

# sec news digest

a daily summary from the securities and exchange commission

Issue No. 73-73  
(SEC Docket, Vol. 1, No. 11 - April 24 )

April 16, 1973

## DECISIONS IN ADMINISTRATIVE PROCEEDING

**DECISION REVOKING NEWPORT SECURITIES CORP. AND BARRING OFFICERS FINAL.** The SEC announced that the decision of an administrative law judge revoking the broker-dealer registration of Newport Securities Corp., of Newport Beach, Calif., expelling the firm from NASD membership, and barring A. Gurdon Wolfson, president of the firm, and Martin Susson and Roy O. Dawson, vice presidents, from association with any broker-dealer has become final.

According to that decision, respondents violated anti-fraud provisions of the securities acts by selling various securities to customers by means of "boiler-room" tactics involving the use of high pressure and fraudulent misrepresentations and omissions. It was also found that respondents violated antimanipulative provisions in connection with the firm's participation in the public offerings of certain securities; that Newport, aided and abetted by Wolfson, charged customers unfair prices and, aided and abetted by Wolfson and Susson, violated credit provisions; and that respondents failed to exercise proper supervision. (Rel. 34-10094)

**SPIEGEL SANCTIONED.** The SEC has issued an order suspending Walter Jack Spiegel, Fort Lee, N. J., from associating with any broker-dealer, investment company or investment adviser for a period of 90 days. Spiegel was previously employed as a trader by a registered broker-dealer.

According to the decision Spiegel, during March 1971, violated the antifraud provisions of the securities laws in connection with transactions in the common stock of Pied Piper Yacht Charters Corporation. He participated in activities designed to establish and manipulate the market in the stock, published and quoted prices for the stock which were not related to the supply and demand for or the intrinsic value of the stock and failed to disclose to purchasers and sellers that he was being protected against loss in his market transactions in the stock.

The Commission's order was based on an offer of settlement in which Spiegel, without admitting or denying the charges against him, consented to the findings and the sanction. The suspension was ordered to commence at the opening of business on April 16, 1973. (Rel. 34-10095)

**JERRY CHARLES SPELLMAN d/b/a FIRST INVESTMENT PLANNING CO. SANCTIONED.** The SEC has announced the issuance of an order revoking the broker-dealer registration of Jerry Charles Spellman, doing business as First Investment Planning Company, Washington, D. C., and barring him from association with a broker, dealer, registered investment company or registered investment adviser.

According to the decision, respondent violated the net capital, books and records and financial reporting provisions of the securities laws. In August 1972 the U.S. District Court for the District of Columbia enjoined respondent, with his consent, from violating such provisions and ordered him to liquidate assets of his firm to satisfy customer obligations.

For the purpose of settling the proceedings, respondent, without admitting or denying the allegations, consented to the findings and the sanction. (Rel. 34-10096)

**HENRY YOUNG & CO. REVOKED, GEORGE K. KNOX BARRED.** The SEC announced the issuance of an order revoking the investment adviser registration of Henry Young & Company, of San Francisco, and barring George Kenneth Knox, the firm's president and sole shareholder, from becoming associated with any registered broker-dealer, investment adviser or investment company.

The sanctions imposed were based on findings that, from about May 1972 to January 1973, respondents violated antifraud provisions of the securities acts by representing to a customer that her funds had been invested for her account when in fact respondents had appropriated portions of the funds to their own purposes.

Respondents, admitting the charges against them solely for purposes of settlement, consented to the above findings and the indicated sanctions. (Rel. IA-371)

## COMMISSION ANNOUNCEMENTS

**SEC CITES J. R. RADIN & CO., INC. AND CONTINENTAL CONSULTANTS CORP.** The SEC issued an order for public proceedings against J. R. Radin & Co., Inc. (Radin Inc.), Continental Consultants Corp. (Consultants), John Robert Radin, Sr. (Radin), Herman R. Gans (Gans), Hy Wilstein and John J. Ferrara. The proceedings are based upon allegations of the Commission's staff that Radin, Inc. and Consultants violated the bookkeeping and net capital provisions of the Securities Exchange Act of 1934, that Consultants violated the financial reporting requirements of the Act, that Radin, Gans, Wilstein and Ferrara aided and abetted these violations, that in March 1972, Radin and Radin Inc. had been permanently enjoined from violating the net capital provisions of the Exchange Act, and that a trustee had been appointed for Radin, Inc. pursuant to the Securities Investor Protection Act of 1970.

SEC ORDER CITES E. F. HENDERSON & CO., INC. ET AL. The Securities and Exchange Commission has issued an order for public administrative proceedings against E. F. Henderson & Co., Inc., a New York City broker-dealer, Melvin Schneiderman of New York City, Hale Securities Corporation, a Jericho, New York broker-dealer, Lincoln Securities, a Bellmore, New York broker-dealer, Abe Camhi of Bellmore, New York, Abe Camhi d/b/a Lincoln Securities, a Bellmore, New York broker-dealer, Richard Greenberg of Massapequa, New York, Gary Fredericks of New York City, Harvey Bertram Pollak of East Hampton, New York, Hyer & Lowe, Inc., a New York City broker-dealer, Michael Caricato of New York City, Matthew Russo of Miami, Florida, Walter Topper of Matawan, New Jersey, Murray Levine of New York City and Bruce Halpern of New Rochelle, New York. E. F. Henderson & Co., Inc., Melvin Schneiderman, Lincoln Securities, Richard Greenberg, Abe Camhi, Gary Fredericks, Harvey Bertram Pollak, Hyer & Lowe, Inc., Michael Caricato, Matthew Russo, Walter Topper, Murray Levine and Bruce Halpern are alleged to have violated and aided and abetted violations of the anti-fraud provisions of the Securities Act of 1933 and the Securities Exchange Act of 1934 in connection with the offer, sale and purchase of the stock of Belmont Franchising Corp. In addition Lincoln Securities, Abe Camhi d/b/a Lincoln Securities, Abe Camhi and Harvey Bertram Pollak are charged with failing to adequately supervise Lincoln Securities and Abe Camhi d/b/a Lincoln Securities are also charged with failing to file with the Commission reports of their financial condition for the calendar years 1970 and 1971. The Commission also charged Hyer & Lowe, Inc. and Michael Caricato with failing to promptly disclose in an amendment to its Form BD that Hyer & Lowe, Inc. had moved its office and books and records to a new location. Also Hyer & Lowe, Inc., Michael Caricato and Bertram Harvey Pollak are charged with failing to make and retain accurate records in that the books and records of Hyer & Lowe, Inc. and a broker-dealer of which Pollak was a principal contain trades in Belmont stock with false dates and times. Hale Securities Corporation is charged with employing Greenberg after he had engaged in the allegedly violative conduct. A hearing will be scheduled by further order to take evidence on the staff allegations and to afford the respondents an opportunity to offer any defense thereto for the purpose of determining whether the allegations are true and, if so, what if any remedial action should be ordered by the Commission.

FOREIGN RESTRICTED LIST. The SEC announced that it has placed on the Foreign Restricted List Claravella Corporation, a Costa Rican corporation that has been soliciting investors in the United States by mail to invest in its shares to finance mining exploration in Costa Rica. No registration statement has been filed with the Commission by Claravella pursuant to the Securities Act of 1933. Accordingly the solicitation of investors in the United States to buy shares of stock of this corporation is in violation of the provisions of Section 5 of this Act. The Commission has no information as to the true facts respecting any of the representations being made to investors to induce them to purchase these securities.

TRADING SUSPENDED IN ALBRO INDUSTRIES SECURITIES. The SEC has ordered the suspension of over-the-counter trading in securities of Albro Industries Corporation, Springboro, Pennsylvania for one ten-day period commencing on April 13 and continuing through April 22, 1973.

The suspension was ordered because of a lack of accurate public information concerning the company's financial situation and other corporate matters.

On March 26, 1973 creditors filed a petition in the U.S. District Court in Erie, Pennsylvania seeking to have Albro Packing Co., a wholly owned subsidiary of Albro Industries Corp., declared bankrupt. Judgments totaling \$830,586.36 have been filed against Albro Industries Corporation and Albro Packing Company. Included are two tax liens totaling \$36,318.66 filed by the U.S. Government against Albro Packing Co. for failing to pay employee withholding taxes for the third and fourth quarter of 1972. Also included are two judgments filed by John Kaye and A & R Realty Co. totaling \$700,149.74. (Rel. 34-10109)

TRADING SUSPENDED IN ELECTRONICS CONCEPTS SECURITIES. The SEC has ordered the temporary suspension of over-the-counter trading in the securities of Electronic Concepts Laboratory Corp., of Manchester, Connecticut for the period commencing April 13 through April 22, 1973. The Commission ordered the suspension because of the lack of current accurate financial information concerning the company and because of questions raised concerning the recent market activity in its stock. Robert C. Bell, president and Joseph R. Getz, vice-president, recently resigned as officers and directors of the company. The company requested the trading suspension. (Rel. 34-10110)

MARATHON INTERNATIONAL FINANCE COMPANY. The SEC has issued an order granting an application of Marathon International Finance Company, of Findlay, Ohio, pursuant to Section 12(h) of the Securities Exchange Act, for exemption from the requirement to file reports under Section 13(a) of the Act subject to certain specified conditions.

#### INVESTMENT COMPANY ACT RELEASES

KEYSTONE CUSTODIAN FUNDS. The SEC has issued a notice giving interested persons until May 9 to request a hearing on an application by Keystone Custodian Funds, Inc., as Trustee of Keystone Custodian Fund, Series S-4, which is a diversified, open-end management investment company registered under the Investment Company Act of 1940, for an order of the Commission permitting a public offering of Fund shares in Japan to non-United States nationals under terms and with sales charges that differ from the terms and charges described in the prospectus of the Fund that is used in the United States. (Rel. IC-7770)

LOOMIS SAYLES CAPITAL DEVELOPMENT FUND. The SEC has issued a notice giving interested persons until May 11 to request a hearing on an application by Loomis-Sayles Capital Development Fund, Incorporated, Boston Mutual Fund for an order permitting the Fund to issue its securities, which are usually sold at net asset value, for substantially all of the assets of JWC Investment Company, Inc. adjusted to compensate the Fund for any increased potential tax liability that might exist as a result of the transaction. (Rel. IC-7771)

## SECURITIES ACT REGISTRATIONS FILED

MIDWEST MANAGEMENT CORPORATION, 230 West Monroe St., Chicago, Ill. 60606 - 3,383,051 shares of common stock, 37,156 shares of Series B voting convertible preferred stock and 244,000 Series A stock purchase warrants. Of these shares up to 2,000,000 common shares may be issued from time to time in the acquisition of other businesses or properties and the remaining securities may be offered for sale by certain shareholders or are issuable for various other purposes. (File 2-47540 - Apr 2)

GREAT WESTERN PRODUCERS CO-OPERATIVE, 2841 South Broadway, Englewood, Colo. 80110 - \$1 million of 6% cumulative income subordinated member notes, due 1993-2002, to be issued in connection with the Co-Operative's purchase of The Great Western Sugar Company, wholly-owned subsidiary of Great Western United Corporation. The Co-Operative was organized in 1971 by sugar beet producers who sell sugar beet to Great Western Sugar. (File 2-47502 - Mar 30)

OMNI RESEARCH INCORPORATED, P. O. Box 1376, Mayaguez, P. R. 00708 - 200,000 shares of common stock and 100,000 warrants to purchase common stock, to be offered for sale in units, each consisting of two shares and one warrant. The offering is to be made (\* at \$15 per unit maximum) through underwriters headed by Salkin, Welch & Co., Inc., Heaver Plaza, Lutherville, Md. 21093. Also included in this statement are up to 35,000 shares of common stock, which may be offered for sale from time to time by certain shareholders at prices current at the time of sale. The company primarily renders analytical and consultative services involving chemical, biological and biochemical projects and the design of medical diagnostic systems and facilities. Of the net proceeds, \$405,000 will be used for equipment, plant and storage facilities and the balance for working capital and other corporate purposes. (File 2-47512 - Mar 30)

EQUITABLE DEVELOPMENT CORPORATION, 1451 North Bayshore Dr., Miami, Fla. 33132 - \$10 million of 12% installment notes, due in 60 months to be offered for sale at 100% of principal amount. The company sells investment improved land and lots. Of the net proceeds, up to \$1 million will be used for a mortgage payment and the balance for working capital and other corporate purposes. (File 2-47513 - Mar 30)

HAMCO RESOURCES, INC., 5575 Poplar Ave., Memphis, Tenn. 38117 - 2,204,300 shares of common stock. Of these shares, 1,804,300 were issued to Hamco Petroleum, Inc. (Petroleum) in exchange for the outstanding capital stock of Hamco Development Corporation, at the rate of one share for each two Petroleum shares. Petroleum proposes to distribute such shares as a dividend to its shareholders. The remaining 400,000 shares are to be offered for sale at \$5 per share by Main Street Securities, Inc., First National Bank Building, 1401 Elm Street, Dallas, Texas 75202. Hamco develops and sells recreational oriented property. Of the net proceeds, up to \$1 million will be used to develop land for sale and the balance for working capital and other corporate purposes. (File 2-47465 - Mar 30)

## MISCELLANEOUS

## IMPORTANT NOTICE

Many requests for copies of documents referred to in the daily SEC News Digest have erroneously been directed to the Government Printing Office. They should be addressed: Public Reference Section, Securities and Exchange Commission, Washington, D. C. 20549. The reproduction cost will approximate 12¢ per page, plus postage, for mailing within four days, to 25¢ per page, plus postage, for overnight mailing. Cost estimates given on request.

**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. The captions of the items are as follows:

- |  |   |
|--|---|
| Item 1. Changes in Control of Registrant.              | Item 9. Options to Purchase Securities.                                 |
| Item 2. Acquisition or Disposition of Assets.          | Item 10. Revaluation of Assets or Restatement of Capital Share Account. |
| Item 3. Legal Proceedings.                             | Item 11. Submission of Matters to a Vote of Security Holders.           |
| Item 4. Changes in Securities.                         | Item 12. Changes in Registrant's Certifying Accountant.                 |
| Item 5. Changes in Security for Registered Securities. | Item 13. Other Materially Important Events.                             |
| Item 6. Defaults upon Senior Securities.               | Item 14. Financial Statements and Exhibits.                             |
| Item 7. Increase in Amount of Securities Outstanding.  |   |
| Item 8. Decrease in Amount of Securities Outstanding.  |   |

Copies of the reports may be purchased from the Commission's Public Reference Section (in ordering, please give month and year of report). Invoice will be included with the requested material when mailed.

8K REPORTS FOR NOVEMBER 1972

American Western Life Ins. Co. (1)	2-28679-2	Metromation, Inc.(9,14)	2-43198-2
Amfac Cattle Co. (7)	2-44207-2	Pakco Companies, Inc.(13)	0-592-2
Cott Corp (3)	1-6918-2	Rahall Communications Corp (11,14)	0-5609-2
Data Display Systems Inc.(9)	0-5186-2	Southwestern Group Inc.(11)	0-3011-2
Digitek Corp (3)	0-3261-2	Tennessee Forging Steel Corp (11,14)	0-5205-2
Dynalectron Corp (7)	1-3879-2	Welded Tube Co. of America (7,8,14)	1-5461-2
Ecom Systems, Inc. (13)	0-1750-2	Zapata Foods, Inc.(13)	0-6507-2
Kellogg Co. (14)	1-4171-2		
Mellon National Corp(1,13,14)	0-6772-2		

BK REPORTS FOR DECEMBER 1972

Alton Box Board Co.(7,14)	0-3048-2	Metropolitan Greetings, Inc. (3,7,14)	1-5988-2
Amfac Cattle Co. (7)	2-44207-2	Missouri Edison Co.(13)	2-18052-2
Building Dynamics, Inc.(1,3,13)	0-4216-2	NJB Prime Investors (7)	1-6899-2
Clary Corp (8)	1-3489-2	National Central Financial Corp (2,7,14) Rule 12g3 under '34 Act.	0-6879-2
Coaches of America, Inc.(6)	0-4929-2	Northern California Developers, Inc.(11,14)	0-2884-2
Combanks Corp (11,14)	0-3684-2	Northwestern National Life Ins. Co.(10)	2-21453-2
Combustion Engineering Inc. (7,14)	1-117-2	Pacific American Real Estate Fund 1972(7,14)	2-42992-2
Computerized Automotive Reporting Service Inc.(7,14)	1-5758-2	Pennsylvania Land & Mortgage Co. (11,14)	2-36357-2
Copper Range Co. (10,13,14)	1-1725-2	Prairie States Cattle Co.(7)	2-45420-2
Delta Data Systems Corp (6)	0-6740-2	Super Food Services, Inc. (2,7,8,14)	1-5171-2
Epic Enterprises Inc.(3,14)	0-4420-2	Surveyor Companies, Inc.(8)	0-786-2
FHB Development Corp (2)	0-4664-2	Telemation Inc.(9)	0-5634-2
Financial Corp of Arizona(13)	0-882-2	Underwriters Investment Corp (7)	0-3724-2
Golden United Investment Co. (7,14)	0-4590-2	Union Planters Corp (3)	0-6919-2
Greater Heritage Corp (12,14)	2-44904-2	United Leasing Inc.(7)	2-38064-2
Grumman Allied Industries Inc (2,7,14)	0-1344-2	The Valeron Corp (1,4,7,8)	2-40374-2
Health Accounting Service, Inc. (11)	0-2310-2	Wej-It Corp (12)	0-2766-2
Homestead Int'l Inc.(7)	0-4984-2	West Knitting Corp (11)	2-43098-2
Johnson Products Co., Inc. (11,14)	1-6509-2	Wild Rover Corp (12)	2-39240-2
J.B. Lippincott Co. (7,14)	2-43598-2		
Mercantile Bankshares Corp (7)	0-5127-2		

TRADING SUSPENSIONS CONTINUED. The SEC has ordered the suspension of over-the-counter trading in the securities of (a) Accurate Calculator Corporation, First World Corporation, Liliac Time, Inc., Logos Development Corporation, Photon Inc. and Textured Products, Inc. for the further ten-day period April 15-24, inclusive (not April 5-24 as reported in the April 13 News Digest), (b) Pelorex Corporation and First Leisure Corporation for the further ten-day period April 16-25, inclusive, and (c) Orecraft, Inc. for the further ten-day period April 15-24, inclusive.

SECURITIES ACT REGISTRATIONS. Effective April 13: Berg Enterprises, Inc. 2-47598; Gulf States Utilities Co., 2-47534; Morrison Inc., 2-47372; Potlatch Forests, Inc., 2-47593; Petrofunds, Inc., 2-46673 (90 days); Scott & Fetzer Co., 2-47510; Signetics Corporation, 2-47000; Texas Gas Transmission Corp., 2-47490; Valley Resources, Inc., 2-47578.

NOTE TO DEALERS. The period of time dealers are required to use the prospectus in trading transactions is shown in parentheses after the name of the issuer.

\*As estimated for purposes of computing the registration fee.

---ooo0ooo---

Copies of registration statements may be ordered from the Commission's Public Reference Section. All other referenced material is available in the issue of the SEC Docket indicated in parentheses below the News Digest Issue No. Both the News Digest (\$33.00 a year, first class mail; \$8.25 additional for foreign mailing; \$25.00 additional for air mail) and the SEC Docket (\$17.00 a year, first class mail; \$4.25 additional for foreign mailing) are for sale by the Superintendent of Documents, Government Printing Office, Washington, D. C. 20402.