, Stanley W. Kallman, secretary, 25.5% and the Plohn firm 13.64%. Upon completion of this offering, the purchasers of the shares being registered will own 33-1/3% of the outstanding common stock, for which they will have paid \$660,000, while the present stockholders will own 66-2/3%, which had an aggregate value of \$18,640 at September 15.

**PROFESSIONAL CARE SERVICES PROPOSES OFFERING.** Professional Care Services, Inc., Box 447, Buckingham, Pa. 18912, filed a registration statement (File 2-30461) with the SEC on October 14 seeking registration of 200,000 shares of common stock and warrants to purchase an additional 200,000 common shares (exercisable at \$7 per share), to be offered for public sale in units each consisting of one common share and a warrant. The offering is to be made at \$5 per unit through Charles Plohn & Co., 200 Park Ave., New York 10017, which will receive a 50¢ per share commission plus \$10,000 for expenses. The company will issue to the underwriter a non-transferable five-year option to purchase 40,000 common shares, exercisable (after one year) at \$5 per share.

Organized under Pennsylvania law in March 1965, the company presently owns and operates Buckingham Valley, a health care facility providing skilled nursing, convalescent, and rehabilitative care primarily for adult inpatients. Net proceeds of this offering will be used for the acquisition of other facilities and will be added to the working capital of the company and used for general corporate purposes, including the expansion of Buckingham Valley and for future development and construction of additional facilities. In addition to indebtedness, the company has outstanding 300,000 common shares (with a -18¢ per share book value), of which Allen Passerin, president, and two other officers own 33-1/3% each. Upon completion of this offering, the present stockholders will own 60% of the outstanding common stock, for which they paid \$16,500 while the public purchasers will own 40%, for which they will have paid \$1,000,000.

**MONTANA-DAKOTA UTILITIES TO SELL BONDS.** Montana-Dakota Utilities Co., 400 North 4th St., Bismarck, N.D. 58501, filed a registration statement (File 2-30462) with the SEC on October 14 seeking registration of \$10,000,000 of first mortgage bonds, due 1993, to be offered for public sale at competitive bidding. A public utility, the company will apply the net proceeds of its bond sale to the payment of \$10,000,000 of short-term bank notes issued in connection with its construction program. Construction expenditures are estimated at \$11,220,000 for 1968 and \$11,650,000 for 1969.

**CONNAUGHT FILMS PROPOSES OFFERING.** Connaught Films, Ltd., 245 East 63rd St., New York 10021, filed a registration statement (File 2-30463) with the SEC on October 14 seeking registration of 170,000 shares of common stock, to be offered for public sale at \$6 per share. The offering is to be made through underwriters headed by Robinson & Co., Inc., 42 S. 15th St., Philadelphia, Pa., which will receive a 63¢ per share commission plus \$15,000 for expenses. The company has agreed to sell to the Robinson firm, for 5¢ each, six-year warrants to purchase 17,000 common shares, exercisable initially (after one year) at \$6.50 per share; the underwriter will transfer to Franklin Roberts 2,000 such warrants for his services as a finder.

The company was organized under New York law in May 1967 to engage in the production of full-length feature motion pictures for exhibition in theatres and on television. All its activities to date have been developmental. Of the net proceeds of its stock sale, \$400,000 may be used to defray in part the cost of production of its initial feature motion picture, "But, Harry, Will It Fly???" provided the company is reimbursed for one-half the budgeted production costs by the distributor, and \$400,000 to defray in part production costs of its second feature motion picture, "The Tin Tiger" with the same proviso; the balance will be added to working capital to permit the company to engage in further co-productions and the acquisition and development of new films and for general corporate purposes. The company has outstanding 64,420 common shares (with a 27¢ per share book value), of which Robert P. Davis, board chairman, owns 74% and management officials as a group 93%. Richard N. Burns is president. Upon completion of this offering, company officials will own 60,200, or 26%, of the outstanding common stock, for which they paid \$50, and waived right to reimbursement for \$17,430 of cash expenditures to defray in part pre-production costs; Davis also transferred to the company his screenplays and the motion picture and television rights in his books as a capital contribution. Public investors will own 170,000 shares, for which they will have paid \$1,020,000. A total of 4,220 shares were sold to Chartered Investment Company at 5¢ per share.

**ANTHONY POOLS FILES FOR SECONDARY.** Anthony Pools, Inc., 5871 East Firestone Blvd., South Gate, Calif. 90280, filed a registration statement (File 2-30464) with the SEC on October 14 seeking registration of 150,000 outstanding shares of common stock, to be offered for public sale through W. C. Langley & Co., 115 Broadway, New York 10006. The offering price (\$13 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company is primarily engaged in the design and construction of gunite swimming pools primarily for the residential market; it also produces prefabricated vinyl-liner pools, manufactures pool equipment for its own use and sale to other gunite pool builders and service companies. In addition to indebtedness, the company has outstanding 933,740 common shares, of which Myron Philip Anthony, board chairman, owns 44%; he proposes to sell 150,000 shares of his holdings of 407,490 shares. Bernard I. Forester is president.

**TUDOR HEDGE FUND PROPOSES OFFERING.** Tudor Hedge Fund, 50 Broadway, New York, filed a registration statement (File 2-30465) with the SEC on October 14 seeking registration of 2,500,000 shares of common stock, to be offered for public sale at \$20 per share with a \$1.70 per share commission to the underwriters, headed by Hayden, Stone Inc., 25 Broad St., New York 10004. HayWood Management Corporation will act as the Fund's investment adviser. All of HayWood's voting stock is owned by Hayden, Stone Inc. and all of its nonvoting stock is owned by Starwood Corporation. Robert G. Smith, board chairman, and Martin L. Solomon, president of the Fund, are vice presidents of the adviser.

**ASSOCIATED OIL & GAS FILES FOR SECONDARY.** Associated Oil & Gas Co., Suite 501-299 Alhambra Circle, Coral Gables, Fla. 33134, filed a registration statement (File 2-30466) with the SEC on October 14 seeking registration of 57,522 outstanding shares of common stock, to be offered for sale by the present holders thereof at prices prevailing at the time of sale (\$8 per share maximum\*). S. D. Lunt & Co. has agreed to assist the selling stockholders in disposing of their shares. The shares being registered were issued in connection with the acquisition in July 1968 of all the outstanding capital stock of Auto Swage Products, Incorporated, in exchange for which the company issued 230,090 shares and may become obligated under certain conditions to issue an additional 230,090 shares.

The company is engaged in the development of oil and gas properties, the production and sale of oil and gas, the processing of gas through processing plants for the extraction of natural gasoline and other hydrocarbons, the manufacture of tread rubber and tire repair materials, of tubular metal cylinders by a process of deep drawing, of high precision gears, and of miniaturized precision parts for the electrical and other industries by the process of die swaging. In addition to indebtedness, the company has outstanding 9,300,198 common shares, of which management officials as a group own 191,038. Samuel D. Lunt is board chairman and Castle W. Jordan president. Bartley E. Hal proposes to sell 54,647 of 218,586 shares held and two others the remaining shares being registered.

**TROPICAL GAS TO SELL STOCK.** Tropical Gas Company, Inc., 2151 Le Jeune Rd., Coral Gables, Fla. 33134, filed a registration statement (File 2-30474) with the SEC on October 15 seeking registration of 230,000 shares of common stock, to be offered for public sale through underwriters headed by Glore Forgan, Wm. R. Staats Inc., 45 Wall St., New York 10005. The offering price (\$36 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company is engaged in the business of marketing liquefied petroleum gas and gas-consuming appliances and equipment to household, agricultural, commercial and industrial users in the Caribbean area, Venezuela, the United States and Central America. Of the net proceeds of its stock sale, \$350,000 will be used to repay short-term indebtedness incurred for working capital, \$828,800 to repay long-term indebtedness and \$395,000 to replace general funds expended for the acquisition of a 51% interest in three companies located in North Carolina; the balance will be used for general corporate purposes, including working capital and possible acquisitions. In addition to indebtedness, the company has outstanding 1,097,173 common shares, of which management officials as a group own 8.7% and the Yale University and Board of Directors of Sheffield Scientific School 17.4%. Fred H. Billups is president and board chairman.

**DELISTING GRANTED.** The SEC has issued an order under the Securities Exchange Act (Release 34-8422) granting an application of the American Stock Exchange to strike the common stock of Electronic Communications, Inc., from listing in registration, effective at the opening of business October 14, 1968. Only 42,000 of these shares remain publicly held following an exchange offer pursuant to which National Cash Register Company acquired 847,114 shares.

**UNLISTED TRADING GRANTED.** The SEC has issued an order under the Securities Exchange Act (Release 34-8422) granting applications of the Boston Stock Exchange for unlisted trading privileges in the common stock of Resorts International, Inc., and of the Philadelphia-Baltimore-Washington Stock Exchange for such privileges in the common stock of Frontier Airlines, Inc.

**MARINE MIDLAND BANK SHARES IN REGISTRATION.** Marine Midland Banks, Inc., 241 Main St., Buffalo, N. Y., filed a registration statement (File 2-30468) with the SEC on October 15 seeking registration of 750,000 shares of common stock, issuable upon conversion of the 5% subordinated guaranteed convertible debentures, due 1988, of Marine Midland Overseas Corporation, a subsidiary. The debentures are convertible at principal amount into common stock of the parent company on and after December 15, 1968, at \$40 per share.

**SECURITIES ACT REGISTRATIONS. Effective October 15:** Automatic Sprinkler Corp. of America, 2-30432 (Nov 5); Comcet, Inc., 2-29713 (90 days); Crown Crafts, Inc., 2-29496 (Jan 13); Doric Corp., 2-29915 (Nov 25); Fibreboard Corp., 2-29900; Jostens, Inc., 2-30017; Lums Inc., 2-29885; Met-Pro Water Treatment Corp., 2-26979 (90 days); National Can Corp., 2-30093; Pennzoil United, Inc., 2-30085 (40 days); Philip Morris Inc., 2-30256; Rocky Mountain Natural Gas Co., Inc., 2-29981 (40 days); Sav-on-Drugs, Inc., 2-29848 (90 days); Scientific Pollution Control Corp., 2-29700 (90 days); Southwest Airmotive Co., 2-29863 (Nov 25); Town & Country Mobile Homes, Inc., 2-29831 (Nov 25); Walker-Scott Corp., 2-29843 (Nov 24); J. R. Wood & Sons, Inc., 2-29696 (Jan 13); Woods Petroleum Corp., 2-29730.

**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.