

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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FARAH MFG. TO SELL DEBENTURES. Farah Manufacturing Company, Inc., 8889 Gateway West, El Paso, Tex. 79985, filed a registration statement (File 2-31311) with the SEC on January 6 seeking registration of \$10,000,000 of convertible subordinated debentures, due 1994, to be offered for public sale through Merrill Lynch, Pierce, Fenner & Smith, 70 Pine St., New York 10005. The interest rate, offering price and underwriting terms are to be supplied by amendment.

The company produces slacks, jeans and walk shorts for men and boys which are distributed exclusively under the "Farah" label. Of the net proceeds of its debenture sale, \$2,800,000 will be used to finance the building of and equipment for a new production facility in El Paso and \$5,000,000 to pay the company's seasonal short-term bank borrowings which have been used to carry accounts receivable and inventories; the balance will be added to working capital and used to carry accounts receivable and to support larger inventories. In addition to indebtedness, the company has outstanding 1,544,790 Common and 1,048,050 Common B shares; of the Common and Common B stock, William F. Farah, president, owns 13%, the James Farah Estate 11% and management officials as a group 23%.

WHITE SHIELD SHARES IN REGISTRATION. White Shield Corporation, 595 Madison Ave., New York, filed a registration statement (File 2-31312) with the SEC on January 6 seeking registration of 160,000 warrants to purchase 160,000 shares of common stock. The warrants are to be offered to selected NASD members as part of their compensation for participation in the sale of 2,000 units of participation (\$50,000 per unit; \$100,000,000 aggregate offering) in the White Shield Oil and Gas Development Fund, 100 Series, being offered by White Shield Oil and Gas Corp., a wholly-owned subsidiary of the company (see News Digest of December 10); they are to receive warrants at the rate of an aggregate of 400 warrants for a minimum of \$250,000 aggregate five-year subscriptions to the Fund. The prospectus also relates to 50,000 common shares issuable upon exercise of stock options to be granted to key employees and directors pursuant to a stock option plan of the company.

The company is engaged in acquiring, developing, selling and operating oil and gas properties and interests therein. Net proceeds to be received as any of the warrants or stock options are exercised will be added to the company's general funds. In addition to indebtedness, the company has outstanding 1,633,850 common shares, of which J. W. Whitney, Jr., president, owns 12.1%, and Donald T. Beldock, executive vice president, and Frank Cerie 11.2% each and management officials as a group 52.1%.

FERTIGHAUS DEVELOPMENT PROPOSES OFFERING. Fertighaus Development Corp., 6444 Miles Drive, Rome, N. Y., filed a registration statement (File 2-31316) with the SEC on January 6 seeking registration of 100,000 shares of common stock, to be offered for public sale at \$3 per share. No underwriting is involved.

Organized under New York law in June 1968, the company will engage in the development, manufacture and marketing of pre-fabricated model homes, house appurtenances, related base materials, equipment and devices for use by industry and/or private sectors of the public. The company is not engaged in any business activity, but intends to begin marketing pre-fabricated homes and appurtenances in Munich, Germany, and later expand throughout West Germany and other European Common Market Countries. Net proceeds of its stock sale will be added to working capital and used for general corporate purposes, including the purchase of supplies, raw materials, and parts for use in production and assembly. The company has outstanding 150,000 common shares, of which Joseph C. DiGiovanni, president and board chairman, owns 24% and management officials as a group 100%. Upon completion of this offering, the public shareholders will own 40% of the then outstanding common stock for their \$300,000 cash investment, while the founders will own 60% in exchange for cash totaling \$6,250 and the ownership of the Fertighaus Pre-fabricated Home Concept and Plans and Promotional Services.

ADA 1969 OIL & GAS PROPOSES OFFERING. ADA 1969 Oil & Gas Program, Adams Petroleum Center, 6910 Fannin, Houston, Tex. 77025, filed a registration statement (File 2-31317) with the SEC on January 7 seeking registration of \$4,000,000 of limited partnership interests, to be offered for public sale in \$20,000 units. The offering is to be made through management officials of Ada Oil Exploration Corporation ("ADAEXCO"), the general partner, and selected NASD members including Ada Securities Company, an affiliate of the partnership; NASD members will receive a 5% commission. Net proceeds of the sale of units will be used in acquiring, exploring, developing and operating oil and gas prospects, properties and leases and for the purpose of otherwise administering the partnership properties. K. S. Adams, Jr., is president and board chairman and T. C. Bartling, executive vice president of ADAEXCO, a wholly-owned subsidiary of Ada Oil Company, all of whose capital stock is owned by Adams.

PHILADELPHIA ELECTRIC TO SELL PREFERRED STOCK. Philadelphia Electric Company, 1000 Chestnut St., Philadelphia, Pa. 19105, filed a registration statement (File 2-31318) with the SEC on January 7 seeking registration of 400,000 shares of preferred stock (\$100 par), to be offered for public sale through underwriters headed by Drexel Harriman Ripley, Inc., 1500 Walnut St., Philadelphia, Pa. The dividend rate, offering price (\$100 per share maximum*) and underwriting terms are to be supplied by amendment. A public utility, the company will apply the net proceeds of its stock sale to repayment of short term debt

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(expected to approximate \$65 million on January 31) incurred for the interim financing of capital expenditures. Construction expenditures are estimated at \$184 million in 1968, \$235 million in 1970, \$214 million in 1971 and \$197 million in 1972.

LA SALLE-DEITCH FILES FOR OFFERING AND SECONDARY. La Salle-Deitch Company, Inc., 725 Industrial Parkway, Elkhart, Ind. 46514, filed a registration statement (File 2-31319) with the SEC on January 7 seeking registration of 200,000 shares of common stock, of which 80,000 are to be offered for public sale by the company and 120,000 (being outstanding shares) by the present holder thereof. The offering is to be made through underwriters headed by Rodman & Renshaw, 209 S. La Salle, Chicago, Ill. 60604; the offering price (\$16 per share maximum*) and underwriting terms are to be supplied by amendment. The company has agreed to sell to Rodman & Renshaw, for \$1,000, five-year warrants to purchase 10,000 common shares, exercisable after one year at from 107% to 128% of the offering price, and the company and the selling stockholder have agreed to pay the underwriters up to \$6,000 for expenses.

The company is engaged in the distribution of products to the mobile home and recreational vehicle industries primarily to manufacturers of such homes and vehicles, including floor coverings, furniture and related interior furnishings such as light fixtures, iceboxes and appliances. Of the net proceeds of its sale of additional stock, \$150,000 will be used to reduce short-term bank loans incurred to pay part of the initial \$175,000 purchase price for all the outstanding stock of Mishawaka Trailer Supply, Inc., acquired in October 1968, and \$300,000 as working capital in connection with the company's expansion in Western United States; the balance will be available for general corporate purposes, which may include working capital requirements of further expansion through new warehouse locations or further acquisitions. In addition to indebtedness, the company has outstanding 597,080 common shares (with a \$1.68 per share book value), of which Myrl W. Deitch, Jr., president, owns 73.7% and management officials as a group 92%. Deitch proposes to sell 120,000 of 440,000 shares owned.

COMMUNICATIONS TO SELL STOCK. Communications, Inc., Capital National Bank Bldg., Austin, Tex. 78701, filed a registration statement (File 2-31320) with the SEC on January 7 seeking registration of 500,000 shares of common stock, to be offered for public sale through underwriters headed by New York Securities Co., 1 Whitehall St., New York 10004. The offering price (\$10 per share maximum*) and underwriting terms are to be supplied by amendment. Various persons associated with New York Securities Co. purchased 41,500 common shares on September 27 at \$1 per share.

The company was organized under Delaware law in August 1968 primarily for the purpose of acquiring and operating existing community antenna television (CATV) systems. It does not presently own any CATV systems, but has contracted to purchase, for cash, all the outstanding stock of three companies presently engaged in the CATV business in Texas. Of the net proceeds of its stock sale, \$3,565,000 will be used to pay when due the 7% promissory notes issued in connection with the proposed acquisition of Westex Cable Corporation (which owns and operates a CATV system in Del Rio, Texas) and Uvalde Television Cable Corp. (which owns and operates at CATV system in Uvalde, Texas), and \$912,500 to pay the cash purchase price of the proposed acquisition of Hill Country Cablevision, Inc. ("Kerrville"), which owns and operates a CATV system in Kerrville, Texas; the balance will be applied toward the prepayment of a \$137,500 bank note of Kerrville. The company has outstanding 250,000 common shares (with a \$1 per share book value), of which Jack R. Crosby, president and board chairman, owns 52%, and management officials as a group 83.6%.

COACHES OF AMERICA PROPOSES EXCHANGE OFFER. Coaches of America, Inc., Fortune Coronado Tower, 6006 N. Mesa St., El Paso, Tex. 79912, filed a registration statement (File 2-31315) with the SEC on January 6 seeking registration of 1,902,336 shares of common stock. Of these shares, it is proposed to offer (up to April 30 unless extended) 1,213,000 in exchange for the common stock of Fortune Life Insurance Company and 689,336 in exchange for the common stock of Coaches of America Life Insurance Company, at the rate of (a) $2\frac{1}{2}$ shares for each Fortune Life share and (b) one share for each $2\frac{1}{4}$ Coaches Life share. Effectiveness of the exchange offer is conditioned upon acceptance by holders of at least 51% of the outstanding shares of Fortune Life and of Coaches Life. Management officials and others who own 63.1% of the outstanding stock of Fortune Life and 24.7% of Coaches Life have informed Coaches of America that they intend to accept the exchange offer. In addition, the statement relates to 1,097,364 common shares, which are to be offered for public sale by the company (upon effectiveness of the exchange offer), initially to athletic coaches in public or private schools, colleges or universities, and at \$3 per share.

Coaches of America was organized under Texas law in June 1968 for the purpose of making these exchange offers and also to cause to be organized in a separate transaction a mutual fund to be known as Fortune Investors Fund, Inc., a fund management company or investor advisor (Fortune Investors Advisory Corporation) and a broker dealer company (Coaches of America Securities, Inc.), which is to offer the mutual fund shares for sale to the public. Of the net proceeds of its stock sale, Coaches of America will use \$50,000 to pay off short-term notes proceeds of which were used for organizational purposes, \$150,000 to pay expenses and organization costs of Fortune Investors Advisory Corporation and the purchase of 250,000 shares of its stock, \$200,000 to pay expenses and organization costs of Coaches of America Securities, Inc., and the purchase of 250,000 shares of its stock, and \$200,000 to pay expenses and organization costs of Coaches of America Sports, Inc., and the purchase of 250,000 shares of its stock; the balance will be added to the company's general funds and will be available for working capital for the company and its subsidiaries, and for possible future acquisitions in the insurance, finance and other fields of endeavor. Coaches of America has outstanding 300 common shares, of which management officials of Fortune Life as a group own 26.1% and management officials of Coaches Life as a group 9%. O. B. Haley is board chairman and president of Coaches of America and Fortune Life and William L. Ehrle is executive vice president of Coaches of America and president of Coaches Life.

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

The Rouse Company, Baltimore, Md. 21210 (File 2-31313) - 150,000 shares
 Southern Natural Gas Company, Birmingham, Ala. (File 2-31314) - 200,000 shares
 Bristol-Myers Company, New York 10020 (File 2-31321) - 3,720 shares
 Stanray Corporation, Chicago, Ill. 60604 (File 2-31327) - 134,217 shares

ALLEGHENY POWER RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16263) granting an application of Allegheny Power System, Inc. ("Allegheny"), New York holding company, to issue and sell common stock at competitive bidding, and proposals of three subsidiaries to issue and sell common stock/Allegheny. Allegheny proposes to issue and sell at competitive bidding 1,500,000 additional shares of common stock. Net proceeds of its stock sale (estimated at \$35,000,000) together with other funds, will be used to acquire additional shares of common stock of subsidiaries. The subsidiaries, Monongahela Power Company, The Potomac Edison Company and West Penn Power Company, propose to issue and sell to Allegheny from time to time prior to December 31, 1969, 200,000, 500,000 and 1,000,000 common shares, respectively, for \$10,000,000, \$10,000,000 and \$20,000,000, respectively. Net proceeds of the subsidiaries' stock sale will be used to finance their construction programs. Construction expenditures for 1969 are estimated at \$41,000,000 for Monongahela, \$49,000,000 for Potomac and \$76,000,000 for West Penn.

SHATTUCK DENN MINING ENJOINED. The SEC New York Regional Office announced January 8 (LR-4199) the entry of an order by the U. S. District Court in New York, permanently enjoining Shattuck Denn Mining Corporation, of New York, from violating the anti-fraud provisions of the Federal securities laws, in the offer and sale of the company's stock.

SEC COMPLAINT NAMES PASCAR OILS, OTHERS. The SEC New York Regional Office announced January 8 (LR-4200) the filing of a complaint in the U. S. District Court in New York seeking to enjoin the sale of stock of Pascars Oils, Ltd., by the following in violation of the registration and anti-fraud provisions of the Federal securities laws: Pascars Oils, Charles Dudley Robbins and Quoddy Investment, Ltd., all of Toronto, Canada. The Commission also seeks to enjoin violations of the anti-fraud provisions by Charles W. Archibald, of Toronto. A permanent injunction was entered against defendants Pascars Oils, Robbins and Quoddy Investment, who consented to the injunction without admitting or denying the allegations.

WINSTON PHARMACAL, OTHERS ENJOINED. The SEC New York Regional Office announced January 8 (LR-4201) that the U. S. District Court in New York had permanently enjoined violations of the Securities Act registration requirements by Winston Pharmacal Corporation in connection with its offer to exchange its shares for stock of Calvital Pharmaceutical and Cosmetic Corp. Also enjoined were John Albanese and Alexander Race, directors. All consented to the injunction but without admitting or denying the violations alleged; and they also agreed to make an offer of rescission to all Winston shareholders who made the exchange.

L. P. WILLIAMS ENJOINED. The SEC New York Regional Office announced January 8 (LR-4202) that the U. S. District Court in New York had permanently enjoined Leonard Paul Williams, of Philadelphia, from the further offer and sale of stock of American Beryllium & Oil Corp. in violation of the registration and anti-fraud provisions of the Federal securities laws. Williams consented to the injunction, but without admitting the violations.

SEC COMPLAINT NAMES MOONEY AIRCRAFT, OTHERS. The SEC Fort Worth Regional Office announced January 9 (LR-4203) the filing of a complaint in the U. S. District Court in San Antonio, seeking to enjoin violations of the registration and anti-fraud provisions of the Federal securities laws by Mooney Aircraft, Inc., Mooney Corporation, and Edward B. Hunnicutt, of Kerrville, and Hal Francis Rachal, of Midland, Texas, in the sale of stock of the two defendant companies.

TEXAS URANIUM SUSPENSION CONTINUED. The SEC has ordered the suspension of over-the-counter trading in the common stock of Texas Uranium Corporation for the further ten-day period January 14-23, 1969, inclusive.

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 "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 January 2 News Digest.

Sherwin-Williams Co Dec 68 (4,7,11,13)	1-4851-2
Bulova Watch Co Inc Dec 68 (3)	1-457-2
R C L Electronics Inc Nov 68 (2,11,13)	0-3262-2
Rollins Inc Dec 68 (12)	1-4422-2
Telecheck International Inc Nov 68 (11,13)	1-5764-2
Austin Nichols & Co Inc Nov 68 (11)	1-249-2
Norwich Pharmacal Co Nov 68 (2,13)	1-3113-2
Universal Food Products Inc Dec 68 (11)	0-1336-2
Valve Corp of America Nov 68 (2,7,12,13)	1-4576-2

American Greetings Corp Dec 68 (7,8)	0-1502-2
Butler's Shoe Corp Nov 68 (7)	1-4382-2
Western Maryland Ry Co Dec 68 (13)	1-766-2
American Alloys Corp Oct 68 (6)	0-2938-2
Nov 68 (9,11,13)	0-2938-2
Bankers Trust Nov 68 (3,13)	0-1610-2
Equitable Leasing Corp Dec 68 (7)	0-2693-2
Equitable Real Estate Investment Trust	
Nov 68 (3,13)	0-1605-2
Fidelity Real Estate Investment Inc Nov 68 (3,13)	0-1929-2
N B S Co Inc Dec 68 (2)	0-154-2
Optical Coating Laboratory Inc	
Amdt #1 to 8K for Sept 68 (2,13)	0-2537-2
Clear Creek Corp Dec 68 (6)	0-1379-2
Harvest Markets Inc Dec 68 (7,13)	0-2786-2
Longchamps Corp Nov 68 (1,2,7,9,13)	2-24472-2
Nordon Corp Ltd Nov 68 (1)	1-547-2
Pullman Inc Nov 68 (12,13)	1-172-2
Colco Industries Inc Nov 68 (2,12,13)	1-5673-2
A C F Industries Inc Dec 68 (12)	1-1333-2
Daytona International Speedway Corp	
Nov 68 (3,11,13)	0-2384-2
Petrodynamics Inc Nov 68 (3,9,11,13)	2-28660-2
Diners Club Inc Dec 68 (4,7,13)	1-3994-2
United Corp Of America Oct 68 (4,7,12,13)	2-15380-2
King Resources Co Nov 68 (7,13)	0-3084-2
Rogers Corp Nov 68 (7)	1-4347-2
Airwick Industries Inc Dec 68 (12)	1-5783-2
Modern Homes Construction Co Sep 68 (11,13)	0-127-2
Oct 68 (2,13)	0-127-2
National Patent Development Corp Dec 68 (12,13)	0-2743-2
Trans-Sonics Inc Dec 68 (12)	0-2618-2
CWC Liquidating Corp Oct 68 (2,12,13)	0-1575-2
Commercial Acceptance Corp Nov 68 (7,13)	0-1874-2
Rowan Drilling Co Inc Nov 68 (8,13)	1-5491-2
Sparti Products Inc Dec 68 (3,6,11,13)	0-2995-2
Aaronson Bros Stores Corp Nov 68 (11)	0-3265-2
Allied Chemical Corp Nov 68 (8)	1-1269-2
Ampec Corp Nov 68 (3)	1-4150-2
ERO Industries Inc Dec 68 (3,12,13)	1-3936-2
Montana Dakota Utilities Co Dec 68 (12)	1-3480-2
National Student Marketing Corp Oct (2,13)	0-3211-2
Trans World Airlines Inc Nov 68 (7,12,13)	1-975-2

SECURITIES ACT REGISTRATIONS. Effective January 10: EME Industries, Inc., 2-30379 (90 days); E. P. G. Computer Services, Inc., 2-30455 (Apr 10); Minnesota Mining and Manufacturing Co., 2-31033; National General Corp., 2-30921 (40 days); National Semiconductor Corp., 2-30828; Vesely Co., 2-30968 (40 days).

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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