

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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CAUTION URGED ON NORTH SLOPE PETROLEUM DISCOVERIES. The SEC expressed its concern with the effect which publicity being given the oil and gas discoveries in the North Slope area of Alaska may have upon public investors. Such publicity may stimulate public interest and give rise to estimates of potential values beyond justification by the factual information now available. Before petroleum produced in the area may appear in world markets complicated problems in exploration, operations, transportation and marketing must be favorably resolved and several years may pass.

Accordingly, the Commission cautioned that investors should proceed with extreme care in reaching any investment decision on the basis of the published releases and news articles concerning oil exploration and development on the North Slope. This area covers not one but several geological structures none of which has been fully explored by drilling; and dry holes have been drilled on the North Slope. It observed, among other things, that uncertainties arising from lack of information, as well as the problems referred to above, render premature any estimates of quantities of petroleum deposits which can be economically produced, or of profits which may result from their exploration and development. (Rel. 33-5016)

INTEGRATED MEDICAL SERVICES PROPOSES OFFERING. Integrated Medical Services, Limited, 24370 Northwestern Highway, Southfield, Mich. 48075, filed a registration statement (File 2-34988) with the SEC on October 8 seeking registration of 125,000 shares of common stock with redeemable warrants to purchase 62,500 common shares, to be offered for public sale in units, each consisting of two shares and one warrant. The offering is to be made at \$12 per unit by Jaffee & Co., 50 Broadway, New York, N. Y., which will receive a \$1.20 per unit commission plus \$17,500 for expenses. The company has agreed to sell the Jaffee firm, for \$125, six-year warrants to purchase 12,500 shares, exercisable after one year at \$6 per share.

The company was organized in July for the purpose of engaging in the business of offering general management services on a fee basis to the owners or operators of medical facilities. Of the net proceeds of its stock sale, \$200,000 will be used for salaries and \$100,000 for the initial start of a medical equipment leasing business; the balance will be added to the company's working capital and used for general corporate purposes. The company has outstanding 550,000 common shares, of which Dr. Raymond Stoller, president and board chairman, owns 69% and management officials as a group 83%.

BG&OCO. MANAGEMENT CO. PROPOSES OFFERING. BG&OCO. Management Company, 2150 Franklin St., Oakland, Calif. 94612, filed a registration statement (File 2-34990) with the SEC on October 8 seeking registration of \$15,000,000 of participating interests in 1970 Buttes Gas and Oil Exploration Program (the "Program"), to be offered for public sale at \$10,000 per interest. No underwriting is involved; participating broker-dealers will receive a 5% selling commission. The Program will engage in exploration for oil and gas reserves. Buttes Gas & Oil Co. will act as operating agent. John Boreta is president of BG&OCO.

MAMA TINO TO SELL STOCK. Mama Tino, Inc., 2014 Harrison St., Hollywood, Fla. 33020, filed a registration statement (File 2-34992) with the SEC on October 8 seeking registration of 250,000 shares of common stock, to be offered for public sale at \$10 per share. The offering is to be made through underwriters headed by Orvis Brothers & Co., 30 Broad St., New York, N. Y. 10004, which will receive a 90¢ per share commission plus \$10,000 for expenses. The company has agreed to sell the underwriters, for \$250, five-year warrants to purchase 25,000 shares, exercisable after one year at 115% of the offering price.

Organized in April 1968, the company is primarily engaged in the operation of restaurants, which it is developing into a group or chain operating under its name. Of the net proceeds of its stock sale, \$1,000,000 will be used for real estate acquisitions, \$400,000 for construction and remodeling and \$200,000 for employment and training of additional personnel; the balance will be added to the company's working capital. In addition to indebtedness, the company has outstanding 896,950 common shares (with a 62¢ per share net tangible book value), of which Coleman R. Rosenfield, board chairman, and Nicholas J. Fiorentino, president, owns 26% each. Purchasers of the shares being registered will acquire a 22% stock interest in the company for their investment of \$2,500,000*; the present shareholders will then own 78%, for which they will have paid \$854,178 plus services and certain assets.

R G BARRY FILES FOR OFFERING AND SECONDARY. R. G. Barry Corporation, 78 East Chestnut St., Columbus, Ohio 43215, filed a registration statement (File 2-34993) with the SEC on October 8 seeking registration of 145,000 shares of common stock, of which 125,000 are to be offered for public sale by the company and 20,000 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters headed by Francis I. duPont, A. C. Allyn, Inc., One Wall St., New York, New York, 10005; the offering price (\$20 per share maximum*) and underwriting terms are to be supplied by amendment.

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The company is engaged in the design and manufacture of slippers and other comfort footwear for women. Of the net proceeds of its sale of additional stock, \$300,000 will be used to reimburse its treasury for initial payment on the acquisition of Bernardo Sandals, Inc. and \$250,000 to purchase equipment for an additional plant expected to open in 1970; 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 879,116 common shares, of which Harry Streim, board chairman, owns 15.27, management officials as a group 31.7% and Florence Zacks Melton 15.9%. Streim proposes to sell 10,000 shares of 133,678 shares held, Gordon Zacks (president) and Barry Zacks (vice president) 5,000 shares each of 52,193 and 40,880 shares held, respectively.

GRANITE MANAGEMENT SERVICES SHARES IN REGISTRATION. Granite Management Services, Inc., 500 Old Country Road, Garden City, L. I., N. Y. 11530, filed a registration statement (File 2-35994) with the SEC on October 8 seeking registration of 1,014,334 shares of common stock. Of these shares, 411,997 shares are issuable upon conversion of \$15,000,000 of 6½% 15-year convertible bonds of 1969 ("Eurodollar Bonds") issued by a subsidiary, 500,000 are issuable to Western American Bank (Europe) Limited upon conversion of a \$15,000,000 promissory note and 102,337 are issuable upon exercise of certain warrants held by Banque de Paris et des Pays-Bas (Suisse) S.A.

The company is a diversified services organization concentrating in the leasing of both equipment and IBM system/360 computers. Net proceeds received by the company upon exercise of the warrants will be added to its working capital and used for general corporate purposes. In addition to indebtedness, it has outstanding 2,005,524 common shares. Jack P. Miner is board chairman and Harvey Granat president.

CHASE INSTITUTIONAL INVESTORS PROPOSES OFFERING. Chase Institutional Investors of Boston, Inc. (the "Fund"), 535 Boylston St., Boston, Mass. 02116, filed a registration statement (File 2-34995) with the SEC on October 8 seeking registration of 2,000,000 shares of common stock, to be offered for public sale at net asset value (\$10 per share maximum*) plus a sales charge of 7.9% on purchases of less than \$25,000. The fund is a diversified, open-end investment company, designed to seek capital appreciation for organizations which are exempt from Federal income tax under Section 501 of the Internal Revenue Code or under any other provision of the Code or other Federal law. John P. Chase, Inc., wholly-owned subsidiary of Continental Investment Corporation, will act as investment adviser and Chase Distributors Corporation, wholly-owned subsidiary of the adviser, will act as distributor of the Fund's shares. John P. Chase is board chairman of the Fund and of the adviser and William J. Kirk is president of the Fund and vice chairman of the adviser.

AMP FILES FOR SECONDARY. AMP Incorporated, Harrisburg, Pa. 17105, and Pamcor, Inc., Banco Popular Building, San Juan, Puerto Rico 00905, filed a registration statement (File 2-34996) with the SEC on October 9 seeking registration of 325,000 outstanding shares of common stock of AMP (whose certificates also represent a proportional beneficial interest in the common stock of Pamcor Inc.), to be offered for public sale by the present holders thereof. The offering is to be made through underwriters headed by Kidder, Peabody & Co., 20 Exchange Place, and Blyth & Co., Inc., 14 Wall St., both of New York, N. Y. 10005; the offering price (\$54 per share maximum*) and underwriting terms are to be supplied by amendment.

AMP with its subsidiaries and its affiliate, Pamcor, is a designer and producer of electrical connection devices and the application tooling to attach these devices to electric conductors, which are sold for use in the manufacture, maintenance, repair and modernization of the products and equipment of certain industries. AMP has outstanding 12,238,834 common shares. Midland Investment Company proposes to sell 275,000 AMP shares of 2,359,968 shares held (19.29%) and U. A. Whitaker, board chairman, 50,000 of 961,390 (7.86%). S.S. Auchincloss is president.

ADVANCED COMPUTER SYSTEMS TO SELL STOCK. Advanced Computer Systems Inc., Beaver Hill North, Jenkintown, Pa., filed a registration statement (File 2-34997) with the SEC on October 9 seeking registration of 100,000 shares of common stock, to be offered for public sale at \$5 per share. The offering is to be made on a "best efforts" basis by R. A. Wolk & Co., Inc., 405 Lexington Ave., New York 10017, which will receive a 50¢ per share selling commission plus \$12,500 for expenses. The company has agreed to sell the underwriter, for \$100, five-year warrants to purchase 10,000 shares, exercisable after one year at a price 10% above the offering price.

Organized in June, the company proposes to provide computer-related consulting and services to users and manufacturers of computers. It also proposes to offer services which apply the technology of electronic computers to business systems and related problems. Of the net proceeds of its stock sale, \$216,000 will be used for salaries; the balance will be added to the company's working capital and used for general corporate purposes. The company has outstanding 236,000 common shares (with a 14¢ per share net tangible book value), of which Steven Brody, president, and Dr. Stanford Bazilian, secretary-treasurer, own 21% each and management officials as a group 64%. Purchasers of the shares being registered will acquire a 29.7% stock interest in the company for their investment of \$500,000 (they will sustain an immediate dilution of \$3.67 in per share book value from the offering price); the present shareholders will then own 70.3%, for which they will have paid \$32,950, or an average of 14¢ per share.

HUNTINGTON BANCSHARES PROPOSES EXCHANGE OFFER. Huntington Bancshares Incorporated, 17 S. High St., Columbus, Ohio 43215, filed a registration statement (File 2-34998) with the SEC on October 9 seeking registration of 150,869 shares of common stock. It is proposed to offer these shares in exchange for all the outstanding shares of capital stock of The Bank of Wood County Company, at the rate of 1.6 shares for each Wood County Bank share held. Effectiveness of the exchange offer is contingent upon acceptance by holders of at least 80% of the outstanding shares of Wood County Bank.

Bancshares is a bank holding company and controlling shareholder of four Ohio banks. It has outstanding 1,162,535 common shares, of which management officials as a group own 11.191%. Clair E. Fultz is president.

FIRST RESTAURANT CORP. TO SELL STOCK. First Restaurant Corporation, 2 Corporate Park Drive, White Plains, N. Y. 10602, filed a registration statement (File 2-34999) with the SEC on October 9 seeking registration of 150,000 shares of common stock, to be offered for public sale through underwriters headed by Pyne, Kendall & Hollister, 37 Wall St., New York. The offering price (\$5 per share maximum*) and underwriting terms are to be supplied by amendment. The company has agreed to pay the underwriters \$15,000 for expenses and has sold 15,000 shares to the Pyne firm at \$2.50 per share.

Organized in October 1968, the company proposes to establish at various locations in the United States restaurants designed to serve meals and beverages in dining rooms and cocktail lounges, most of which will operate under the name "1776". Net proceeds of its stock sale will be used to increase the company's general funds from which investments will be made in partially-owned and wholly-owned subsidiaries. In addition to indebtedness, the company has outstanding 285,833 common shares, of which Walter J. Wright, president, and Richard F. Fuhr, executive vice president, own 18.6% each.

DUQUESNE LIGHT TO SELL PREFERRED STOCK. Duquesne Light Company, 435 Sixth Ave., Pittsburgh, Pa., filed a registration statement (File 2-35000) with the SEC on October 9 seeking registration of 300,000 shares of cumulative preferred stock (\$50 par, \$100 involuntary liquidation value), to be offered for public sale through underwriters headed by The First Boston Corporation, 20 Exchange Place, New York 10005. The offering price (\$100 per share maximum*) and underwriting terms are to be supplied by amendment. An electric utility, the company will use the net proceeds of its stock sale to retire a portion of short term notes payable, issued for the purpose of financing construction expenditures. Construction expenditures of the company are estimated at \$385 million for the period 1969-1973.

TELEPHONE UTILITIES FILES FOR OFFERING AND SECONDARY. Telephone Utilities, Inc., Ilwaco, Wash. 98624, filed a registration statement (File 2-35001) with the SEC on October 9 seeking registration of 831,022 shares of common stock, of which 750,000 are to be offered for public sale by the company and 81,022 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters headed by Blyth & Co., Inc., Russ Building, San Francisco, Calif. 94104; the offering price (\$18 per share maximum*) and underwriting terms are to be supplied by amendment. A telephone holding company, the company will use part of the net proceeds of its sale of additional stock to reduce some \$5,587,000 of short-term loans incurred to provide equity advances to subsidiaries and to finance the acquisition of telephone properties; part will be applied to the \$2,875,000 purchase price of the acquisition of the Montesano and Elma exchanges by McCleary Telephone Company, Inc., a subsidiary, and part to the \$2,750,000 purchase price of the Cheney Telephone Company. In addition to indebtedness and preferred stock, the company has outstanding 1,396,242 common shares, of which B. Lamar Gaines owns 11.4% and management officials as a group 11.4%. Gaines proposes to sell 29,128 shares of 159,367 shares held and 10 others the remaining shares being registered. Norman A. Howerton is president.

C&S FUND PROPOSES OFFERING. The C&S Investment Fund, 35 Broad St., Atlanta, Ga. 30303, filed a registration statement (File 2-35003) with the SEC on October 9 seeking registration of 100,000 units of participation, to be offered for public sale at net asset value with no sales charge (\$110 per unit maximum*), with a minimum participation of \$5,000. The Fund was organized by The Citizens and Southern National Bank to make its investment advisory services available to a larger number of customers. Its investment policy is to invest in securities which offer the opportunity for long-term growth of capital and of income. The Fund is managed by the Bank. Mills B. Lane is chairman of the Committee which supervises the Fund and is president of the Bank.

COMPUTING & SOFTWARE FILES FOR OFFERING AND SECONDARY. Computing & Software, Inc., 1900 Bldg., Century City, Los Angeles, Calif. 90067, filed a registration statement (File 2-35004) with the SEC on October 10 seeking registration of 627,468 shares of common stock, of which 50,000 are to be offered for public sale by the company and 577,468 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith, 70 Pine St., and White, Weld & Co., 20 Broad St., both of New York 10005; the offering price (\$55 per share maximum*) and underwriting terms are to be supplied by amendment.

Organized in January 1966 as a subsidiary of Whittaker Corporation to acquire from another subsidiary of Whittaker a computing and data processing business established in 1947, the company provides information services, financial services, and education and personnel services and manufactures and sells technical products. Net proceeds of its sale of additional stock will be added to the company's working capital and used for general corporate purposes. In addition to indebtedness and preferred stock, the company has outstanding 3,431,640 common shares, of which Whittaker owns 30.2% and management officials as a group 5.3%. Whittaker proposes to sell 300,000 shares of 1,035,600 shares held and 22 others the remaining shares being registered. William M. Duke is board chairman and Norman E. Friedmann president.

GILFORD INSTRUMENT TO SELL STOCK. Gilford Instrument Laboratories Inc., 132 Artino St., Oberlin, Ohio 44074, filed a registration statement (File 2-35005) with the SEC on October 10 seeking registration of 120,000 shares of common stock, to be offered for public sale through underwriters headed by Fulton, Reid & Staples, Inc., 2100 East Ohio Bldg., Cleveland, Ohio 44114. The offering price (\$22 per share maximum*) and underwriting terms are to be supplied by amendment.

The company designs, manufactures and sells scientific instruments for use in the fields of science, medicine and industry. Of the net proceeds of its stock sale, \$500,000 will be used to finance construction of new facilities for the company's research and development and engineering operations, and \$700,000 for expansion of its manufacturing facilities; the balance will be added to the company's general funds and will be available for general corporate purposes, including working capital. The company has outstanding 1,398,440 common shares, of which Saul R. Gilford, president, owns 30.86%.

BOSTON COMPUTER GROUP TO SELL STOCK. The Boston Computer Group, Inc., 15 School St., Boston, Mass. 02108, filed a registration statement (File 2-35006) with the SEC on October 10 seeking registration of 150,000 shares of common stock, to be offered for public sale at \$17.50 per share. No underwriting is involved.

The company was organized in 1968 and has seven subsidiaries engaged in computer software activities. It plans to utilize its existing nationwide network of computer software sale representatives, together with additional representatives, in the sale of used computer systems. Of the net proceeds of the company's stock sale, \$350,000 will be used to purchase an inventory of computer systems and components for its subsidiary, American Used Computer Corporation and \$50,000 for that subsidiary's working capital, \$50,000 for its advertising and sales promotion and \$50,000 for it to purchase computer equipment, systems design and software for internal control of the company; the balance will be used for working capital. In addition to preferred stock, the company has outstanding 900,300 common shares (with a negative book value of 5c per share), of which Dr. William L. Gordon, board chairman, Adolf F. Monosson, president, and William S. Grinker, executive vice president, own 33.3% each. Purchasers of the shares being registered will acquire a 14.3% stock interest in the company for their investment of \$2,625,000; the present shareholders will then own 85.7%, for which they will have paid \$9,000.

METROPOLITAN LIFE SEEKS ORDER. The SEC has issued an order under the Investment Company Act (Release IC-5853) giving interested persons until October 31 to request an order with respect to the application of Metropolitan Life Insurance Company and Metropolitan Variable Account A, New York, for exemption from certain provisions of the Act. Metropolitan Life, a mutual life insurance company, established Separate Account A as the vehicle to which it intends to allocate, after certain deductions, Separate Account payments received under Flexible-Purchase Variable Annuity Contracts proposed to be offered by Metropolitan Life.

AFFILIATED FUND RECEIVES ORDER. The SEC has issued an exemption order under the Investment Company Act (Release IC-5854) permitting Affiliated Fund, Inc., New York mutual fund, to issue its shares at their net asset value in exchange for the assets of Rich Motor Company.

MIDDLE SOUTH UTILITIES RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16497) upon application of Middle South Utilities, New York holding company, and Louisiana Power & Light Company, its New Orleans subsidiary. Middle South has outstanding \$29,000,000 of unsecured promissory notes, issued to two banks, which mature in October and December 1969. Middle South proposes to make additional borrowings of \$12,000,000, of which not in excess of \$10,000,000 may be in the form of commercial paper (to be sold to A. G. Becker & Co.) and to refinance the \$29,000,000 of promissory notes with new notes of the same amount but maturing June 30, 1970. It will use the proceeds of the additional borrowings to purchase 2,280,000 shares of common stock of Louisiana P&L for \$10,000,000 and to partially replenish Middle South's treasury for \$2,500,000 of loans heretofore made to its subsidiary, Middle South Services, Inc. Louisiana P&L will use the proceeds of its sale of additional stock to pay off short term promissory notes.

SCOTT SECURITIES ENJOINED. The SEC Atlanta Regional Office announced October 15 (LR-4445) that the Federal court in Birmingham, Ala., has permanently enjoined Scott Securities Corporation, a Birmingham broker-dealer firm, and its president, Harold Wood Scott, from violating the Commission's net capital rule. The defendants consented to the court order of injunction.

GEMMA SECURITIES ENJOINED. The SEC Boston Regional Office announced October 15 (LR-4446) that the Federal court in Boston has preliminarily enjoined violations of the Commission's net capital and record-keeping rules by Gemma Securities, Inc., Worcester, Mass. broker-dealer firm, and Joseph Gemma, Jr., its president. The court also continued the appointment of Matthew R. McCann as receiver for the firm.

SEC COMPLAINT NAMES BEAU-MILLER PRODUCTIONS. The SEC Fort Worth Regional Office announced October 16 (LR-4447) the filing of a complaint with the Federal court in Shreveport, La., seeking to enjoin violations of the Securities Act anti-fraud provisions by Beau-Miller Productions, Inc., Morgan City, La., Lonnie M. McInnis, Blanchard, La., John W. Myers (of Winter Park, Fla.), Warren J. Ditch, Morgan City, La., and Beverly J. Boudreaux, Monroe, La., in the offer and sale of Beau-Miller Productions stock.

SECURITIES ACT REGISTRATIONS. Effective October 17: The May Department Stores Co., 2-34957; National Information Systems Corp., 2-33922 (90 days); NVF Co., 2-29287 (40 days); The St. Paul Companies, Inc., 2-34711 (Nov 26); White Shield Oil and Gas (Canada) Ltd., 2-34039 (90 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.