

# sec news digest

Issue 79-57

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March 23, 1979

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## RULES AND RELATED MATTERS

### U.S. SECURITIES AND EXCHANGE COMMISSION

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#### EXTENSION OF COMMENT PERIOD ON TENDER OFFER PROPOSED RULES

The Commission has extended from March 30 to April 16, 1979 the date by which comments must be submitted with respect to proposed rules and a related schedule which pertain to tender offers. Comments should be submitted in triplicate to George A. Fitzsimmons, Secretary, Securities and Exchange Commission, 500 North Capitol Street, Washington, D.C. 20549 and should refer to File No. S7-770. All comments will be available for public inspection. (Rel. 33-6041)

FOR FURTHER INFORMATION CONTACT: John Huber at (202) 755-1243 or John Granda at (202) 755-1750

#### REGISTRATION OF AN INDEFINITE NUMBER OF INVESTMENT COMPANY SHARES

The Commission adopted an amendment to Rule 24f-2 which specifies that five copies of the annual notice required pursuant to the rule shall be filed, and the file number of the appropriate registration statement shall appear below the notice caption. The amendment becomes effective April 21, 1979; the Commission encourages compliance by issuers filing such a notice prior to that date. (Rel. 33-6038)

FOR FURTHER INFORMATION CONTACT: Steven M. Felsenstein at (202) 376-8049

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## COMMISSION ANNOUNCEMENTS

#### ISSUANCE OF REPORT ON COMMISSION'S INVESTIGATION OF GREATER WASHINGTON INVESTORS, INC.

The Commission announced today the issuance of a Report of Investigation regarding Greater Washington Investors, Inc., pursuant to Section 21(a) of the Securities Exchange Act of 1934. At all times relevant to the Report, GWI was a closed-end venture capital investment company. The Report discusses (1) the issuance of an option agreement by GWI, constituting a senior security within the meaning of the Investment Company Act of 1940; (2) the GWI Board of Directors' valuation of portfolio securities; and (3) disclosures in stockholder reports. (Rel. 34-15673)

#### NATIONAL CLEARANCE AND SETTLEMENT SYSTEM

The Commission announced that it is soliciting public comments on the two issues remanded by the U.S. Court of Appeals for the District of Columbia in Bradford National Clearing Corporation et al. v. Securities and Exchange Commission et al. The Commission also lifted certain restrictions on National Securities Clearing Corporation. (Rel. 34-15640)

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## CIVIL PROCEEDINGS

#### INJUNCTIVE ACTION FILED AGAINST FUNDPACK AND AFFILIATES

The Commission announced the filing on March 21 of a civil injunctive action in the U.S. District Court for the District of Columbia against The Fundpack, Inc. (Fundpack), Holding Trust (Trust) and Holdings of U.S. Government Securities, Inc. (Government), the three investment companies in a Coral Gables, Florida mutual fund complex. The Commission's complaint also names as defendants Fundpack Management, Inc. (Management), investment adviser to the Funds, and its two broker-dealer subsidiaries, Mutual Funds Advisory, Inc. (Advisory) and Fundpack Securities, Inc. (Securities), and their officers and directors. The complaint alleges violations of the antifraud, registration reporting, proxy and fiduciary obligation provisions of the securities laws, as set forth below.

The complaint alleges that Management and its officers and employees, in order to achieve and maintain the solvency and profitability of Management, instituted in the Funds, and promoted to investors, with the acquiescence of the Fundpack directors, an investment arrangement known as "switching" which has substantially increased the revenues of Management while imposing far higher brokerage and interest costs, and investment losses, on Fundpack.

The complaint also alleges that the Management defendants have engaged in other self-dealing practices which have substantially increased, at the expense of Fundpack and its shareholders, the "dealer concessions" (commission equivalents received by Advisory in selling certain mutual funds to Fundpack) earned by Management by inducing excessive portfolio turnover in Fundpack, causing it to honor longterm letters of intent for the purchase of mutual fund shares without regard to the investment merits, and causing Fundpack to favor purchasing for its portfolio mutual funds which returned dealer concessions to Management rather than those which did not. Moreover, the complaint alleges that Management improved the apparent performance of Trust by shifting its operating expenses to Fundpack.

The complaint seeks to permanently enjoin the defendants from violating various of the antifraud and registration provisions of the Securities Act of 1933, the antifraud provisions of the Securities Exchange Act of 1934 and the Investment Advisers Act of 1940, and the antifraud, reporting, proxy, fiduciary, obligation and investment restriction provisions of the Investment Company Act of 1940, and certain other equitable relief. (SEC v. The Fundpack, Inc., et al., U.S.D.C. D.C., Civil Action No. 79-0859). (LR-8698)

**COMPLAINT NAMES VIENNA FINANCE COMPANY, INC. AND  
NORMAN C. TILLETTE**

The Washington Regional Office announced that on March 21 a civil complaint was filed in the federal court in Alexandria, Virginia seeking injunctive relief against Vienna Finance Company, Inc. of Vienna, Virginia, and its president, Norman C. Tillette of Herndon, Virginia. Simultaneously with the filing of the complaint, without admitting or denying the allegations of the complaint, Vienna Finance and Tillette consented to the entry of final judgments of permanent injunction, which judgments were signed by the Honorable Albert V. Bryan, Jr., U.S. District Judge for the Eastern District of Virginia, and entered on March 22. Tillette was further ordered to disgorge \$130,000 to Vienna Finance and to inform Vienna Finance's investors of the company's financial condition. In addition, Vienna Finance was ordered not to extend any loans to Tillette or increase his salary or benefits without prior approval of the majority of the Vienna Finance investors.

The complaint alleges that the defendants offered and sold Vienna Finance stock and debentures in violation of the registration and antifraud provisions of the securities laws. The complaint further alleges that the defendants obtained over \$850,000 of investor funds through the use of misrepresentations and omissions of material facts relating to, among other things, the financial condition of Vienna Finance and Tillette's use of proceeds from the sales of securities for his personal use, including unsecured and interest free loans, clothes, jewelry, entertainment, and automobiles. (SEC v. Vienna Finance Company, Inc. and Norman C. Tillette, E.D. Va., Civil Action No. 79-211-A). (LR-8699)

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## **INVESTMENT COMPANY ACT RELEASES**

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### **READY RESERVES TRUST**

A notice has been issued giving interested persons until April 16 to request a hearing on an application of Ready Reserves Trust, a registered open-end, diversified management investment company, requesting an order pursuant to Section 6(c) of the Act, exempting the Trust from the provisions of Rules 2a-4 and 22c-1 under the Act to the extent necessary to permit the Trust to compute its net asset value per share, for the purposes of effecting sales, redemptions and repurchases of its shares, to the nearest one cent on a share value of one dollar. (Rel. IC-10638 - Mar. 22)

### **SELECTED MONEY MARKET FUND, INC.**

A notice has been issued giving interested persons until April 16 to request a hearing on an application of Selected Money Market Fund, Inc., a registered open-end, diversified management investment company, requesting an order pursuant to Section 6(c) of the Act, exempting it from the provisions of Rules 2a-4 and 22c-1 under the Act to the extent necessary to permit it to compute its net asset value per share, for the purposes of effecting sales, redemptions and repurchases of its shares, to the nearest one cent on a share value of one dollar. (Rel. IC-10639 - Mar. 22)

# HOLDING COMPANY ACT RELEASES

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## GENERAL PUBLIC UTILITIES CORPORATION

An order has been issued authorizing a proposal of General Public Utilities Corporation, a registered holding company, that it amend a bank loan agreement. (Rel. 35-20965 - Mar. 21)

## JERSEY CENTRAL POWER & LIGHT COMPANY

An order has been issued authorizing Jersey Central Power & Light Company (JCP&L), subsidiary of General Public Utilities Corporation, that JCP&L issue and sell short-term notes to banks. (Rel. 35-20966 - Mar. 22)

## NATIONAL FUEL GAS COMPANY

A supplemental order has been issued authorizing proposals of National Fuel Gas Company, a registered holding company, and two of its subsidiaries, regarding an intrasystem exchange of assets and related transactions. (Rel. 35-20968 - Mar. 22)

## NORTHEAST NUCLEAR ENERGY COMPANY

A notice has been issued giving interested persons until April 20 to request a hearing on a proposal relating to nuclear fuel financing by Northeast Nuclear Energy Company, subsidiary of Northeast Utilities. (Rel. 35-20969 - Mar. 22)

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## LISTING, DELISTING AND UNLISTED TRADING ACTIONS

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### DELISTING GRANTED

An order has been issued granting the application of West Chemical Products, Inc. to strike the common stock (par value 50¢) from listing and registration on the American Stock Exchange, Inc. (Rel. 34-15667)

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## MISCELLANEOUS

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### DYMO INDUSTRIES, INC.

An order has been issued granting the application of Dymo Industries, Inc., pursuant to Section 12(h) of the Securities Exchange Act of 1934, for an exemption from the reporting requirements of Sections 13 and 15(d) of the Act. It appeared to the Commission that granting the requested exemption would not be inconsistent with the public interest or the protection of investors in view of the fact that Dymo has no outstanding securities in the hands of the public. (Rel. 34-15651)

### LMF CORPORATION

An order has been issued granting the application of LMF Corporation, a Missouri corporation, pursuant to Section 12(h) of the Securities Exchange Act of 1934, for an exemption from the reporting requirements of Sections 13 and 15(d) of the Act. It appeared to the Commission that granting the requested exemption would not be inconsistent with the public interest or the protection of investors in view of the fact that LMF has no outstanding securities in the hands of the public. (Rel. 34-15652)

### HUNT BUILDING CORPORATION

An order has been issued granting the application of Hunt Building Corporation, for an exemption from the reporting requirements of Sections 13 and 15(d) of the Securities Exchange Act of 1934. It appears to the Commission that the requested exemption is not inconsistent with the public interest or the protection of investors. (Rel. 34-15653)

## SECURITIES ACT REGISTRATIONS

The following registration statements have been filed with the SEC pursuant to the Securities Act of 1933. The information noted below has been taken from the cover page and the facing sheet of the prospectus and registration statement and will appear as follows: Form; Name, address and phone number (if available) of the issuer of the security; Title and the number or face amount of the securities being offered; Name of the managing underwriter (if applicable); Whether the offering is a rights offering; and File number and date filed.

- (S-1) AMERICAN MANAGEMENT SYSTEMS, INCORPORATED, 1515 Wilson Blvd., Arlington, Va. 22209 (703) 841-6000 - 400,000 shares of common stock. Underwriter: Lehman Brothers Kuhn Loeb Inc. The company develops, installs, and operates computer systems. (File 2-63817 - Mar. 21)
- (S-11) PMI MORTGAGE CORPORATION, 555 California St., San Francisco, Cal. 94104 - \$200 million of mortgage pass-through certificates. (File 2-63818 - Mar. 21)
- (S-16) SOUTH CAROLINA ELECTRIC & GAS COMPANY, 328 Main St., Columbia, S.C. 29218 (803) 799-1234 - 1,000,000 shares of common stock. Underwriter: Kidder, Peabody & Co. Inc. The company is an electric and gas utility. (File 2-63823 - Mar. 22)
- (N-1) RCM GROWTH EQUITY FUND, INC., One Market Plaza, Suite 3910, San Francisco, Cal. 94105 (415) 777-5474 - an indefinite number of shares of common stock. (File 2-63825 - Mar. 20)
- (S-14) INDIANA FINANCIAL INVESTORS, INC., 151 North Delaware St., Suite M-870, Indianapolis, Ind. 46266 (317) 266-5848 - 1,154,177 common shares. (File 2-63826 - Mar. 22)
- (S-7) EMONS INDUSTRIES, INC., 490 East Market St., York, Pa. 17403 (717) 848-2877 - \$25 million of equipment trust certificates, due April 1, 1994. Underwriters: Drexel Burnham Lambert Inc. and E.W. Smith Co. The company is engaged in the rental of railroad freight cars. (File 2-63827 - Mar. 22)
- (S-7) IOWA PUBLIC SERVICE COMPANY, Orpheum Electric Bldg., Sioux City, Iowa 51102 (712) 277-7500 - 50,000 shares of common stock. The company is engaged in the production, transmission, distribution and sale of electricity. (File 2-63828 - Mar. 22)
- (S-8) BUTLER MANUFACTURING COMPANY, BMA Tower, Penn Valley Park, P.O. Box 917, Kansas City, Mo. 64141 - 500,000 shares of common stock. (File 2-63829 - Mar. 22)
- In a separate statement the company seeks registration of 400,000 shares of common stock. (File 2-63830 - Mar. 22)
- (S-7) VISHAY INTERTECHNOLOGY, INC., 63 Lincoln Highway, Malvern, Pa. 19355 (215) 644-1300 - 660,000 shares of common stock. Underwriter: Drexel Burnham Lambert Inc. The company is a developer and manufacturer of products used in stress analysis and electronic measurement. (File 2-63832 - Mar. 22)

### REGISTRATIONS EFFECTIVE

Mar. 16: Southeastern Michigan Gas Enterprises, Inc., 2-63531.  
Mar. 19: Iowa Public Service Co., 2-63590.  
Mar. 20: American National Financial Corp., 2-63618; Southwestern Bell Telephone Co., 2-63625.  
Mar. 21: BTR Limited, 2-63698; Color Tile, Inc., 2-63172 & 2-63173; Farinon Corp., 2-63608; Ford Motor Credit Co., 2-63722; J. Ray McDermott & Co., Inc., 2-63724.

### REGISTRATIONS WITHDRAWN

Mar. 19: Energy Sciences, Inc., 2-63333.  
Mar. 20: Scope, Inc., 2-63230; Sun Company, Inc., 2-62048.

# ACQUISITIONS OF SECURITIES

Companies and individuals must report to the Commission within 10 days on Schedule 13D if after the acquisition of equity securities of a public company their beneficial interest therein exceeds 5%. Persons eligible to use the short form (Form 13-G) may in lieu of filing a Schedule 13D file a Form 13-G within forty-five days after the end of the calendar year in which the person became subject to Section 13(d)(1). The following companies or individuals filed Schedule 13D's during the period (No 13D listings). The number of shares of the security which are beneficially owned, and the number of shares concerning which there is a right to acquire are sent forth for each beneficial owner. \*Amended Acquisition Reports.

The following companies or individuals filed Form 13G on February 12, 1979.

<u>REPORTING COMPANY OR INDIVIDUAL</u>	<u>ISSUER &amp; NUMBER OF SHARES</u>	<u>DATE FILED</u>
Benjamin R. Fisher Individually and Co-Trustee	Fisher Scientific Company (Pittsburgh, PA) Common Stock - 237,827 shs.	2-12-79
Mrs. Mary Saker	Foodarama Supermarkets, Inc. (Freehold, NJ) Common Stock - 83,726 shs.	2-12-79
Delaware Management Company Delaware Investment Advisers, Inc.	Forest McKesson, Inc. (San Francisco, CA) Common Stock - 734,000 shs.	2-12-79
John C. Darn Individually and Trustee	Forest Oil Corporation (Bradford, PA) Common Stock - 471,482 shs.	2-12-79
First National Boston Corporation First National Bank of Boston	Foxboro Company (Foxboro, MA) Common Stock - 502,502 shs.	2-12-79
Title Insurance and Trust Company	Fremont General Corporation (Los Angeles, CA) Common Stock - 444,592 shs.	2-12-79
Peter H. Neuwirth	G. I. Export Corporation (Woodbury, NY) Common Stock - 196,764 shs.	2-12-79
David J. Greene and Company	G. I. Export Corporation (Woodbury, NY) Common Stock - 140,400 shs.	2-12-79
Gallatin National Bank	GNB Corporation (Uniontown, PA) Common Stock - 138,493 shs. (21%)	2-12-79
Lawrence A. Goshorn	General Automation, Inc. (Anaheim, CA) Common Stock - 277,555 shs. (11%)	2-12-79
Carl P. Herrmann, Alton T. Jones Constantive J. Lahanas Jahn L. Steele, Jr., Individually and as Trustees, et al	Genrad, Incorporated (Concord, MA) Common Stock - 240,802 shs.	2-12-79
Richard A. Cambria Constantive J. Lahanas John D. Quackenbos Steven J. Stadler, Individually and as Trustees, et al	Genrad, Incorporated (Concord, MA) Common Stock - 660,699 shs.	2-12-79
Gerber Products Company Retirement Investment Plan	Gerber Products Company (Fremont, MI) Common Stock - 570,562 shs.	2-12-79
Daniel F. Gerber	Gerber Products Company (Fremont, MI) Common Stock - 508,229 shs.	2-12-79
Title Insurance and Trust Company	Getty Oil Company (Los Angeles, CA) Common Stock - 15,978,028 shs. (19.4%)	2-12-79

## ACQUISITION REPORTS CONT.

Ronald M. Craigmyle Individually and as Trustee	Grant Portland and Masonry Cement Co. (Columbia, SC) Common Stock - 143,180 shs. (Included above are shares owned by his wife.)	2-12-79
* J. Raymond Harris Individually and as Co-Executor	Glover, Inc. (Roswell, NM) Common Stock - 164,594 shs. (20.7%)	2-12-79
William Moser	Golden Oil Company (Denver, CO) Capital Stock - 567,250 shs.	2-12-79
Marion O. Sandler	Golden West Financial Corporation (Oakland, CA) Common Stock - 1,122,322 shs.	2-12-79
Michael R. Hoffman	Graphics Diversified, Inc. (Minneapolis, MN) Common Stock - 68,255 shs. (11.92%)	2-12-79
Estelle Baum	Great American Realty Corporation (NYC) Class A Common Stock - 510,150 shs. (40%) (Included above are shares owned by her husband.)	2-12-79
Jack Wahl (Canada)	Great Basins Petroleum Company (Los Angeles, CA) Common Stock - 1,171,300 shs. (11%)	2-12-79
Lucille Ball	Gulf and Western Industries, Inc. \$5.75 Preferred Stock - 43,500 shs. (13.3%)	2-12-79
Paul Handleman	Handleman Company (Clawson, MI) Common Stock - 255,886 shs.	2-12-79
David Handleman Individually and as Trustee	Handleman Company (Clawson, MI) Common Stock - 377,588 shs.	2-12-79
Landmark Banking Corporation of Florida	Landmark Banking Corporation of Florida (Fort Lauderdale, FL) Common Stock - 853,276 shs. (11.9%)	2-12-79
Warren Johnson	Handschy Industries, Inc. (Chicago, IL) Common Stock - 96,762 shs.	2-12-79
Edwin H. Friesendorf	Handschy Industries, Inc. (Chicago, IL) Common Stock - 226,911 shs. (17.7%)	2-12-79
Vance, Sanders and Company, Inc.	John H. Harland Company (Decatur, GA) Common Stock - 130,000 shs.	2-12-79
Henry Harnischfeger Individually and as Trustee and Custodian	Harnischfeger Corporation (Milwaukee, WI) Common Stock - 726,538 shs.	2-12-79
Delaware Management Company Delaware Investment Advisers, Inc.	Hart Schaffner and Marx (Chicago, IL) Common Stock - 494,000 shs.	2-12-79
Stephen D. Hassenfeld Individually and as Trustee	Hasbro Industries, Inc. (Pawtucket, RI) Common Stock - 130,233 shs.	2-12-79
Alan G. Hassenfeld Individually and as Trustee	Hasbro Industries, Inc. (Pawtucket, RI) Common Stock - 119,678 shs.	2-12-79
Tri-Tech, Inc.	Haydon Switch and Instrument, Inc. (Waterbury, CT) Common Stock - 527,306 shs. (70%)	2-12-79
A. W. Haydon	Haydon Switch and Instrument, Inc. (Waterbury, CT) Common Stock - 372,067 shs. (49.7%) (Above shares are held by tri-tech which is controlled by Mr. Haydon.)	2-12-79
Delaware Management Company Delaware Investment Advisers	W. E. Heller International Corporation (Chicago, IL) Common Stock - 680,800 shs.	2-12-79
Hershey Trust Company	Hershey Foods Corporation (Hershey, PA) Common Stock - 7,956,152 shs. (57.9%)	2-12-79

POSITION REPORTS CONT.

Milton Hershey School and School Trust	Hershey Food Corporation (Hershey, PA) Common Stock - 7,844,671 shs. (57.1%)	2-12-79
Hofmann Industries, Inc. Stock Bonus Trust	Hofmann Industries, Inc. (Sinking Spring, PA) Common Stock - 275,304 shs. (14.52%)	2-12-79
Robert W. Webster	Holly's, Inc. (Grand Rapids, MI) Common Stock - 124,493 shs. (27.9%) (Included above are shares owned by his wife and minor children.)	2-12-79
Richard A. Webster	Holly's, Inc. (Grand Rapids, MI) Common Stock - 72,932 shs. (16.3%) (Included above are shares owned by his wife.)	2-12-79
Alexander W. Dole	Houghton Mifflin Company (Boston, MA) Common Stock - 155,280 shs.	2-12-79
Robert R. Huffman	Huffy Corporation (Miamisburg, OH) Common Stock - 132,445 shs.	2-12-79
Title Insurance and Trust Company	Hughes Supply, Inc. (Orlando, FL) Common Stock - 189,200 shs. (14%)	2-12-79
Delaware Management Company Delaware Investment Advisers, Inc.	Huyck Corporation (Wake Forest, NC) Common Stock - 338,900 shs.	2-12-79
St. Louis Steel Casting, Inc.	Hydraulic Press Brick Company (St. Louis, MO) Common Stock - 152,051 shs. (51%)	2-12-79
Delaware Management Company	IU International (Wilmington, DE) Common Stock - 1,540,900 shs.	2-12-79



## NOTICE

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*Many requests for copies of documents referred to in the SEC News Digest have erroneously been directed to the Government Printing Office. Copies of such documents and of registration statements may be ordered from the Public Reference Section, Securities and Exchange Commission, Washington, D.C. 20549. When you are ordering more than one, we prefer that the documents be listed in alphabetical order to expedite service. The reproduction cost is 10c per page plus postage (\$3.50 minimum); 20c per page plus postage for expedited service (\$5.00 minimum) and 30c per page plus postage for priority service (\$5.00 minimum). Cost estimates are given or request. All other reference material is available in the SEC Docket.*

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