

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

Brief summary of financial proposals filed with and actions by the S.E.C.



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FOR RELEASE November 24, 1969

V E ANDERSON CO. SUSPENDED. The SEC today announced a decision under the Securities Exchange Act (Release 34-8755) suspending the Salt Lake City brokerage firm of V. E. Anderson & Co. from trading activities on the Salt Lake Stock Exchange for a 60-day period, commencing November 24, for violations of the Securities Act registration provisions in the offer and sale of stock of Mountain States Development Company Inc., during the period December 1967 to August 1968. V. E. Anderson, a general partner of the firm, was suspended for a like period from association with any broker or dealer. Both Anderson and the Anderson firm waived a hearing, admitted the violations and consented to the 60-day suspension order.

ORDER BARS GERALD GORDON. The SEC today announced the issuance of an order under the Securities Exchange Act (Release 34-8756) barring Gerald Gordon, of Brooklyn, N. Y., from further association with any broker, dealer, investment adviser or investment company, by reason of violations of provisions of the Investment Advisers Act. Gordon consented to the bar order, but without admitting or denying the violations. The Commission found that Gordon violated the Act in the purchase and sale of 16 securities recommended for purchase in the investment advisory services of two registered investment advisers during the period June 1967 through December 1968. Within the several weeks before and up to the day of the publication of articles containing such recommendations, respondent, then associated with a registered broker-dealer firm, knowing that the articles were about to be published, made purchases through such firm for the accounts of certain persons, including members of his family and close friends, of the securities being so recommended. Shortly after the publication and dissemination of the articles and the resulting rise in price of these securities, respondent sold such securities through the firm on behalf of the persons described above. (For further details, see News Digest of October 24 re Steiner, Rouse & Co., Inc., et al).

BLACK SANDS METALS OFFERING SUSPENDED. The SEC today announced (Release 33-5024) that its June 23 order temporarily suspending a Regulation A exemption from Securities Act registration with respect to a proposed public offering of 42,500 shares of common stock by Black Sands Metals, Inc., of Salem, Oregon, at \$3 per share, has been made permanent. It was alleged in the earlier order that the company's notification and offering circular contained materially untrue and misleading statements concerning (among other things) the extent and results of prior exploratory work and operations on the company's properties and the amount of gold to be produced in 1969 and 1970. After requesting a hearing, the company withdrew its request for a hearing and consented to entry of a permanent suspension order.

E A WHORL ENTERS GUILTY PLEA. The SEC today announced (LR-4478) that on November 12 Everett A. Whorl, of Short Hills, N. J., former treasurer of Crescent Corporation, entered a plea of guilty to a charge of violating Regulation U credit restrictions in the purchase of stock of Crescent.

TRADING SUSPENSION CONTINUED. The SEC has ordered the suspension of over-the-counter trading in the securities of Liberty Equities Corporation for the further ten-day period November 25 through December 4, 1969, inclusive.

CONDYNE TO SELL STOCK. Condyne, Inc., 530 Fifth Ave., New York 10036, filed a registration statement (File 2-35412) with the SEC on November 20 seeking registration of 200,000 shares of common stock, to be offered for public sale through underwriters headed by Cummings & Taylor Inc., 24 Broadway, New York 10004. The offering price (\$5 per share maximum*) and underwriting terms are to be supplied by amendment. The company has agreed to pay the Cummings firm \$5,000 for expenses. In October, Cummings & Taylor Profit Sharing Plan purchased 15,000 shares at 20¢ per share and John R. Ahlgren, an officer of the Cummings firm, purchased from a stockholder 5,000 shares for \$1,000.

The company was organized in 1969 to develop and market educational programs recorded on cassette type audio tapes intended to be used primarily in the educational, professional, industrial and commercial markets. Of the net proceeds of its stock sale, \$150,000 will be used for retirement of its 6% subordinated promissory notes, issued to pay an advance license fee to Practising Law Institute ("PLI") and for working capital purposes, \$150,000 for recording fees, production of master tapes and for an inventory of tapes for the PLI programs, \$150,000 for advertising, \$100,000 for possible future advance royalty payments or for test marketing purposes, \$60,000 for an inventory of player/recorders and \$40,000 for computer services; the balance will be used for the company's general corporate purposes. The company has outstanding 1,000,000 common shares, of which Donald S. Condon, president, owns 50% and The Dyson-Kissner Corporation 10%. Purchasers of the shares being registered will acquire a 16.67% stock interest in the company for their investment of \$1,200,000*; the present stockholders will then own 83.33%, for which they paid \$105,000, or an average of 20¢ per share.

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CONNECTICUT L&P PROPOSES FINANCING. The Connecticut Light and Power Company, Selden St., Berlin, Conn., filed a registration statement (File 2-35393) with the SEC on November 19 seeking registration of \$40,000,000 of first and refunding mortgage bonds, Series V, due 2000, and 300,000 shares of preferred stock, Series H (\$50 par), to be offered for public sale at competitive bidding. A wholly-owned subsidiary of Northeast Utilities, the company will use the net proceeds of its financing to reduce some \$55,600,000 of short-term borrowings incurred to finance its construction program and to supply funds for its investments in regional nuclear generating companies. Construction expenditures are estimated at \$123,300,000 for 1970.

ADR'S FOR CALPIS FOOD INDUSTRY FILED. Morgan Guaranty Trust Company of New York, 23 Wall St., New York, N. Y., filed a registration statement (File 2-35401) with the SEC on November 19 seeking registration of 100,000 American Depositary Receipts for dollar validated common stock of The Calpis Food Industry Co., Ltd., (a Japanese corporation).

INTERGEM INDUSTRIES PROPOSES OFFERING. Intergem Industries, Inc., 580 5th Ave., New York, N. Y. 10036, filed a registration statement (File 2-35402) with the SEC on November 19 seeking registration of \$300,000 of convertible subordinated debentures, due 1979, and 100,000 shares of common stock, to be offered for public sale in units, each consisting of a \$300 debenture and 100 shares. The offering is to be made at \$900 per unit through underwriters headed by Gardner Securities Corporation, 15 William St., New York, N. Y. 10005, which will receive a \$90 per unit commission. The company has agreed to pay the Gardner firm \$20,000 for expenses and to sell it 10,000 shares for \$100, non-transferable for one year.

The company was organized in July as a holding company. It proposes to purchase all the outstanding shares of Gem East Corporation, which is engaged in the manufacture and wholesale marketing of fine jewelry under the name Northwest Jewelers. Of the net proceeds of its financing, up to \$600,000 will be used to purchase the outstanding shares of Gem East; the balance will be added to the company's working capital and used for general corporate purposes. The company has outstanding 138,750 common shares (with a 7¢ per share net tangible book value), of which Sane N. Hoffert, president, owns 90.09% and management officials as a group 100%. Purchasers of the shares being registered will sustain an immediate dilution of \$5.40 in per share book value from the offering price.

PRESLEY DEVELOPMENT TO SELL DEBENTURES. Presley Development Company, 4500 Campus Drive, Newport Beach, Calif. 92660, filed a registration statement (File 2-35403) with the SEC on November 20 seeking registration of \$3,000,000 of 6% convertible subordinated debentures, due 1979, to be offered for public sale at 100% of principal amount. The offering is to be made through underwriters headed by Command Securities Inc., 4600 Campus Drive, Newport Beach, Calif. 92660, which will receive a 6½% commission.

The company is engaged primarily in mass producing and selling homes in Southern California. Net proceeds of its debenture sale will be added to the company's working capital and used, among other things, to improve its capability to go into new geographical areas and enter into new projects without participation of partners. In addition to indebtedness, the company has outstanding 820,984 common shares, of which Randall E. Presley, board chairman and president, owns 64.9% and management officials as a group 74.8%.

POLLUTION CONTROL CONSULTANTS TO SELL STOCK. Pollution Control Consultants, Inc., 794 West 84th St., Hialeah, Fla. 33014, filed a registration statement (File 2-35404) with the SEC on November 20 seeking registration of 150,000 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 through Charles Beck & Co., Inc., 51 East 42nd St., New York, N. Y., which will receive a 50¢ per share selling commission plus \$22,000 for expenses. The company has agreed to sell the underwriter, for \$150, five-year warrants to purchase up to 15,000 shares, exercisable after 13 months at \$5 per share.

The company was organized in December 1967 for the primary purpose of engaging in the pollution control business. Of the net proceeds of its stock sale, \$85,000 will be used to repay a bank loan, \$85,000 to employ additional personnel and \$100,000 to acquire by lease or purchase additional analytical and chemical laboratory equipment; the balance will be added to the company's working capital and used for general corporate purposes. The company has outstanding 225,000 common shares (with a 33¢ per share book value), of which Mario F. Rivera, Jr., president and board chairman, owns 50% and management officials as a group 93%. Purchasers of the shares being registered will acquire a 40% stock interest in the company for their investment of \$750,000 (they will sustain an immediate dilution of \$3.17 in per share book value from the offering price); the present shareholders will then own 60%, for which they will have paid \$90,700.

ISI VENTURE FUND PROPOSES OFFERING. ISI Venture Fund, Inc., 100 California St., San Francisco, Calif., filed a registration statement (File 2-35405) with the SEC on November 19 seeking registration of 2,000,000 shares of common stock, to be offered for public sale at net asset value plus an 8.5% sales charge on purchases of less than \$25,000. The Fund is a diversified open-end investment company whose investment objective is to seek growth of capital through long term investment with limited short-term trading supplemented by employment of certain speculative investment techniques (leverage, short sales, and purchase of put and call options written by others and warrants). ISI Corporation will act as investment adviser and ISI Sales Corporation, a wholly-owned subsidiary of the adviser, as principal distributor of Fund shares. Elwood Murphey is president of the Fund and of the adviser.

CROWN FUNDING FILES FOR OFFERING. Crown Funding Corporation, 44 Montgomery St., San Francisco, Calif. 94108, filed a registration statement (File 2-35406) with the SEC on November 20 seeking registration of \$3,000,000 of Programs coordinating the acquisition of mutual fund shares and life insurance. The company is a wholly-owned subsidiary of Crown Capital Management. Crown Capital also owns all the outstanding shares of Crown Insurance Services, engaged in the sale of life and accident and health insurance, and Crown Securities Corporation, a broker-dealer firm whose principal activity is the sale of mutual funds. Robert Peet is president of Crown Funding; he owns 45% of the outstanding common stock of its parent.

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ON-SITE ENERGY SYSTEMS TO SELL STOCK. On-Site Energy Systems Corp., 654 Madison Ave., New York, N. Y., filed a registration statement (File 2-35407) with the SEC on November 20 seeking registration of 150,000 shares of common stock, to be offered for public sale through Kordich, Victor & Neufeld, 40 Exchange Place, New York, N. Y. 10005. The offering price (\$10 per share maximum*) and underwriting terms are to be supplied by amendment. The company has agreed to pay the underwriter \$12,000 for expenses and to sell it, for \$150, a five-year warrant to purchase 15,000 shares.

Organized in 1968, the company intends to engage directly and through contractors in designing, installing, owning, leasing, operating and maintaining On-Site Energy Systems to be installed in industrial plants, apartment and office building complexes and enclosed mall shopping centers. Net proceeds of its stock sale will be used as a portion of the financing for equipment, for the design and installation of On-Site Systems and for working capital purposes. The company has outstanding 835,000 common shares, of which Irving Jahre, president, owns 835,000 shares (84.8%), which he acquired at a cost of \$281,654.

TETRAHEDRON ASSOCIATES TO SELL STOCK. Tetrahedron Associates, Inc., 7969 Engineer Road, San Diego, Calif. 92111, filed a registration statement (File 2-35411) with the SEC on November 20 seeking registration of 72,000 shares of common stock, to be offered for public sale at \$6 per share. The offering is to be made on a best efforts basis through Davis Securities Co., Inc., 50 Broadway, New York, which will receive a 60¢ per share selling commission plus \$15,000 for expenses. The company has agreed to sell the underwriter, for \$72, six-year warrants to purchase 7,200 shares exercisable after 13 months at \$6.60 per share, to pay up to \$5,000 to Eugene Cobert for his services as a finder and to sell him like warrants to purchase 1,500 shares. Also included in this statement are 4,000 outstanding shares, which may be offered for sale from time to time by the present holders thereof at prices current at the time of sale.

Organized in May, the company is engaged in the research and development of instruments used in the manufacture of plastics, including a dielectric heater for curing plastics and an automatic dielectrometer, which electronically monitors changes within polymers as they are processed. Of the net proceeds of its stock sale, \$75,000 will be used to purchase electronic, machine shop and plastics laboratory support equipment, \$100,000 for development and use of a marketing program and sales promotion campaign for sales of the dielectric heat and automatic dielectrometer, and \$125,000 for research and development; the balance will be added to the company's working capital and used for general corporate purposes. The company has outstanding 168,000 common shares (with an 8¢ per share book value), of which Stanley A. Yalof, president and board chairman, owns 35.2% and management officials as a group 70.5%. Purchasers of the shares being registered will acquire a 50.7% stock interest in the company for their investment of \$432,000 (they will sustain an immediate dilution of \$4.46 in per share book value from the offering price); the present shareholders will then own 49.3%, for which they paid \$8,000. Sixteen persons may sell from 100 to 500 shares each.

ADR'S FOR HITACHI KOKI FILED. Morgan Guaranty Trust Company of New York, 23 Wall St., New York, filed a registration statement (File 2-35410) with the SEC on November 20 seeking registration of 100,000 American Depositary Receipts for dollar validated common stock of Hitachi Koki Co., Ltd. (a Japanese corporation).

ADR'S FOR FUJITSU FILED. Morgan Guaranty Trust Company of New York, 23 Wall St., New York, filed a registration statement (File 2-35409) with the SEC on November 20 seeking registration of 100,000 American Depositary Receipts for dollar validated common stock of Fujitsu Limited (a Japanese corporation).

ALEXANDER'S FILES FOR OFFERING AND SECONDARY. Alexander's, Inc., East 58th St., and Lexington Ave., New York 10022, filed a registration statement (File 2-35408) with the SEC on November 20 seeking registration of 554,940 shares of common stock, of which 200,000 are to be offered for public sale by the company and 354,940 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters Lazard Freres & Co., 44 Wall St., New York, and two other firms; the offering price (\$30 per share maximum*) and underwriting terms are to be supplied by amendment.

The company (formerly Farbo Corporation) operates eight department stores. Net proceeds of the company's sale of additional stock will be added to its general funds and will be available for working capital and other corporate purposes, including the temporary financing of real property acquisitions. In addition to indebtedness, the company has outstanding 4,211,548 common shares, of which Alexander Farkas, president, owns 9.1% and management officials as a group 27.9%. Robin L. Farkas (treasurer) proposes to sell 148,000 shares of 448,831 shares held, Bruce R. Farkas (vice president) 48,000 of 448,832, Alexander Farkas 41,000 of 441,311 and 30 others the remaining shares being registered.

MOHASCO PROPOSES EXCHANGE OFFER. Mohasco Industries, Inc., 57 Lyon St., Amsterdam, N. Y., 12010, filed a registration statement (File 2-36413) with the SEC on November 20 seeking registration of 747,069 shares of common stock. It is proposed to offer these shares in exchange for shares of common stock of William Volker & Company, at the rate of 1.18 Mohasco shares for each Volker share. Pursuant to an exchange offer of November 6, Mohasco acquired 316,954 shares (51.1%) of Volker common stock (together with outstanding preferred) in a private transaction from certain Volker stockholders. Effectiveness of the exchange offer is contingent upon acceptance by a sufficient number of holders of Volker stock so that Mohasco will have acquired at least 80% of Volker's outstanding common stock.

Mohasco manufactures and distributes carpets, carpet cushions and furniture. Volker distributes house furnishings at wholesale in Western and Southwestern United States, and manufactures certain furniture products which it sells nationally through its own distribution centers and through independent distributors. In addition to indebtedness and preferred stock, Mohasco has outstanding 4,167,247 common shares. Herbert L. Shuttleworth, 2nd, is president.

SEC ORDER CITES BRAND, GRUMET & SEIGEL. The SEC has ordered administrative proceedings under the Securities Exchange Act of 1934 involving the New York broker-dealer firm of Brand, Grumet & Seigel, Inc. ("BGS"). Also named as respondents were Stanley Seigel, president, Murray Iskoe, vice president, and Raymond Luchansky (the latter, along with Seigel and Iskoe, were registered representatives of BGS from January 1967 through August 1968).

The proceedings are based upon allegations of the Commission's staff that, during the 1967-68 period mentioned, BGS and the individual respondents effected transactions in the common stock of L'Aiglon Apparel, Inc., which is listed on the American Stock Exchange, which violated the anti-manipulative and anti-fraud provisions of the Exchange Act and Commission rules thereunder.

A hearing will be held, pursuant to further order, to take testimony on the staff allegations and afford the respondents an opportunity to defend against the charges, for the purpose of determining whether the allegations are true and, if so, what action of a remedial nature should be ordered by the Commission.

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 November 12 News Digest.

8K for Oct. 1969

Coco Corp (7,13)	1-4514-2	Beaver Creek Ind., Inc	
Geriatric & Medical Ctrs., Inc		(2,7,12,13)	0-3923-2
(11,13)	0-3997-2	Cattaman's Foundation Corp	
Hazeltine Corp		(9)	0-2067-2
(3,13)	1-230-2	Crown Ind., Inc	
Knott Hotels Corp		(7)	1-6029-2
(7,10)	1-1208-2	First Northwest Inns of Amer.	
Terex Corp (Oct)		(11,13)	0-3986-2
(7,9 13)	0-2669-2	Food Resources Inc	
		(12,13)	0-6407-2
Clavier Corp		Hershey Foods Corp	
(1)	0-1780-2	(8,12)	1-183-2
Gray Drug Stores Inc		Orbanco Inc	
(11,13)	1-1387-2	(12,13)	0-3907-2
Washington Natural Gas Co		Rex Chaninbelt Inc	
(3)	0-951-2	(8)	1-373-2
Downe Communications, Inc		Reynolds Metals Co	
(12,13)	0-3666-2	(13)	1-1430-2
Harvest Ind., Inc		Vacu Blast Corp	
(1)	0-3938-2	(2,7,13)	0-3813-2
Hughes & Hatcher Inc		Wetson's Corp	
(7,8,13)	1-3387-2	(12,13)	2-32248-2
Natl. Bellas Hess, Inc		Crystal Oil Co	
(12,13)	1-2389-2	(2,7,11,13)	1-4892-2
Universal Foods Corp		Esquire Radio & Elec. Inc	
(12,13)	0-101-2	(12,13)	1-4408-2
Washington Mills Co		Flinkote Co	
(13)	0-2400-2	(3)	1-2560-2
Welded Tube Co			
(2)	1-5461-2		

SECURITIES ACT REGISTRATIONS. Effective November 21: Aero Mechanism, Inc., 2-32394 (90 days); American General Insurance Co., 2-35279; Churchill Fund, Inc., 2-34547; First Union, Inc., 2-34628; Four Seasons Nursing Centers of America, Inc., 2-34021; Hoerner Waldorf Corp., 2-34975 (40 days); Mavor Systems Corp., 2-32779 (90 days); United Foods, Inc., 2-34973 (40 days); Westco, Inc., 2-35140. Withdrawn November 21: Aevac Inc., 2-32406; Computer Symbolic Inc., 2-31777; Injectronics, Inc., 2-31919; Poseidon Scientific Corp., 2-32050.

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.