

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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COURT ENFORCEMENT ACTION

COMPLAINT CITES SHARON STEEL CO., OTHERS. The Commission yesterday filed a complaint in Federal court in New York against the following alleging violations of the antifraud and stock acquisition provisions of the Federal securities laws: Sharon Steel Company, DWG Corporation, NVF Corporation, Victor Posner, board chairman and president of Sharon as well as chairman of NVF and DWG, Bernard Krakower, vice president of Sharon Steel and officer of DWG and NVF, William T. Blair, general counsel and vice president of Sharon Steel.

In its complaint the Commission alleged that the defendants in violation of the above cited provisions of the Federal securities laws, from on or about January 1, 1969 to the present time, have caused the assets of the pension funds of the Sharon Steel Corporation, Trumbull County, Ohio, to be invested in securities issued by corporations in which the defendants had a substantial beneficial interest. In addition, the complaint alleged that the defendants caused these assets to be used to meet certain corporate obligations of companies with which the defendants are affiliated and to assist certain of these affiliated companies in their takeovers of other corporations. (LR-5011)

SECURITIES ACT REGISTRATIONS

BELDEN & BLAKE PROPOSES OFFERING. Belden & Blake and Company Limited Partnership No. 44, 702 Tuscarawas St., West, Canton, Ohio 44702, filed a registration statement with the SEC on May 14 seeking registration of \$600,000 of limited partnership units, to be offered for public sale in \$3,000 units with a minimum subscription of two units required. The Partnership was formed to engage in oil and gas drilling and exploration activities in Ohio. Henry S. Belden III and Glenn A. Blake are the general partners. (File 2-40437)

***DENNY'S RESTAURANTS FILES FOR SECONDARY.** Denny's Restaurants, Inc., 14256 E. Firestone Blvd., La Mariada, Calif. 90638, filed a registration statement with the SEC on May 18 seeking registration of 660,300 outstanding shares of common stock, to be offered for public sale by the holders thereof. The offering is to be made (**at \$10 per share maximum) through underwriters headed by Salomon Brothers.

The company is primarily engaged in the development, operation and franchising of restaurants. In addition to indebtedness and preferred stock, it has outstanding 6,374,080 common shares. Harold Butler proposes to sell 400,000 of 763,760 shares held, Verne H. Winchell, board chairman, 200,000 of 233,732 and three others the remaining shares being registered. Winchell also owns 349,389 preferred shares. (File 2-40438)

INTERNATIONAL GALLERIES TO SELL STOCK. International Galleries, Inc., 110 Northeast 79th St., Miami, Fla. 33138, filed a registration statement with the SEC on May 18 seeking registration of 160,000 shares of common stock, to be offered for public sale at \$3 per share. No underwriting is involved; NASD members may participate.

Organized in 1969, the company is engaged in the design, sale and distribution of interior furnishings manufactured by others. Net proceeds of its stock sale will be used for working capital and other corporate purposes. In addition to indebtedness, the company has outstanding 479,500 common shares (with a 21¢ per share net tangible book value), of which ~~Kenn~~ Furniture Co. owns 20.9%, and management officials as a group 10%. Irving E. Greenfield is president. (File 2-40439)

JEROME UNDERGROUND TRANSMISSION TO SELL DEBENTURES. Jerome Underground Transmission Equipment, Inc., 57 Central Ave., Farmingdale, N. Y. 11735, filed a registration statement with the SEC on May 18 seeking registration of \$400,000 of 7% convertible debentures, due 1981, to be offered for public sale at 100% of principal amount. The offering is to be made through Havener Securities Corp., 111 Broadway, New York, and Boening & Scattergood, Inc., Ilion Bldg., Philadelphia. Also included in this statement are 29,000 outstanding shares of common stock, which may be offered for sale from time to time by the holders thereof at prices current at the time of sale (**\$7 per share maximum).

The company designs, manufactures, services and sells equipment for the construction, installation and operation of high voltage underground electrical transmission lines. Net proceeds of its stock sale will be used for working capital and other corporate purposes. The company has outstanding 353,420 common shares, of which Jack Jerome, president, and Sidney B. Jerome, senior vice president, own 30% each. (File 2-40440)

***FUNTIME TO SELL STOCK.** Funtime, Inc., Route 43, Aurora, Ohio 44202, filed a registration statement with the SEC on May 18 seeking registration of 200,000 shares of common stock, to be offered for public sale (**at \$10 per share maximum). The offering is to be made by The Ohio Company, 51 N. High St., Columbus, Ohio 43215.

The company operates Geauga Lake Park, an amusement park located halfway between Cleveland and Akron, Ohio. Of the net proceeds of its stock sale, \$650,000 will be invested in two major rides and the balance will be used for other corporate purposes. (File 2-40441)

OVER

COCA COLA BOTTLING (MIDWEST) FILES FOR OFFERING AND SECONDARY. Coca Cola Bottling Midwest Inc., 2750 Eagandale Blvd., St. Paul, Minn. 55121, filed a registration statement with the SEC on May 18 seeking registration of 200,000 shares of common stock, of which 100,000 are to be offered for public sale by the company and 100,000 (being outstanding shares) by the holders thereof. The offering is to be made through underwriters headed by Dain, Kalman & Quail Inc., 100 Dain Tower, Minneapolis, Minn. 55402.

The company is primarily engaged in producing and marketing Coca-Cola, and other soft drinks. Of the net proceeds of its stock sale, some \$925,000 will be used to purchase additional production and distribution equipment and the balance for other corporate purposes. In addition to indebtedness, the company has outstanding 900,000 common shares, of which T. J. Moore, board chairman, and R. E. Moore, president, own 18.63% and 17.55%, respectively. T. J. Moore proposes to sell 8,000 shares, R. E. Moore 18,500 and the Thomas J. Moore, Sr. Estate 50,000. (File 2-40442)

***HARVEY ALUMINUM PROPOSES OFFERING.** Harvey Aluminum (Incorporated), 19200 South Western Ave., Torrance, Calif. 90509, filed a registration statement with the SEC on May 18 seeking registration of \$50 million of sinking fund debentures, due 1996, to be offered for public sale through underwriters headed by Kuhn, Loeb & Co., 40 Wall St., New York 10005. Also included in this statement are 1,321,420 shares of common stock, to be offered for subscription by common stockholders of record June 16, at the rate of one new share for each five shares held (**and at \$26 per share maximum). Martin Marietta Corporation, which owns 82.7% of the company's outstanding capital stock, has stated that it intends to subscribe for 1,092,394 additional shares, the full number to which it is entitled. Underwriters headed by Kuhn Loeb have agreed to purchase any of the 229,026 shares not subscribed for.

The company is principally engaged in producing primary aluminum and aluminum mill products. Net proceeds of its financing will be used to repay borrowings incurred for working capital purposes and for the construction of a reduction plant. (File 2-40445)

MISCELLANEOUS

UNLISTED TRADING SOUGHT. The SEC has issued an order under the Securities Exchange Act giving interested persons until June 3, 1971, to request a hearing upon applications of the following exchanges for unlisted trading privileges in the common stocks or specified securities of the named companies:

Boston Stock Exchange - Schering-Plough Corporation; Detroit Stock Exchange - Allegheny Power System, Inc., American Electric Power Company, Inc., Arkansas Louisiana Gas Company, Atlantic Richfield Company - \$3 convertible preference stock (\$1 par), Baltimore Gas & Electric Company, Boston Edison Company, Carolina Power & Light Company, Central Illinois Light Company, Central Illinois Public Service Company, Central & Southwest Corporation, Cincinnati Gas & Electric Company, Cleveland Electric Illuminating Company, Columbus & Southern Ohio Electric Company, Consolidated Natural Gas Company, The Dayton Power & Light Company, Delmarva Power & Light Company, Florida Power Corporation, Florida Power & Light Company, Gulf States Utilities Company, Houston Lighting & Power Company.

An order has also been issued giving interested persons until June 4, 1971, to request a hearing upon an application of the Detroit Stock Exchange for unlisted trading privileges in the common stocks or specified securities of the following companies: New York State Electric & Gas Corp., Northeast Utilities, Northern Indiana Public Service Company, Oklahoma Gas & Electric Company, Pacific Gas & Electric Company, Pacific Lighting Corporation, Pacific Power & Light Company, The Pacific Telephone & Telegraph Company, Pennsylvania Power & Light Company, Peoples Gas Company, Philadelphia Electric Company, Portland General Electric Company, Potomac Electric Power Company, Public Service Company of Colorado, Public Service Company of Indiana, Inc., Public Service Electric & Gas Company, San Diego Gas & Electric Company, Southern California Edison Company, Southwestern Public Service Company, Tampa Electric Company, Texas Utilities Company, Union Electric Company, Union Oil Company of California - \$2.50 cumulative convertible preferred stock, United Aircraft Corporation, United States Gypsum Company, United Utilities, Inc., Union Pacific Corporation, Utah Power & Light Company, Virginia Electric & Power Company, Wisconsin Electric Power Company, Northern Illinois Gas Co. (Rel.34-9182)

TRADING BAN CONTINUED. The SEC has ordered the suspension of trading in the securities of Continental Vending Machine Corporation for the further ten-day period May 21-30, 1971, inclusive.

SECURITIES ACT REGISTRATIONS. Effective May 20: Armstrong Cork Co., 2-40035; Automation Industries, Inc., 2-40228; CNA Financial Corp., 2-39921; Crocker National Corp., 2-40168; East Moline Downs, Inc., 2-39573 (90 days); First at Orlando Corp., 2-39769 (40 days); First Equity Financial Corp., 2-36385 (90 days); E. F. Hutton & Co., Inc., 2-39659; Hydrometals, Inc., 2-39821; The Lincoln Fund, Inc., 2-31441; Mercantile Bancorporation, Inc., 2-39477 (Aug 19); Motor Club of America, 2-39996; Nashua Corp., 2-40023; Pacific Gas and Electric Co., 2-40229; Porch and Patio, Inc., 2-39388 (90 days); Ridder Publications, Inc., 2-39819; The Times Mirror Co., 2-39858.

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

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

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