

# 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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**MASS. INDEMNITY & LIFE INSURANCE EXEMPTION GRANTED.** The SEC has issued an order granting an application of the Massachusetts Indemnity and Life Insurance Company, Boston, Mass., for an exemption from the registration provisions of Section 12(g) of the Securities Exchange Act of 1934. Granting of the exemption will have the additional effect of exempting the said Insurance Company from the reporting and proxy provisions of Sections 13 and 14 of the Act, and any officer, director or beneficial owner of more than 10% of its outstanding stock from the provisions of Section 16 of the Act.

**GEORGIA POWER BORROWINGS CLEARED.** The SEC has issued an order under the Holding Company Act (Release 35-16362) authorizing Georgia Power Company, Atlanta subsidiary of The Southern Company, to issue and sell from time to time during 1969, short-term notes to banks and commercial paper in amounts not to exceed \$85,000,000 at any one time outstanding (including \$45,000,000 of exempt borrowings, of which \$23,344,000 are now outstanding). The funds will be used for the company's construction program, estimated at \$180,200,000 for 1969.

**OHIO POWER SEEKS ORDER.** The SEC has issued an order under the Holding Company Act (Release 35-16364) giving interested persons until May 27 to request a hearing upon a proposal of Ohio Power Company, Canton subsidiary of American Electric Power Company, Inc., to purchase the electric utility system of the Village of Caldwell, Ohio (presently serving 1,200 customers), for \$1,546,000.

**BROCKTON EDISON SEEKS ORDER.** The SEC has issued an order under the Holding Company Act (Release 35-16365) giving interested until May 29 to request a hearing upon a proposal of Brockton Edison Company, Brockton, Mass., subsidiary of Eastern Utilities Associates ("EUA"), to sell \$5,000,000 of first mortgage and collateral trust bonds, due 1999, at competitive bidding. Net proceeds of its financing will be used to repay advances on open account from EUA and to prepay (in part) short-term notes to banks, such borrowings from EUA and from banks having been incurred to provide funds for construction purposes (or to repay borrowings so incurred).

**SOMMER MISTRIAL ORDERED.** The SEC Fort Worth Regional Office announced May 2 (LR-4309) that the U. S. District Court (ND Tex.) had declared a mistrial in the case involving Charles W. Sommer III because of a deadlocked jury. Retrial in June is anticipated.

**TRADING BAN CONTINUED.** The SEC has ordered the suspension of over-the-counter trading in the securities of Electrogen Industries, Inc. (formerly Jodmar Industries, Inc. and sometimes known as American Lima Corporation) for the further ten-day period May 7-16, 1969, inclusive.

**SCHEIB INC. FILES FOR SECONDARY.** Earl Scheib, Inc., 8737 Wilshire Blvd., Beverly Hills, Calif., filed a registration statement (File 2-32868) with the SEC on April 30 seeking registration of 100,000 outstanding shares of capital stock, to be offered for public sale by the company's president, Earl A. Scheib. The offering is to be made through Allen & Company, Inc., 30 Broad St., New York; the offering price (\$19.275 per share maximum\*) and underwriting terms are to be supplied by amendment.

Through subsidiaries the company operates shops specializing in auto painting, body repairs and other related services throughout the United States. It has outstanding 808,380 shares of capital stock, of which Scheib owns 536,600 or 66.4%. He proposes to sell 100,000 shares.

**INTERMED FILES FOR OFFERING.** Intermed Corporation, 26520 Center Ridge Road, Westlake, Ohio 44145, filed a registration statement (File 2-32870) with the SEC on April 30 seeking registration of 1,130,000 shares of common stock and 565,000 shares of Series A preferred stock (50¢ par). It is proposed to offer these securities for public sale in units, each consisting of 2 common and 1 preferred share. The offering is to be made through underwriters headed by Gregory & Sons, 40 Wall St., New York; the offering price (\$21.50 per unit maximum\*) and underwriting terms are to be supplied by amendment. Recently, the company sold 55,000 shares to Gregory & Sons and affiliated persons, at 10¢ per share; a like amount was sold at 10¢ per share to New York Hanseatic Corporation and D. H. Blair & Co. and affiliated persons.

The company was organized for the purpose of acquiring, owning, leasing and operating hospitals, extended care facilities and other medical facilities; it has had no operations to date, but has entered into several agreements, all subject to consummation of the sale of the 565,000 units, to acquire a general hospital and six convalescent facilities. The Anaheim (Cal.) General Hospital is to be acquired at a cost of \$6,899,993; three nursing centers in Ohio are to be acquired at a cost of \$1,769,000 and three in California at a cost of \$3,970,500. Of the net proceeds of this financing, \$9,300,000 will be used to cover the cash portion of the \$12,639,493 purchase price of the hospital and other facilities being acquired; \$100,000 will be used to pay legal fees incurred in connection with the organization of the company and acquisition of such facilities; and the balance will be used for general corporate purposes. The company now has outstanding 717,500 common shares, acquired at about 10¢ per share, of which E. Leslie Peter, president and board chairman, owns 42.3% and Richard D. Salpeter, executive vice president, 26.5%.

OVER

**KEYSTONE CAPITAL FILES FOR OFFERING.** Keystone Capital Corp., 50 Congress St., Boston, Mass. 02109, filed a registration statement (File 2-32872) with the SEC on April 29 seeking registration of \$10,000,000 of convertible debentures, Series A, due 1989, and 4,000,000 shares of common stock. These securities are to be offered for public sale in units, each consisting of a \$500 debenture and 200 common shares. The offering is to be made through underwriters headed by Kidder, Peabody & Co., Inc., 20 Exchange Pl., New York, and Dempsey-Tegeler & Co., Inc., 1000 Locust St., St. Louis, Mo.; the interest rate on the debentures, offering price of the units (\$2,500 per unit maximum\*) and underwriting terms are to be supplied by amendment. An additional 100 units are to be offered to officers and employees of the company, its adviser and affiliates thereof.

The company is a diversified, closed-end management investment company; its objective is capital appreciation primarily through an investment policy of acquiring restricted securities in private transactions with issuing corporations or with holders of such securities. Its investment adviser is Keystone Custodian Funds, Inc. Wilfred Godfrey is board chairman and George H. Ellis president; Godfrey is board chairman and chief executive officer of Keystone Custodian Funds and Ellis is president of that company.

**UNIVERSAL FLUID DYNAMICS FILES OFFERING PROPOSAL.** Universal Fluid Dynamics Co., Alpena, Mich. 49707, filed a registration statement (File 2-32873) with the SEC on April 30 seeking registration of 75,000 shares of common stock and 75,000 warrants to purchase 25,000 common shares. These securities are to be offered for public sale in units, each consisting of one share and one warrant (three warrants will entitle the holder to purchase one share at \$10 per share). The offering is to be made through First Detroit Securities, Inc., 410 Ford Bldg., Detroit, Mich.; the offering price (\$10 per unit maximum\*) and underwriting terms are to be supplied by amendment.

The company is engaged principally in the engineering, design, manufacture and distribution of air and hydraulic cylinders; a subsidiary is engaged in the manufacture and distribution of flareless compression tube fittings. Some \$345,000 of the net proceeds of this financing will be applied to retire short-term debt obligations incurred in the development of new product lines and for general corporate purposes; the balance will be added to working capital and used for general corporate purposes. In addition to indebtedness, the company has outstanding 750,000 common shares, of which management officials own 20%. Kingsley A. Doust is president and Kenneth H. Robertson board chairman.

**MEDTRONIC SHARES IN REGISTRATION.** Medtronic, Inc., 3055 Old Highway No. 8, Minneapolis, Minn. 55418, filed a registration statement (File 2-32876) with the SEC on April 30 seeking registration of 30,612 shares of common stock. These shares are issuable upon conversion of debentures of Medtronic International Capital Corporation, its subsidiary. The company has outstanding 2,871,012 common shares.

**BEAUTY MART FILES OFFERING PROPOSAL.** Beauty Mart, Inc., 1418 Market St., Youngstown, Ohio 44507, filed a registration statement (File 2-32877) with the SEC on May 1 seeking registration of 100,000 shares of common stock, to be offered <sup>for public sale</sup> on an all or none, best efforts basis by Kenneth Bove & Company, Inc., 42 Broadway, New York. The offering price (\$6 per share maximum\*) and underwriting terms are to be supplied by amendment. The underwriter is to receive \$15,000 for expenses, and a \$5,000 finder's fee is payable to Barbara Hornstein. The underwriter also will be entitled to purchase, for \$100, five-year warrants for the purchase of 10,000 shares, exercisable after one year at the offering price.

The company is engaged primarily in the sale to beauty salons of a wide range of women's cosmetic items and hair preparations and, to a limited extent, of men's toiletries and hair preparations to barber shops; it also sells hardgood equipment and furniture to such customers. Net proceeds of its stock sale will be used for various purposes, including an increase in inventory, reduction of accounts payable and short term loans, and working capital. The company now has outstanding 235,000 common shares (with a book value of 43c per share), of which Melvin Kirkorsky, president, and David Kirkorsky, executive vice president, own 71.5% and 28.5%, respectively. Purchasers of the shares being registered will acquire a 30% stock interest in the company for their investment of \$600,000\*; present shareholders will then own 70% of their total investment of \$34,400.

**EDMONTON TO SELL DEBENTURES.** The City of Edmonton, Alberta, Canada (U.S. Agent: Hon. R. G. C. Smith, Canadian Consulate General, 680 Fifth Ave., New York 10019), filed a registration statement (File 2-32878) with the SEC on May 1 seeking registration of \$25,000,000 of sinking fund debentures, due 1994, to be offered for public sale through underwriters headed by Kidder, Peabody & Co., Inc., 20 Exchange Pl., New York, and Nesbitt Thomson Securities, Inc., 60 Broad St., New York. The interest rate, offering price and underwriting terms are to be supplied by amendment. Net proceeds of the debenture sale will be applied toward the financing of a portion of the capital expenditures budgeted by the City for expansion and improvement during 1969 of City-owned facilities.

**CENTRAL TEL. & UTILITIES FILES EXCHANGE PLAN.** Central Telephone & Utilities Corporation, 233 South 10th St., Lincoln, Nebr. 68508, filed a registration statement (File 2-32879) with the SEC on May 1 seeking registration of 67,726 shares of common stock. Central proposes to offer these shares in exchange for 33,863 common shares of Lee Telephone Company (on a two for one basis). Central now holds 217,166 shares (about 86.5%) of Lee Telephone's outstanding shares, and this offer is made to holders of the remaining shares outstanding.

**APPAREL RETAILERS FILES FOR OFFERING AND SECONDARY.** Apparel Retailers, Inc., 801 Broadway, Kansas City, Mo. 64105, filed a registration statement (File 2-32880) with the SEC on May 1 seeking registration of 175,000 shares of common stock, of which 100,000 are to be offered for public sale by the company and 75,000 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters headed by Dempsey-Tegeler & Co., Inc., 1000 Locust St., St. Louis, Mo.; the offering price (\$12.50 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company is principally engaged in the operation of men's and boys' clothing, furnishings and ready-to-wear departments in discount department stores; it operates 33 departments in eight states, principally in the Midwest. Of the net proceeds of its sale of additional shares, \$300,000 will be used for the purchase and installation of new fixtures, furnishings and equipment in six new departments opened and scheduled to be opened in 1969; an additional \$800,000 will be expended to purchase the inventory required to stock these departments. The balance will be added to working capital. The company now has outstanding 153,694 shares of common and 150,000 shares of Class B common stock. Sam Hipsh, president, and Charles Hipsh, board chairman, own 50% each of the Class B common, and Sam Hipsh owns 24.4% and management officials as a group 30.8% of the common. Sam Hipsh proposes to sell 37,500 common shares and the estate of Carl Hipsh, deceased, all of its holdings of 37,500.

**DATA COMMAND TO SELL STOCK.** Data Command Ltd., 24 West 45th St., New York, filed a registration statement (File 2-32881) with the SEC on May 1 seeking registration of 200,000 shares of common stock, to be offered for public sale at \$2.50 per share. No underwriting is involved; participating NASD members will receive a 20¢ per share selling commission.

The company was organized under New York law in September 1968 for the purpose of engaging in the business of selling various types of business forms. A wholly-owned subsidiary, organized in 1964, is engaged in the business of manufacturing and selling inked ribbons. Of the net proceeds of its stock sale, \$150,000 will be used for expansion of the company's sales force; the balance will be added to working capital and used for general corporate purposes. The company has outstanding 600,000 common shares (with an equity deficiency of about 1¢ per share), of which Gene Schechter, president, owns 50% and management officials as a group 64%. Purchasers of the shares being registered will sustain an immediate dilution of \$1.91 per share from the offering price.

**TRADING IN PARVIN/DOHRMANN SUSPENDED.** The SEC today announced that it had ordered the temporary suspension of exchange and over-the-counter trading in securities of Parvin/Dohrmann Company for the ten-day period May 6 to 15, 1969, inclusive. The common and preferred stocks of the company are listed on the American Stock Exchange (Amex) and on April 24, 1969 the Amex halted trading in said securities. The trading halt has been continued to date. The market price of Parvin/Dohrmann common stock increased from approximately \$35 a share in September 1968 to approximately \$126 in April 1969.

The Commission's action was taken because of the absence of adequate information concerning the facts and circumstances surrounding a change in control of Parvin/Dohrmann announced in October 1968, the company's acquisition program, the accuracy and completeness of filings made with the Commission by the company and certain transactions in the securities of Parvin/Dohrmann by insiders and other persons. These matters have a material bearing as to whether shareholders and prospective investors can make informed investment decisions with respect to the securities of Parvin/Dohrmann. The Amex has been requested to provide the Commission with all pertinent information it has developed in its recent inquiry to facilitate the Commission's inquiry into these matters.

**CLARIFICATION RE AIRSECO OFFERING.** In the SEC News Digest of May 5, page 5, the information concerning the anticipated use of proceeds of the sale of stock by Airseco, Inc., of Ft. Lauderdale, Fla., was based upon the offering of a minimum of 300,000 shares the underwriting for which was on a "firm commitment" basis. If the company sells the remaining 200,000 shares being offered on a "best efforts" basis, it will use about \$350,000 for the acquisition of land in the Bahamas and/or for the acquisition of a business or businesses, \$150,000 as down payments on the purchase by Airseco of additional airplanes to be leased to its subsidiaries and a like amount for the purchase of additional airplanes to be leased to companies other than its subsidiaries, and the balance for working capital and other purposes, including advertising and promotion.

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

Cubic Corporation, San Diego, Calif. 92123 (File 2-32871) - 50,000 shares  
MEM Company, Inc., Northvale, N. J. 07647 (File 2-32874) - 30,000 shares  
Armour-Dial, Inc., Chicago, Ill. 60611 (File 2-32875) - 200,000 shares

**COLUMBIA GAS RECEIVES ORDER.** The SEC has issued an order under the Holding Company Act (Release 35-16363) with respect to the issuance by The Columbia Gas System, Inc., New York holding company, of up to \$100,000,000 of promissory notes to banks as authorized by the Commission on February 25 (Release 35-16295). Such notes were to be subordinated to Columbia's debentures authenticated and delivered under its Indenture dated June 1, 1950. Columbia now proposes that such notes also be subordinated to its debentures authenticated and delivered under its Indenture dated June 1, 1961.

**SECURITIES ACT REGISTRATIONS. Effective May 5:** American Financial Corp., 2-32691; The Brush Beryllium Co., 2-32565; Bunker-Ramo Co., 2-32621 (40 days); Communications, Inc., 2-31320 (90 days); Defensive Instruments, Inc., 2-30773 (90 days); Hartfield-Zody's, Inc., 2-32534 (June 14); Hydrometals, Inc., 2-32470 (40 days); Interco Inc., 2-31797 (40 days); International Telephone & Telegraph Corp., 2-32856; Jefferson Stores, Inc., 2-29649; Jeta Power, Inc., 2-31410 (June 14); Kentucky Fried Chicken Corp., 2-32300 (Aug 4); Patrick Oil & Gas Co., 2-32027 (90 days); Pennsylvania Electric Co., 2-32078 (40 days); Roper Corp., 2-32563 (40 days); Scovill Manufacturing Co., 2-32716.

**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.