

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 August 12, 1966

PARKER-HAYES REVOKED. In a decision announced today under the Securities Exchange Act (Release 34-7933), the SEC revoked the broker-dealer registration of Parker-Hayes & Co., West Park Plaza, Billings, Mont., and expelled the firm from NASD membership, for violations of the registration and anti-fraud provisions of the Federal securities laws in the sale of securities of Idamont Oil and Mining Co. Charles E. Hayes, an officer and principal stockholder of the firm, James R. O'Brien, director, and Albert Berndt, Jr., salesman, were barred from future association with any broker-dealer firm. The Commission also suspended C. William Parker, an officer and principal stockholder, from association with any broker-dealer for a 12-month period, with the proviso that he shall thereafter obtain the consent of the Commission before being associated with a broker or dealer; and it suspended Alfred N. Timberman, a former officer, from association with any broker-dealer for 30 days. Both suspensions are effective August 10.

Based on the order for proceedings and stipulations and consents submitted by the firm, Hayes, Parker and Berndt, the Commission found that in 1964 and 1965 these four respondents sold securities in violation of the Securities Act registration requirement; sold and purchased Idamont securities at unfair prices; purported to act as agents for customers when in fact they were acting as principals; falsely stated in confirmations that the firm had acted as agent; and made false and misleading entries on its books so as to conceal such activities. It was also found that, among other things, the said respondents made false and misleading statements concerning the commercial value and potential of Idamont's mining properties and the existence of an injunction prohibiting Idamont and its officers from selling Idamont securities in violation of the securities laws. O'Brien and Timberman, without admitting or denying the allegations in the order for proceedings, consented to the entry of an order barring O'Brien from future association with a broker-dealer and suspending Timberman from association for 30 days.

HAYDEN LYNCH (LEASON) REGISTRATION DENIED. The SEC today announced the issuance of a decision under the Securities Exchange Act (Release 34-7935) denying an application for broker-dealer registration filed by Hayden Lynch & Co., Inc., of Palatine, Ill. Hayden Lynch Leason, president and sole stockholder, was found to be a cause of the denial order. The decision was based upon violations of the Securities Act registration and anti-fraud provisions in the sale by Leason in 1959 and 1960 of securities of Amphibious Boats, Inc., a Texas corporation engaged in the manufacture and sale of fiberglass boats.

The Commission overruled Leason's claim that a private offering exemption from registration was available for the sale of Amphibious Boats securities. It also held that in the sale of such securities Leason made extensive use of selling literature recommending the purchase of the securities which "contained materially false and misleading statements." The misrepresentations related, among other things, to the issuer's production and sales, backlog of orders, financial condition, future earnings and patent rights. The Commission also rejected, as being without substance, assertions by Leason that he had not received a fair hearing.

UNLISTED TRADING SOUGHT. The SEC has issued an order giving interested persons until August 25 to request a hearing on an application of the Boston Stock Exchange for unlisted trading privileges in the common stock of Cummings Engine Company, Inc.

UNLISTED TRADING GRANTED. The SEC has issued orders under the Securities Exchange Act granting (1) an application of the Boston Stock Exchange for unlisted trading privileges in the common stocks of Hess Oil & Chemical Corp., Louisiana Land & Exploration Co., Scovill Manufacturing Co., and U. S. Borax & Chemical Corp; (2) an application of the Pacific Coast Stock Exchange for such privileges in the common stocks of Syntex Corp., General Aniline & Film Corp., and National Video Corp.; and (3) an application of the Philadelphia-Baltimore-Washington Stock Exchange for such privileges in the common stock of Bausch & Lomb, Inc.

NATURAL GAS PIPELINE PROPOSES OFFERING. Natural Gas Pipeline Company of America, 122 S. Michigan Ave., Chicago, Ill. 60603, filed a registration statement (File 2-25396) with the SEC on August 11 seeking registration of \$40,000,000 of first mortgage pipeline bonds (due 1986). The bonds are to be offered for public sale through underwriters headed by Dillon, Read & Co. Inc., 46 William St., New York 10005, and Halsey, Stuart & Co. Inc., 123 S. La Salle St., Chicago, Ill. 60690. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

A subsidiary of The Peoples Gas Light and Coke Company, the company operates long-distance natural gas pipelines. Net proceeds of its bond sale (together with funds generated from operations and interim loans) will be used in connection with its 1966 construction program. Expansion projects which are scheduled for completion by year end are estimated to cost \$57,000,000. The prospectus states that the parent company proposes to acquire an additional \$21,000,000 of common stock from the company.

CORRECTION RE MITRON RESEARCH. In the SEC News Digest of August 2 reporting the filing of a registration statement by Mitron Research & Development Corp., the consideration to be paid by the finder for his warrants should have been \$200 instead of \$200,000.

OVER

NORTHWESTERN BELL TEL. PROPOSES DEBENTURE OFFERING. Northwestern Bell Telephone Company, 100 S. 19th St., Omaha, Neb. 68102, today filed a registration statement (File 2-25398) with the SEC seeking registration of \$50,000,000 of 35-year debentures, due 2001, to be offered for public sale at competitive bidding. A wholly-owned subsidiary of American Telephone and Telegraph Company, the company will apply the proceeds of its debenture sale to the partial repayment of some \$85,500,000 of advances from the parent company. The company's construction expenditures were approximately \$141,500,000 for 1965, and it is anticipated that such costs for 1966 will be somewhat higher.

INITIAL DECISION BECOMES FINAL. The SEC today announced the issuance of an order under the Securities Act making permanent the initial decision of Hearing Examiner Samuel Binder with respect to a petition filed by Paul A. Clack, who was named as an underwriter for the proposed stock offering by International Hydrocarbons, Ltd. Clack sought determination that a prior Commission order permanently suspending a Regulation A exemption from registration under the Securities Act with respect to such offering by International Hydrocarbons (for details see SEC News Digest of June 23) should not operate to make a Regulation A exemption unavailable for the offering of securities by any issuer solely because Clack is an underwriter thereof. No petition for review has been filed; accordingly, the decision has become final.

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 (please give News Digest's "Issue No." in ordering). 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 August 1 News Digest.

Pitts Youngstown & Ashtabula RY Co July 66(11) 1-1262-2	American Safety Equipment Corp July 66(4,7,8,13) 1-4829-2
Bulova Watch Co Inc July 66(11) 1-457-2	Technical Measurement Corp July 66(2,13) 1-4836-2
Empire Life Ins Co of Ohio July 66(7) 2-22930-2	Dextra Corp June 66(11) 0-1602-2
First Virginia Corp July 66(7) 0-1002-2	Unitrode Corp July 66(8) 2-24662-2
Canada Dry Corp July 66(11,13) 1-881-2	Alberto-Culver Co July 66(12) 1-5050-2
Carpenter Steel Co July 66(13) 1-2856-2	Chemical Leaman Tank Lines Inc July 66(12,13) 0-2155-2
Gray Mfg Co Apr 66(11,13) 0-1293-2	National Cash Register Co July 66(7,13) 1-395-2
Phoenix Steel Corp July 66(1) 1-2908-2	Cities Service Co July 66(3,13) 1-1093-2
IRC Inc July 66(7,12,13) 1-3768-2	American Broadcasting Companies Inc July 66(7) 1-3534-2
American Electric Power Co Inc Amend #1 for July 66(12,13) 1-3525-2	Gulf Oil Corp July 66(7,13) 1-3190-2
Wilson Brothers Amend #1 for June 66(3) 1-3329-2	Iowa Public Service Co July 66(8) 1-5131-2
Argus Inc Amend #1 for July 66(13) 1-4544-2	Maule Industries Inc July 66(8) 1-4081-2
Cook Coffee Co Amend #1 for June 66(7) 1-4959-2	Savin Business Machines Corp July 66(7,8) 0-1666-2
Clear Creek Corp July 66(6) 0-1379-2	Macke Co July 66(7,13) 1-4341-2
Dial Finance Co July 66(7,13) 0-714-2	Doeskin Products Inc July 66(13) 0-1494-2
First Western Financial Corp July 66(13) 1-4938-2	Elmira & Williamsport RR Co July 66(11) 1-1757-2
Flying Tiger Line Inc June 66(7) 1-3673-2	Erie & Pittsburgh RR Co July 66(11) 1-1339-2
Glasrock Products Inc July 66(11) 0-1547-2	Pennsylvania RR Co July 66(11,13) 1-1569-2
Felmont Oil Corp July 66(7,13) 1-5092-2	Phila Balt & Wash RR Co July 66(11) 1-1580-2
Gains Guaranty Corp July 66(2,7,12,13) 0-938-2	Pitts Ft Wayne & Chi RY Co July 66(11) 1-1671-2
Ohio Power Co July 66(11) 0-1090-2	Sea-Pak Corp May 66(9,13) 0-1820-2
	Westcoast Transmission Co Ltd July 66(11) 1-4951-2
	Reynolds Metals Co July 66(12,13) 1-1430-2

SECURITIES ACT REGISTRATIONS. Effective August 11: Hartland, Inc. of Delaware, 2-25173; H & R Block, Inc., 2-25127 (90 days); Northeast Airlines, Inc., 2-24834; Trico Products Corp., 2-24962.

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.