

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

U.S. SECURITIES & EXCHANGE COMMISSION

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MAR 23 1971



Washington, D.C. 20549

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

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(Issue No. 71-57)

FOR RELEASE March 23, 1971

DECISIONS IN ADMINISTRATIVE PROCEEDINGS

JOHN FOX REGISTRATION WITHDRAWN, CENSURED. The SEC today announced a decision under the Securities Exchange Act in which it ordered, effective March 23, that the withdrawal of the broker-dealer registration of John P. Fox, of Mount Vernon, N. Y., be permitted and that he be censured, and that he may not become a registered broker-dealer or a principal thereof without prior approval of the Commission, for willfully violating the Federal securities laws in failing to file with the Commission a report of his financial condition for the calendar year 1969.

Fox submitted an offer of settlement in which he consented to findings of willful violations and to the imposition of the indicated sanctions. (Release 34-9113)

MAX CHOUKEA REGISTRATION WITHDRAWN, CENSURED. The SEC today announced a decision under the Securities Exchange Act in which it ordered, effective March 23, that the withdrawal of the registration as a broker-dealer of Max Choueka, Brooklyn, N. Y. be permitted and that he be censured, and that Choueka may not become a registered broker-dealer or a proprietor thereof without prior approval of the Commission, for willfully violating the Federal securities laws in failing to file with the Commission a report of his financial condition for the calendar year 1969. Choueka submitted an offer of settlement in which he consented to findings of willful violation and to the imposition of the indicated sanctions. (Release 34-9114)

COURT ENFORCEMENT ACTIONS

GILBERT SAXOWSKY SENTENCED. The SEC Denver Regional Office today announced that on March 15, the Federal court for the North Dakota district sentenced Gilbert Saxowsky of Dickinson, N. Dakota to a fine of \$7,500 following a plea of nolo contendere to one count of making false statements in applications and reports filed on behalf of State Acceptance Corporation with the Securities and Exchange Commission. (LR-4941)

JOHN, EDWARD & CO., GAGLIARDI ENJOINED. The SEC Boston Regional Office today announced that on March 17 the Federal court for the District of New Hampshire preliminarily enjoined John, Edward & Co., Inc., a Lebanon, N. H., registered broker-dealer, and Edward J. Gagliardi, its president from violating the Commission's record-keeping rules and the anti-fraud provisions of the Securities Exchange Act, as well as violations of Regulation T of the Federal Reserve System. The defendants consented to the entry of the decree after hearing. (LR-4942)

INVESTMENT COMPANY ACT RELEASE

ORDER SOUGHT RE ENGINEERED ROYALTIES. The SEC has issued an order under the Investment Company Act giving interested persons until April 15 to request a hearing upon a proposal to issue an order declaring that Engineered Royalties, Inc., Newport Beach, Calif., has ceased to be an investment company. According to the notice, the company does not intend to make a public offering of its securities, has no assets and no security holders. (Release IC-6399)

FIRST PROVIDENT RECEIVES ORDER. The SEC has issued an exemption order under the Investment Company Act permitting The First Provident Company, Inc., Sanford, N. C., the George Putnam Fund of Boston, Boston mutual fund, and certain other stockholders of First Provident (State Mutual Life Assurance Company of America, Charles M. Reeves, Jr., and Lofton L. Tart) to jointly sell an aggregate of 200,000 shares of common stock of First Provident in a proposed public offering. (Release IC-6400)

HOLDING COMPANY ACT RELEASE

GPU SEEKS ORDER. The SEC has issued an order under the Holding Company Act giving interested persons until April 23 to request a hearing upon an application by General Public Utilities of New York to offer up to 3,000,000 authorized but unissued shares of its common stock for subscription by the holders of its outstanding shares of common on the basis of one share of the additional common stock for each ten shares of common stock held on the record date. The offering of the common will not be underwritten, and the subscription price, to be determined by GPU's Board of Directors will be not more than the closing price of GPU common stock on the New York Stock Exchange on the day prior to the record date and not less than 85% thereof. GPU will utilize the net proceeds for additional investments in its subsidiary companies or to pay a portion of its promissory notes then outstanding, the proceeds of which have been or will be used for such investments. (Release 35-17061)

OVER

SECURITIES ACT REGISTRATIONS

GASLIGHT CLUB TO SELL STOCK. Gaslight Club, Inc., One East Huron St., Chicago, Ill. 60611, filed a registration statement with the SEC on March 17 seeking registration of 150,000 shares of common stock, to be offered for public sale at \$4 per share. No underwriting is involved.

The company is engaged in owning, operating or franchising "key clubs," which offer beverages, food and entertainment to key holders and their guests. Of the net proceeds of its stock sale, \$400,000 will be reserved to pay tax deficiencies, and the balance will be added to the company's working capital and used for general corporate purposes. In addition to indebtedness, the company has outstanding 833,631 common shares, of which Burton Browne, president, owns 22.13% and management officials as a group 47.72%. (File 2-39666)

*EASTERN AIR DEVICES TO SELL DEBENTURES. Eastern Air Devices, Inc., 55 Northern Blvd., Great Neck, N.Y. 11021, filed a registration statement with the SEC on March 17 seeking registration of \$4,400,000 of 8% convertible subordinated debentures, due 1988, to be offered for public sale at 100% of principal amount. The offering is to be made through underwriters headed by D. H. Blair Securities Corporation, 437 Madison Ave., New York 10022. Also included in this statement are 41,195 outstanding shares of common stock. These shares may be offered for sale from time to time by the holders thereof at prices current at the time of sale (**\$10.75 per share maximum). Of the net proceeds of its debenture sale, \$3,400,000 will be used to repay bank borrowings incurred in connection with the acquisition of all the outstanding capital stock of All Channel Products Corp., Embassy Electronics, Inc. and Rembrandt Electronics, Inc., and the balance will be added to the company's working capital. (File 2-39667)

GULF NATURAL RESOURCES FUND PROPOSES OFFERING. Gulf Natural Resources Fund 1971 (the "Partnership"), One Main Pl., Dallas, Tex. 75250, filed a registration statement with the SEC on March 17 seeking registration of \$5 million of limited partnership interests, to be offered for public sale in units of \$5,000. No underwriting is involved; selected NASD members may participate in the offering. The Partnership was organized to engage primarily in the exploration for oil and gas and related activities. Gulf Natural Resources Management Corporation is the general partner. Kenneth C. Gifford, Jr., is board chairman and G. Jack Carter is president of the general partner. (File 2-39668)

VERMONT YANKEE TO SELL BONDS. Vermont Yankee Nuclear Power Corporation, 77 Grove St., Rutland, Vt. 05701, filed a registration statement with the SEC on March 17 seeking registration of \$15 million of first mortgage bonds, Series B, due 1998, to be offered for public sale at competitive bidding. Sponsored by ten investor-owned New England utilities, the company will use the net proceeds of its bond sale to finance continued construction of its plant. (File 2-39670)

CALAFIA GROVES PROPOSES OFFERING. Calafia Groves Company (the "Partnership"), 431 North Brand Blvd., Glendale, Calif. 91203, filed a registration statement with the SEC on March 18 seeking registration of \$8 million of limited partnership interests, to be offered for public sale in maximum amounts of \$1,000. The offering is to be made through First California Company, Inc., 300 Montgomery St., San Francisco, 94120, and selected NASD members. The Partnership is engaged in owning and farming some 2,814 acres of almond and citrus groves in California. Calafia Land Corporation is the general partner. Samuel V. Tuttas is president and M. J. Coen is board chairman of the general partner. (File 2-39677)

*ASSOCIATED COCA-COLA BOTTLING FILES FOR OFFERING AND SECONDARY. Associated Coca-Cola Bottling Co., Inc., 320 Orange Ave., Daytona Beach, Fla. 32015, filed a registration statement with the SEC on March 18 seeking registration of 410,000 shares of common stock (giving effect to a two-for-one stock split), of which 100,000 are to be offered for public sale by the company and 300,000 (being outstanding shares) by the holder thereof. The offering is to be made through underwriters headed by W. E. Hutton & Co., 14 Wall St., New York 10005, and The Chicago Corporation, 208 South LaSalle St., Chicago 60604. Of the net proceeds of its sale of additional stock, some \$1,300,000 will be used for plant expansion and modernization projects, and the balance will be added to the company's working capital. Root Company proposes to sell 300,000 of 1,971,854 shares held; upon completion of the offering it will own 56% of the company's outstanding common stock. Chapman S. Root, board chairman of the company, is sole stockholder of Root. (File 2-39672)

*ITT TO SELL STOCK. International Telephone and Telegraph Corporation, 320 Park Ave., New York, N. Y. 10022, filed a registration statement with the SEC on March 18 seeking registration of 1,000,000 shares of cumulative convertible preferred stock, Series O, to be offered for public sale (**at \$105 per share maximum) through underwriters headed by Kuhn, Loeb & Co., 40 Wall St., and Lazard Freres & Co., 44 Wall St., both of New York 10005. Net proceeds of its stock sale will be used for general corporate purposes, including advances to and investments in domestic subsidiaries, increases in working capital and for plant construction and expansion of facilities. (File 2-39673)

*WELLS, RICH, GREENE FILES FOR SECONDARY. Wells, Rich, Greene, Inc., 767 Fifth Ave., New York, 10022, filed a registration statement with the SEC on March 18 seeking registration of 333,739 outstanding shares of common stock, to be offered for public sale (**at \$25 per share maximum) by the holders thereof. The offering is to be made through White, Weld & Co., 20 Broad St., New York 10005. It has outstanding 1,575,182 common shares, of which Mary Wells Lawrence, board chairman and president, owns 13.39% and Stewart Greene, executive vice president, 13.33%. They propose to sell 110,850 of 210,850 and 110,000 of 210,000 shares held, respectively, and 32 others the remaining shares being registered. (File 2-39674)

CONTINUED

SECURITIES ACT REGISTRATIONS

*COMMUNITY PSYCHIATRIC CENTERS TO SELL STOCK. Community Psychiatric Centers, One Embarcadero Center, San Francisco, Calif. 94111, filed a registration statement with the SEC on March 18 seeking registration of 234,000 shares of common stock, to be offered for public sale (**at \$16 per share maximum) through underwriters headed by Birr, Wilson & Co., Inc., 155 Sansome St., San Francisco, Calif. 94104. Of the net proceeds of its stock sale, \$1,500,000 will be used for site acquisition and construction of 66-bed acute psychiatric hospitals in Portland, Ore., and Walnut Creek, Calif., and the balance will be added to the company's working capital and used for general corporate purposes. (File 2-39675)

*PACIFIC GAS & ELECTRIC TO SELL STOCK. Pacific Gas and Electric Company, 245 Market St., San Francisco, Calif. 94106, filed a registration statement with the SEC on March 18 seeking registration of 3,000,000 shares of \$25 par redeemable first preferred stock (cumulative), to be offered for public sale (**at \$26 per share maximum). The offering is to be made through underwriters headed by Blyth & Co., Inc., 14 Wall St., New York 10005, and Dean Witter & Co., Inc., 45 Montgomery St., San Francisco, Calif. 94106. The company will apply the net proceeds of its stock sale to the cost of additions to its utility plant. Construction expenditures are estimated at \$485,000,000 for 1971 and \$2,228,000,000 for the period 1972 through 1975. (File 2-39676)

GINO'S ASSOCIATES PROPOSES OFFERING. Gino's Associates, Los Angeles (the "Partnership"), 215 West Church Rd., King of Prussia, Pa. 19406, filed a registration statement with the SEC on March 18 seeking registration of \$1,630,000 of limited partnership interests, to be offered for public sale in \$10,000 units. The offering is to be made by Innovest Securities, Inc., and selected NASD members. Gino's Inc. and Innovest Management, Inc. ("IMI") are the general partners. Louis C. Fischer is president of Gino's; management officials as a group own 38.4% of its 1,845,574 outstanding common shares. Oliver DeG. Vanderbilt is president of IMI; he owns 34.2% and management officials as a group 58.9% of its outstanding stock. (File 2-39680)

WEBB PUBLISHING FILES FOR OFFERING AND SECONDARY. The Webb Publishing Company, 1999 Shepard Rd., St. Paul, Minn. 55116, filed a registration statement with the SEC on March 18 seeking registration of 262,500 shares of common stock, of which 160,000 are to be offered for public sale by the company and 90,000 (being outstanding shares) by the holders thereof. The offering is to be made (**at \$20 per share maximum) through underwriters headed by Piper, Jaffray & Hopwood, 115 S. 7th St., Minneapolis, Minn. 55402.

The company is engaged in the printed communications business, specializing in publishing company-owned magazines and general printing services. Net proceeds of its sale of additional stock will be used to reduce long-term indebtedness incurred in connection with the company's acquisition of Midwest Printing Company and Midwest Lithographing Company. In addition to indebtedness, the company has outstanding 527,994 common shares, of which Reuel D. Harman, board chairman, owns 30.4% and management officials as a group 36.6%. Harman proposes to sell 35,000 of 162,337 shares held, the Ann Clapp 1969 Income Trust all of 45,000 and The Webb Publishing Company Profit Sharing Trust 10,000 of 24,525. (File 2-39681)

*SIMPLICITY PATTERN FILES FOR SECONDARY. Simplicity Pattern Co. Inc., 200 Madison Ave., New York 10016, filed a registration statement with the SEC on March 18 seeking registration of 162,805 outstanding shares of common stock, to be offered for public sale by the holders thereof (**at \$109 per share maximum). The offering is to be made through underwriters headed by Goldman, Sachs & Co., 55 Broad St., New York. The company has outstanding 4,440,432 common shares, of which James J. Shapiro, board chairman and president, owns 113,072. He proposes to sell 90,000 shares and eight others (including company officials) the remaining shares being registered. (File 2-39682)

UNITED TELEPHONE (OHIO) TO SELL STOCK. United Telephone Company of Ohio, 665 Lexington Ave., P.O. Box 1555, Mansfield, Ohio 44907, filed a registration statement with the SEC on March 18 seeking registration of 200,000 shares of \$100 par cumulative preferred stock, to be offered for public sale (**at \$101 per share maximum), through underwriters headed by Kidder, Peabody & Co., Inc., 20 Exchange Pl., New York 10005. A subsidiary of United Utilities, Incorporated, the company will apply the net proceeds of its stock sale to the repayment of bank borrowings (\$14,800,000 at February 28), and the balance will be available for the company's construction program and other corporate purposes. Construction expenditures are estimated at \$40 million in 1971. (File 2-39684)

*FIRST UNION NATIONAL BANCORP TO SELL DEBENTURES. First Union National Bancorp, Inc., 301 S. Tryon St., Charlotte, N.C. 28202, filed a registration statement with the SEC on March 18 seeking registration of \$25 million of convertible subordinated debentures, due 1996, to be offered for public sale at 100% of principal amount. The offering is to be made through underwriters headed by Loeb, Rhoades & Co., 42 Wall St., and Keefe, Bruyette & Woods, Inc., 140 Broadway, both of New York 10005. Of the net proceeds of its debenture sale, \$10 million will be used to purchase capital stock of First Union National Bank of North Carolina, and the balance for general corporate purposes. (File 2-39688)

STOCK PLANS FILED. The following have filed Form S-8 registration statements with the SEC seeking registration of securities to be offered pursuant to employee stock and related plans:

Seamount Corporation, New York 10006 (File 2-39671) - 110,001 shares
 Dunkin' Donuts Incorporated, Randolph, Mass. 02368 (File 2-39679) - 182,286 shares
 The Echlin Manufacturing Company, Branford, Conn. (File 2-39683) - 140,000 shares
 Caterpillar Tractor Co., Peoria, Ill. (File 2-39685) - 450,000 shares and (File 2-39686) - 15,000 shares
 Retail Credit Company, Atlanta, Ga. 30302 (File 2-39687) - 100,000 shares
 Manufacturers Hanover Corporation, Dover, Del. 19901 (File 2-39689) - 243,173 shares

***AUGAT FILES FOR SECONDARY.** Augat Inc., 33 Perry Ave., Attleboro, Mass. 02703, filed a registration statement with the SEC on March 18 seeking registration of 350,000 outstanding shares of common stock, to be offered for public sale by the holders thereof. The offering is to be made (**at \$23 per share maximum) through underwriters headed by the New York Hanseatic Corporation, 60 Broad St., New York 10004. The company has outstanding 1,937,232 common shares, of which Ernest H. Augat, board chairman, owns 43.5%, Robert S. Laurence, president, 13.5% and management officials as a group 61.8%. Augat proposes to sell 200,000 of 842,025 shares held, Laurence 125,000 of 260,700, and an Augat Trust 25,000 of 90,000. (File 2-39690)

***PENNSYLVANIA POWER TO SELL BONDS.** Pennsylvania Power Company, 1 East Washington St., New Castle, Pa. 16103, filed a registration statement with the SEC on March 19 seeking registration of \$12 million of first mortgage bonds, to be offered for public sale at competitive bidding. A subsidiary of Ohio Edison Company, the company will apply the net proceeds of its bond sale, together with \$5,100,000 for the sale of 170,000 shares of common stock to the parent, for the construction and acquisition of new facilities and the betterment of existing facilities, to repay short-term loans (estimated at \$5 million at the time of the bond sale) and for other corporate purposes. Construction expenditures are estimated at \$33,096,200 for 1971. (File 2-39691)

SEMICONDUCTOR COMPONENT SUBSTRATES TO SELL STOCK. Semiconductor Component Substrates Corporation, 601 Walnut Circle East, Garland, Tex. 75040, filed a registration statement with the SEC on March 19 seeking registration of 400,000 shares of common stock, to be offered for public sale (**at \$7.50 per share maximum). The offering is to be made through underwriters headed by Institutional Equity Corporation, LTV Tower Mall, Dallas, Tex. 75201, and Faherty & Swartwood Inc., 70 Pine St., New York, N. Y. 10005.

The company is engaged in the manufacture and marketing of metallized ceramic packages (substrates) used primarily by the monolithic integrated circuit industry. Of the net proceeds of its stock sale, \$800,000 will be used for development of a multi-layer, multi-chip ceramic package, \$500,000 to expand present capabilities in the ceramics package field and the balance for working capital and other corporate purposes. In addition to indebtedness, the company has outstanding 492,200 common shares (assuming conversion of notes, bonds and debentures, with a 54¢ per share book value), of which Elias G. Hanna, board chairman and president, owns 23%. (File 2-39692)

***EL PASO ELECTRIC TO SELL BONDS.** El Paso Electric Company, 215 North Stanton St., El Paso, Tex. 79999, filed a registration statement with the SEC on March 19 seeking registration of \$16 million of first mortgage bonds, due 2001, to be offered for public sale at competitive bidding. The company will use the net proceeds of its bond sale in part for the repayment of outstanding short-term indebtedness incurred as the result of construction expenditures, which indebtedness is expected to aggregate \$11 million at the date of the bond sale, and the balance will be used to finance a portion of new construction. (File 2-39693)

***METROPOLITAN GREETINGS TO SELL STOCK.** Metropolitan Greetings, Inc., 167 Bow St., Everett, Mass. 02149, filed a registration statement with the SEC on March 19 seeking registration of 170,000 shares of common stock, to be offered for public sale (**at \$13 per share maximum). The offering is to be made through underwriters headed by Moore & Schley, Cameron & Co., Two Broadway, New York 10004. Net proceeds of its stock sale will be used to reduce bank loans and for working capital and other corporate purposes. (File 2-39694)

AERO INDUSTRIES TO SELL STOCK. Aero Industries, Inc., 4995 Monaco Parkway, Commerce City, Colo. 80022, filed a registration statement with the SEC on March 19 seeking registration of 200,000 shares of common stock, to be offered for public sale (**at \$5 per share maximum). The offering is to be made on a "best-efforts" basis by Hogan Securities Corporation, 2820 Bobmeyer Rd., Hamilton, Ohio 45011.

The company operates four diversified businesses in the fields of financing, insurance, manufacturing and designing and building of dies and tooling. Net proceeds of its stock sale will be added to the company's general funds and will be available for general corporate purposes. The company has outstanding 246,112 common shares, of which Lee C. Scott, president, owns 42.2% and management officials as a group 79.3%. (File 2-39695)

***COMMERCE BANCSHARES PROPOSES EXCHANGE OFFER.** Commerce Bancshares, Inc., 911 Main St., Kansas City, Mo. 64199, filed a registration statement with the SEC on March 19 seeking registration of 78,400 shares of common stock. It is proposed to offer these shares in exchange for the outstanding shares of capital stock of the following Missouri banks at the specified rates: .76 share for each share of State Bank and Trust Company of Poplar Bluff and one share (the rate may change to .9 share) for each share of The Willard Bank. (File 2-39696)

SECURITIES ACT REGISTRATIONS. Effective March 22: Canaveral International Corp., 2-36673 (40 days); Glenco Scientific, Inc., 2-36192 (90 days); Haystack Hotel Association, Inc., 2-38919 (Jun 21); Ohio Power Co., 2-39450; Tierra Real Estate Fund, Inc., 2-35984 (90 days); Western Union Corp., 2-39590.

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.

* This a reporting company and further information with respect to its business and operations is available in the Commission's Public Reference files.

** Estimated for purposes of computing the registration fee.