

# 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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FOR RELEASE January 25, 1971

## DECISION IN ADMINISTRATIVE PROCEEDING

**ROSEN-NEWMAN REVOKED.** The SEC today announced a decision under the Securities Exchange Act (Release 34-9063) in which it revoked the broker-dealer registration of Rosen-Newman Securities, Inc. ("registrant"), of New York, for violations of the net capital and financial reporting provisions of the Federal securities laws. Mark I. Rosen, and Richard I. Newman, president and treasurer, respectively, and sole shareholders, were suspended from association with any broker-dealer for one year. According to the Commission's decision, respondents, between October 1969 and August 1970, when these proceedings were instituted, effected transactions in securities when registrant's aggregate indebtedness exceeded 2000% of its net capital and it did not have and maintain net capital of at least \$5,000. In addition, registrant, which became registered as a broker-dealer in May 1969, failed to file a report of financial condition within five months thereof as required by Commission rules.

In an offer of settlement submitted by the respondents, they waived a hearing and, without admitting the violations, consented to Commission findings of violations and to the imposition of the indicated sanctions. In support of the offer, they had urged among other things that they had engaged in only limited business operations and that all customers have been paid in full and securities held for them have been or are in the process of being delivered. Under the offer, Rosen and Newman may the securities business after one year only upon a showing that they have undergone a training program designed to enable them to fulfill their responsibilities.

## COMMISSION ANNOUNCEMENT

**PROCEDURE GOVERNING "NO ACTION" LETTERS EXPLAINED.** The SEC today defined the procedures to be followed by persons submitting requests for "no action and interpretative letters" in order to facilitate their processing and so that each such letter and the response thereto will be conveniently available for public use in the Commission's Public Reference Room in Washington. Among other things, an original and two copies of each letter should be submitted; and if the inquiry involves more than one subsection of a statute, or subsections of more than one statute, an additional copy of the letter should be submitted for each subsection involved. For further particulars, see Release 33-5127.

## HOLDING COMPANY ACT RELEASE

**AMERICAN ELECTRIC POWER SEEKS ORDER.** The SEC has issued an order under the Holding Company Act (Release 35-16973) giving interested persons until February 11 to request a hearing upon an application of American Electric Power Company, Inc., ("AEP"), New York holding company, to increase proposed cash contributions to a subsidiary Ohio Power Company from \$55,000,000 to \$90,000,000. Ohio Power's construction program for 1971 is estimated at more than \$150,000,000.

## INVESTMENT COMPANY ACT RELEASE

**INVESTORS SYNDICATE INSURANCE FUNDS RECEIVE ORDERS.** The SEC has issued orders granting exemption applications under the Investment Company Act filed by Investors Syndicate Life Insurance and Annuity Company ("Investors Life"), of Minneapolis, the ISL Variable Annuity Fund A (Release IC-6328) and the ISL Variable Annuity Fund B (Release IC-6329), which Funds were established by Investors Life as separate accounts through which it will set aside investment payments accruing from the sale of individual, tax deferred variable annuity contracts offered by Investors Life. The exemption relates to the pricing and sales load provisions of Section 22(d) of the Act.

**E. F. HUTTON SEEKS ORDER.** The SEC has issued an order under the Investment Company Act (Release IC-6331) giving interested persons until February 9 to request a hearing on an application of E. F. Hutton Tax-Exempt Fund (California Series 1, New York, Series 1, and subsequent series) sponsored by E. F. Hutton & Co., Inc., New York, for an order amending a previous Commission order which exempted the Fund from the \$100,000 net worth provisions of the Act. The amendment provides that the sponsor will deposit with the trustee of each fund series between \$2,000,000 and \$20,000,000 of bonds, instead of between \$2,000,000 and \$10,000,000, and receive certificates from the trustee for between 2,000 and 20,000 units, instead of between 2,000 and 10,000 units previously authorized, which will be offered for public sale.

OVER

COURT ENFORCEMENT ACTION

COMPLAINT NAMES KING RESOURCES, OTHERS. The SEC Denver Regional Office announced January 25 (LR-4880) the filing of a complaint in the Federal court in Denver seeking to enjoin violations of the registration and anti-fraud provisions of the Federal securities laws by the following in the offer and sale of common stock of King Resources Company of Denver: King Resources, John M. King, former board chairman, A. Rowland Boucher, president of King Resources, and Timothy Lowry, Chicago, former general counsel and a director of the company. In addition the complaint also seeks to enjoin the defendants from filing false or misleading reports with the Commission and to have the court order the defendants to file complete and accurate reports with the Commission with respect to the activities of King Resources. The complaint also seeks the appointment of a receiver for King Resources.

SECURITIES ACT REGISTRATIONS

WESTERN PACIFIC INDUSTRIES PROPOSES EXCHANGE OFFER. Western Pacific Industries, Inc., 526 Mission St., San Francisco, Calif. 94105, filed a registration statement (File 2-39259) with the SEC on January 21 seeking registration of 2,002,538 shares of common stock. It is proposed to offer these shares in exchange for the outstanding common stock of Western Pacific Railroad Company ("Railroad") on a share-for-share basis. Effectiveness of the exchange offer is contingent upon its acceptance by holders of at least 80% of the outstanding shares of Railroad stock. Dean Witter & Co. and Bear, Stearns & Co. will head a group of dealers who will solicit acceptances of the exchange offer.

Western Pacific was organized in December 1970 to become a holding company and parent of Railroad. Railroad is a carrier by rail operating in the western portion of the United States. Howard A. Newman is board chairman of both Western Pacific and Railroad and president of Western Pacific. Alfred E. Perlman is president of Railroad.

TELECOMMUNICATIONS CORP. SHARES IN REGISTRATION. Telecommunications Corporation of America, 6140 Germantown Ave., Philadelphia, Pa. 19144, filed a registration statement (File 2-39258) with the SEC on January 21 seeking registration of 2,432,633 shares of common stock and 947,533 common stock purchase warrants. The company was organized in May 1970 by Robotguard, Inc., for the purpose of acquiring from Robotguard (now Site-Pak Industries Corp.) all its operating assets and business. The 2,432,633 shares were issued to Site-Pak as part of the consideration for its business and assets. In June 1970, Site-Pak declared a dividend-in-kind of such 2,432,633 shares to its stockholders; these shares are to be distributed to stockholders of record on the date of this prospectus (when this statement becomes effective), at the rate of one share for each Site-Pak share held (exclusive of 550,000 shares issued by Site Pak in exchange for the acquisition of the outstanding stock of Radix Management Services Corporation). Also included in this statement are 947,533 common stock purchase warrants. The company proposes to offer these warrants for subscription by the persons to whom its 2,432,633 common shares are being distributed (other than to PRF Corporation, the holder of 1,485,100 Telecommunications shares) at the rate of a warrant to purchase one share for each share held, and at \$1 per warrant. Any unsubscribed warrants are to be offered on a best efforts basis by Packer, Wilbur & Co., Inc., 26 Broadway, New York, which will receive a 5¢ per warrant standby fee plus an additional 5¢ for each warrant sold, and plus \$12,500 for expenses. It has also agreed to sell the Packer, Wilbur firm, at 1¢ per option, 94,753 options to purchase a like number of shares at an exercise price of 110% of the average published bid prices for the five trading days after the date of the prospectus, at the rate of one option for every 10 warrants sold.

Telecommunications proposes to market a mechanical coupler developed by Site-Pak said to be capable of joining privately produced telephone systems and equipment with the utility owned national network and an automated telephonic alarm device used in connection with burglar and fire alarm systems. Of the net proceeds of its warrant sale, \$120,000 will be used to pay interest and principal on the company's debt to Site-Pak and \$300,000 for investment in a joint venture marketing corporation with a Japanese corporation to exclusively market the mechanical coupler; the balance will be added to the company's general funds and used for general corporate purposes. The company has outstanding 2,432,633 common shares, of which PRF Corporation owns 61%. Ephraim Bloch, board chairman, owns 43.6% of the total voting power of the outstanding shares of PRF, and Bloch and five family members as a group own 74% of the voting power of PRF. David Lipschutz is president.

MISCELLANEOUS

DELISTING GRANTED. The SEC has issued an order under the Securities Exchange Act (Release 34-9067) granting an application of the Cincinnati Stock Exchange to strike from listing and registration the common stock of Burger Brewing Company, effective at the opening of business on January 25, 1971. The Exchange considers the floating supply of the stock insufficient to maintain an exchange market.

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 (in ordering, please give month and year of report). 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 January 5 News Digest.

CONTINUED

8K Reports for Nov 1970

Harvey Hubbell Inc			
May 1970 (11,13)	1-2958-2	First Empire State Corporation	
Feb 1970 (2,7,13)	1-2958-2	(12)	0-4561-2
(2,4,7,9,10,11,12,13)	1-2958-2	German Village Products, Inc.	
G. Heileman Brewing Co., Inc.		Oct 1970 (3,13)	0-3741-2
(7)	1-4738-2	Paulsboro Chemical Industries, Inc.	
Hess's Inc. (7,12,13)	0-3759-2	April 70 (2,8,11,13)	0-1861-2
Joy Mfg. Co (12)	1-3156-2		
Katz Drug Co (11)	1-886-2	Adams-Russell Company (13)	1-5834-2
Koehring Co (7)	1-4906-2	Airwick Industries, Inc	
Networks Electronic Corp		(9,12,13)	1-5783-2
(7)	0-1817-2	Atlantic Richfield Company	
Ozark Air Lines Inc (6)	1-5362-2	(7,13)	1-1196-2
Pitney-Bowes, Inc (7)	1-3579-2	Bush Universal, Inc. (1)	1-3047-2
Standard Pressed Steel Company		Colonial Stores Inc.	
(12)	1-4416-2	(11,13)	0-1133-2
Val D'Or Industries, Inc.		Columbic Pictures Industries	
(2,13)	0-3915-2	(8,12,13)	1-6240-2
		Crown Zellerbach Corp (12)	1-2823-2
Atlas Hotels, Inc.		EDP Resources, Inc.	
(12,13)	0-4327-2	(9,12,13)	0-3943-2
Fairmont Foods Co (12)	1-4100-2	Ehrenreich Photo-Optical Industries,	
Farmland Ind., Inc. (8)	2-7250-2	Inc. (7)	1-4989-2
First Oklahoma Bancorporation		Madison Square Garden Corp	
(11,13)	0-779-2	Oct 1970 (12,13)	1-1144-2
Formigli Corporation		Real Eight Co., Inc.	
(2,7)	0-4803-2	Oct 1970 (7,13)	1-5504-2
Fotomat Corporation		Republic-Franklin Life Insurance	
(1,3,7,10,13)	0-4916-2	Co. Oct 1970 (7)	2-19787-2
Vermont Research Corporation			
(12)	0-3793-2	Aabco Industries, Inc.	
		(1,13)	0-5188-2
Alico Land Development Company		Nov 1969 & Jan 1970 (7,13)	0-5188-2
(12)	0-261-2	Armour & Co. (8)	1-4405-2
Ambac Industries Inc		Commercial International Corporation	
(4,7,12)	1-704-2	(12)	0-4178-2
Edgcomb Steel of New England, Inc		Eltra Corp (12)	1-1842-2
(4,7,8,13)	0-2591-2	Proof Lock International, Inc.	
DEI Industries, Inc		April 1970 (11)	2-31948-2
(2,6,13)	0-725-2	White Drug Co. of Grand Forks	
Foto Mem Inc (7)	0-3879-2	(11,13)	0-4010-2
KMS Industries Inc (2,13)	0-2917-2		
Kaiser Cement & Gypsum Corp		Curtiss Wright Corp	
(3,8)	1-4598-2	(6,8,)	1-134-2
Marriott Corporation			
(7,11,12,13)	1-5664-2	Allied Chemical Corp (7)	1-1269-2
		Avnet, Inc. (8,11,13)	1-4224-2
All-Tech Industries, Inc.		British Petroleum Company Ltd.	
(1)	0-2993-2	(6K) Dec 1970	1-6262-2
Alpha Industries, Inc.		C.I.T. Financial Corp	
(2,13)	1-5560-2	(7,13)	1-1861-2
Arden Mayfair Inc (12)	1-5281-2	Cavanaugh Communities Corporation	
Den-Tal-Ez, Inc. (13)	1-6536-2	(2,13)	0-4868-2
Diversified Realty Inc		Cyclops Corp (2,3,13)	1-2858-2
Oct 1970 (7)	0-2864-2	Ducommun Incorporated (8)	0-1222-2
Oscar Mayer & Co., Inc.		Eagle Clothes, Inc.	
(8)	1-6511-2	(12,13)	1-5151-2
Vanguard Diversified Inc.		First Republic Corp of America	
Sept 1970 (12,13)	2-31709-2	(2,3,7,13)	0-1437-2
		Food Fair Stores Inc (11)	1-2956-2
A-V Electronics, Inc. (6)	0-3382-2	International Systems & Controls	
Basic Food Industries, Inc.		Corp (7,13)	0-1427-2
(3,13)	2-34205-2	Leisure Group Inc	
Bunnington Corporation		(7,12,13)	0-3447-2
(11,13)	0-4277-2	Madison Gas & Electric Co	
		(7)	0-1125-2
The Circle K Corporation		Marshall Field & Co.	
(7,13)	1-5895-2	(2,3,4,7,13)	1-6380-2
First Boston Corp		McLean Trucking Company	
Dec 1970 (3)	0-494-2	(12)	1-4093-2
		Shur-Gro Industries Inc,	
		(11)	2-34766-2

8K Reports for Nov 1970 (Con't)

Trans World Airlines, Inc. (3,7)	1-975-2	The Deltona Corporation (7)	1-4719-2
Tudor Industries Corp (2,13)	1-6088-2	Dynarad, Inc. (1,7,8,9,13)	2-32153-2
Volume Shoe Corporation (11,12)	0-1961-2	Executive House, Inc. (2)	0-1665-2
Jim Walter Corp (12)	1-4868-2	First Fidelity Corp (6)	0-4499-2
Worldwide Energy Company Ltd. (7,13)	2-16095-2	First Mortgage Insurance Co. (7)	2-22483-2
Allied Management & Systems Corporation (2,13)	2-31194-2	Goren Foods Co (12,13)	0-3208-2
American Financial Corp (4,8)	0-839-2	Bank of New York Company, Inc. (3)	1-6152-2
Bernac Corporation (6,7,8,11)	1-4739-2	Bell & Howell Co (13)	1-3246-2
Blye International Ltd. (12,13)	2-33163-2	The Cobbs Company, Inc. (12)	0-4078-2
Buxton's Country Shops (1,4,6,7,12,13)	0-4731-2	Colonial Commerical Corp (2,13)	0-4856-2
Delta Air Lines, Inc. (7)	1-5424-2	Consumers Water Co (7,13)	0-493-2
Economy Finance Corp (7,8)	0-2352-2	Fabric Mart Draperies, Inc. (4,7,9,12,13)	0-3693-2
Florida Tile Industries, Inc. (3)	0-2737-2	North Lily Mining Co. Aug 1970 (11)	1-1703-2
KDI Corporation (3,7,12)	0-2556-2	Peoples Gas Light & Coke Co. (12)	2-26983-2
New Jersey Natural Gas Co (12)	0-93-2	United Foods, Inc. (2,7,9,11,13)	1-4535-2
Pacific Intermountain Express Co. Dec 1970 (11,13)	1-4727-2	American Beef Packers, Inc. (4,13)	0-4504-2
Southern Pacific Co. (12)	1-6147-2	American Metal Climax, Inc. (3)	1-229-2
Vetco Offshore Industries, Inc. (12)	1-5889-2	Condec Corporation (4,11,12,13)	1-3899-2
Weingarten Markets Realty Co. (7,13)	2-14373-2	Frouge Corp. (11)	0-2893-2
American Motor Inns, Inc. (2,7,13)	1-5369-2	KIM Royal Dutch Airlines (6K) Dec 1970	1-4059-2
American Pioneer Life Insurance Co. (1,11,13)	2-19481-2	Roan Consolidated Mines Ltd. (6K) Oct 70 thru Dec 70	1-6444-2
American Smelting & Refining Co (12)	1-164-2	Royal American Corporation (2,7)	0-3212-2
Cagle's Inc (12,13)	0-3832-2	USM Oil Company Oct 1970 (2,7,12)	0-3260-2
Charan Industries, Inc. (2,13)	1-4457-2	Unexcelled Inc. (12)	1-5303-2
Computer Environments Corporation (2,6,8,12,13)	2-27919-2	Armstrong Cork Co (7,13)	1-2116-2
Computer Terminal Systems, Inc. (11,12)	2-34587-2	Centex Corp (7)	0-3860-2
Dana Laboratories, Inc. (12,13)	2-35751-2	Century Convalescent Centers, Inc. (6,7,9,12,13)	0-5014-2

SECURITIES ACT REGISTRATIONS. Effective January 22: Allen Electric and Equipment Co., 2-38834; Hanover Planning Co., Inc., 2-38783 (40 days); Intermedco Inc., 2-38655 (40 days); Texas Power & Light Co., 2-39083; White Shield Corp., 2-35904 (40 days).  
Withdrawn January 20: General Analytics Corp., 2-35258. Withdrawn January 21: Convalariums of America, Inc., 2-37942; Science Capital Fund, Inc., 2-30778. Withdrawn January 22: Witts, Inc., 2-38497.  
Withdrawn January 24: Sensitron, Inc., 2-36427.

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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