

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 Tuesday, December 23, 1969

INSTITUTIONAL TRADING REPORTED. The SEC today reported that financial institutions accumulated more than \$1.8 billion of common stock in the third quarter of 1969. Aggregate purchases were \$10.0 billion and sales were \$8.2 billion. Purchases, sales and net acquisitions were the lowest recorded since the third quarter of 1968.

Trading activity, measured by the common stock activity rate (average of purchases and sales divided by average market value of stockholdings), was at an annual rate of 30.6 percent for the institutional groups covered in this series. This rate can be compared to the second quarter's 34.5 percent, which stands as the record high. However, trading activity in the third quarter still could be termed quite substantial; the activity rate equaled that of the first quarter of this year and was higher than the average quarterly rate of 1968. However, block trading on the NYSE (10,000 shares or more) was still substantial in the third quarter, amounting to \$3.5 billion. Only the first two quarters of 1969 registered a greater amount of block trading than this. During the third quarter, block trading on the NYSE was 15 percent of volume, somewhat higher than in the first half of 1969 and substantially above the 10 percent averaged in 1968. For further details, see Statistical Release No. 2413.

CORPORATE WORKING CAPITAL DROPS. The net working capital of U.S. corporations declined \$1.7 billion in the third quarter of 1969. This was the first decrease in working capital during a quarterly period since 1953; net working capital represents business investment in current assets in excess of current liabilities and at the end of September totaled \$214.6 billion. The third quarter drop in working capital followed an increase of about \$4 billion in the first six months of 1969 and \$13-1/2 billion for the year 1968. Current assets increased \$10.1 billion in the July-September quarter but this was more than offset by an increase of \$11.8 billion in current liabilities. Trade notes and accounts receivable increased substantially in the third quarter, accounting for \$7.6 billion of the increase in assets. Inventories rose \$4.7 billion during the third quarter--about the same as in the first and second quarters of this year--and at the end of September totaled \$178.7 billion. Receivables from the U.S. Government declined \$200 million. Corporate holdings of cash and deposits declined \$1.4 billion in the third quarter and holdings of U.S. Government securities fell \$1.1 billion. For further details, see Statistical Release No. 2412.

OCEANOGRAPHIC VENTURES OFFERING SUSPENDED. The SEC has suspended a Regulation A exemption from Securities Act registration with respect to a proposal of Oceanographic Ventures, Inc., of Miami, Fla., to make a public offering of 60,000 common shares at \$5 per share through Berne Securities Corporation of New York. Ventures was organized in March to produce oceanographic documentary films and assembling and selling underwater lights and hydrostatic testers. In its suspension order, the Commission questions the accuracy and adequacy of various informational disclosures contained in its offering circular, including those related to certain transactions between the company and its promoters. A hearing will be held, if requested, on the question whether the suspension order should be vacated or made permanent.

GARDNER SECURITIES ENJOINED. The N.Y. Regional Office announced December 18 (LR-4509) that the Federal court in New York City had permanently enjoined (with their consent) Gardner Securities Corporation and its president, Michael S. Gardner, of New York City, from further violations of the registration, anti-fraud and other provisions of the Federal securities laws. In addition the court appointed Martin Fogelman as receiver for Gardner Securities.

GREAT LAKES GAS TRANSMISSION SEEKS ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16565) authorizing Great Lakes Gas Transmission Company, subsidiary of American Natural Gas Company ("American"), New York holding company, to issue and sell 25,000 common shares to the parent for the aggregate of \$2,500,000, and to sell \$230,000,000 of notes to five banks. Transmission Company also proposes to issue and sell a like amount of stock to Trans-Canada Pipe Line Limited. The latter and American have each purchased 50% of Transmission Company's outstanding 400,000 common shares for a total consideration of \$40,000,000; the proposed additional common stock sale will increase their investment in the subsidiary of \$45,000,000.

Of the \$230,000,000 of notes Transmission Company proposes to sell the banks, \$210,000,000 will be used to refinance existing loans from these banks due March 1970. The additional \$20,000,000 of loans together with the proceeds of the stock sale will enable Transmission Company to finance its 1970 capital expenditures in the amount of \$21,500,000 and to provide necessary working capital. (In proceedings before the Federal Power Commission, the Department of Justice and the Federal Power Commission staff have filed briefs with the Federal Power Commission Examiner urging divestiture by American of its interest in Transmission Company.)

DAVIS ISLAND CO. RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-5934) declaring that The Davis Island Company, Pittsburgh, Pa., has ceased to be an investment company as defined in the Act.

Over

BARTLETT SENTENCED. The SEC Fort Worth Regional Office announced December 18 (LR-4510) that the Federal court in Fort Smith, Ark., sentenced Ernest A. Bartlett, Jr., of Fort Worth to five years imprisonment and fined him \$5,000 upon his conviction of fraud in the sale of securities of Arkansas Loan & Thrift Corp. and United Loan & Thrift Investment Co. Afton Borum and Hoyt Borum of Booneville were each sentenced to not more than three years in prison and fined \$1,000.

APPCA ENJOINED. The SEC Washington Regional Office announced December 19 (LR-4511) that the Federal court in Washington had entered an order preliminarily enjoining APPCA, Inc., of Springfield, Va. and two of its officers, James W. McCrocklin and William J. McCarthy, from violations of the registration and anti-fraud provisions of the Securities Act. The defendants consented to the court order without admitting or denying the violations alleged.

OHIO POWER PROPOSES ACQUISITION. Ohio Power Company, Canton subsidiary of American Electric Power Company, Inc., has filed a proposal with the SEC under the Holding Company Act for its acquisition from the City of Martins Ferry, Ohio, of the electric system of Martins Ferry; and the Commission has issued an order (Release 35-16566) scheduling the matter for hearing on January 26. The Martins Ferry system serves about 4,400 customers, and operates within the territory generally served by Ohio Power. The City Council invited bids for the purchase of its system, and Ohio Power's bid of \$4,825,000 was accepted. At the hearing, inquiry will be conducted to the question, among others, whether the proposed transaction is compatible with the provisions of the Holding Company Act.

ROCKY RIVER REALTY RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16567) granting a request of Rocky River Realty Company, real estate subsidiary of Northeast Utilities, to increase bank borrowings for temporary financing of office building construction at Berlin, Connecticut from \$12,500,000 to \$13,500,000, to issue and sell a new three-year unsecured note in amount of \$13,500,000 to banks for interim financing, and to increase authorization from \$12,600,000 to \$13,600,000 for negotiation of private placement of new real estate mortgage bonds as permanent financing. Rocky River also seeks authorization to issue and sell to Northeast up to \$1,000,000 of new five-year subordinated notes to finance any overruns in cost of the Berlin project.

MILLSTONE POINT COMPANY SEEKS ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16563) giving interested persons until January 9 to request a hearing upon a proposal of The Millstone Point Company ("Millstone"), subsidiary of Northeast Utilities, Hartford, Connecticut holding company, to guarantee performance of Millstone's agreement to pay Homestake Mining Company \$16,500,000 in 20 quarterly installments with interest at 6%. Millstone acts as agent in the construction and operation of The Millstone Nuclear Power Station ("Station") which is jointly owned as tenants in common by Connecticut Light and Power Company, Hartford Electric Light Company and Western Massachusetts Electric Company, electric utility subsidiaries of Northeast. Under the agreement with Homestake, the latter, acting in behalf of Millstone, would deliver a specified amount of unenriched uranium to the Atomic Energy Commission and pay AEC for enrichment of the uranium. In exchange for this, AEC would convey title to Millstone in respect to the enriched uranium contained in the completed fuel core now leased from AEC by Millstone and stored at Station site ready for use in Unit No. 1 (650,000 kw) of the Station which is expected to commence operation in 1970.

ADOBE PROPOSES OFFERING. Adobe Corporation, 601 Wilkinson-Foster Bldg., Midland, Texas 79701, filed a registration statement (File 2-35708) with the SEC on December 19 seeking registration of 2,642,403 shares of common stock and 3,221,108 shares of Class A stock. It is proposed to exchange the (a) 2,642,403 common shares for 90,000 shares of common stock of Adobe Investment Corporation ("AIC") and for certain oil and gas interests of (1) AIC 1968 Program, (2) five limited partnerships (3) certain joint venture interests (4) B.J. Pevehouse, individually, and (5) six acreage partnerships and (b) 3,221,108 Class A shares for all of the outstanding stock of Adobe Oil Company ("Oil Company"). All shareholders of Oil Company have agreed to transfer their shares in exchange for the 3,221,108 Class A company shares. All company officials and certain of their associates have expressed the intention to tender all their shares in AIC and all their oil and gas interests included in the exchange offer, having an exchange value of 425,879 shares of common stock of the company. Of the shares being registered 156,818 common and 356,000 Class A shares will be acquired by company officials who may offer them for sale from time to time at prices current at the time of sale (\$2.26 per common and \$.36 per Class A share maximum*).

Adobe Corporation was organized in October for the purpose of making the exchange offer. Upon consummation of the exchange offer, the company intends to operate as an oil and gas company, to operate the properties so acquired, to engage in drilling, prospecting for and producing oil, gas and other mineral properties to be acquired, and to continue the business, through its subsidiary AIC, of offering and managing Programs through which investors may participate in oil and gas ownership and operation. The company has outstanding 100,000 common shares, all of which are owned by B.J. Pevehouse, president.

CAPITAL EXPENDITURE PROJECTIONS REPORTED. The SEC and the Department of Commerce report (for Newspapers of December 24) that businessmen are scheduling a substantial rise in expenditures for new plant and equipment in 1970. They plan to spend \$78.1 billion, 10% more than is now estimated for 1969; from 1968 to 1969 the rise is estimated at 11%. Expenditures in the first half of 1970 are scheduled to be at a seasonally adjusted annual rate of \$77½ billion. This figure taken together with the figures for the latest projections for the full year 1970 suggests that expenditures are expected to increase slightly in the second half. For details, see Statistical Release No. 2411.

Continued

O/C REGISTRATIONS REPORTED. The following issuers of securities traded over-the-counter have filed registration statements with the Commission pursuant to requirements of Section 12(g) of the Securities Exchange Act (companies which currently file annual and other periodic reports with the SEC are identified by "***"):

File No.	O-Registrants	Location
4158	Americar Inc**	Daytona Beach, Fla.
4162	Computer Complex Inc**	Houston, Tex.
4149	Computer Statistics Inc**	Ft. Worth, Tex.
4171	Data Lease Financial Corp**	North Palm Beach, Fla.
4151	Datatron Inc**	Santa Ana, Cal.
4146	Diversified Data Services and Sciences Inc**	New York, NY
4209	Electronics Missiles & Communications, Inc.	White Haven, Pa.
4172	S M Flickinger Co Inc**	Buffalo, NY
4207	Gaynor Industries Inc	Broadway, NY
4177	Giffen Industries Inc**	Miami, Fla.
4182	Kirk Corp**	Balti., Md.
4157	Monmouth Airlines Inc**	Farmingdale, N.J.
4140	Monterey Nursing Inns Inc**	Columbus, O.
4167	Natural Gas Pipeline Co of America**	Chicago, Ill.
4181	Opic Corp**	Rochester, NY
4153	Patent Management Inc	Wash., D.C.
4144	Phelan Sulphur Co**	Houston, Tex.
4204	Sacramento Inn	Sacramento, Cal.
4164	Sandgate Corp**	New York, NY
4150	Ski Park City West Inc**	Pales Verdes Penninula, Cal.
4169	Systems Associates Inc**	Long Beach, Cal.
4148	Tanger Industries	South El Monte, Calif.
4156	Mark Twain Marine Inc	K.C., Mo.
4201	X-Onics Corp	Voorheesville, NY

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 December 4 News Digest.

8-K Reports for November 1969

The Polly Bergen Co. (11)	0-4061-2	Hughes & Hatcher Inc. Amdt.#1 Oct. 69 (13)	1-3387-2
Boston And Maine Ind. Inc. (1,2,7,11,13)	1-5940-2	Performance Systems Inc. Amdt.#1 Nov. 69 (12)	0-3571-2
Central Louisiana Elect. Co. Inc. (7,13)	1-5663-2	FPA Corp. Amdt.#1 Oct.69 (7,13)	0-1850-2
Central Steel and Wire Co. (13)	0-2536-2	Denny's Restaurants Inc. Amdt. #1 June 69 (13)	1-5124-2
Flo-Tronics Inc. (2,7)	0-1388-2	Allstate Finance Corp. (12)	0-1930-2
Franklin Elect. Co. Inc. (12)	0-362-2	ARA Services Inc. (7)	1-4762-2
Intravest Inc. Jun 69 (7,11,13)	2-31554-2	Daniel Starch & Staff Inc. (2,7,13)	2-30515-2
Pet Inc. (7)	1-242-2	Farmland Ind. Inc.(7,8)	2-27963-2
The UpJohn Co.(3,12,13)	1-4147-2		
Alabama Power Co.(3,7,13)	1-3164-2	Aeroflex Lab. Inc. (11)	0-2324-2
Carson Pirie Scott & Co. (11,13)	0-1337-2	Agway Inc. (7)	2-22791-2
Merritt-Chapman & Scott Corp. (12)	1-1390-2	Alcan Aluminus LTD..(13)	1-3555-2
		Aluminum Co. of Canada LTD. (12)	1-3677-2

8-K Reports Cont'd

City Investing Co. (7)	1-5651-2	Avco Corp. (4,13)	1-124-2
Continental Telephone Corp. (7,13)	1-4765-2	Avis Ind. Corp. (1,12)	1-4472-2
Frontier Airlines Inc. (2,5,12,13)	1-4877-2	Ray Resources Corp. (2)	1-6202-2
National Standard Co. (13)	1-3940-2	Reading & Bates Offshore Drilling Co. (2,7,11,13)	1-5587-2
Beech Aircraft Corp. (7,8,10,13)	1-2839-2	Seatrains Lines Inc. (11,13)	1-5957-2
Early & Daniel Co. (2)	1-548-2	Seeman Brothers Inc. (2,7,11,12,13)	1-1167-2
Hughes & Hatcher Inc. (7,13)	1-3387-2	Thermo Electron Corp.(7,13)	0-3293-2
Swift & Co (12)	1-5929-2	Quotamation Inc. (12,13)	2-30051-2
Consolidated Leasing Corp of America (7,8)	1-5201-2	Vetco Offshore Ind. Inc. (12,13)	1-5889-2
Daniel Woodhead Co. (2,7,13)	2-30899-2	Wards Co. Inc. (11)	1-5767-2
Prime Equities Inc.(7,13)	2-32582-2	Cle-Ware Ind. Inc. (12)	0-1683-2
American Pipe & Construction Co. (3)	1-6069-2	L.S. Ayres & Co. (2)	0-1316-2
Book of the Month Club Inc. (11,13)	1-3590-2	Simon Stores Ins. (12,13)	0-1635-2
Corduroy Rubber Co.(2,13)	0-943-2	Tapecon Inc. (2,7,11,13)	2-28413-2
EDP Resources Inc. (4,7,13)	0-3943-2	Trattner Assn. Inc. Oct. 1969(11)	2-30290-2
Ralston Purina Co.(12)	1-4582-2	Weiman Co. Inc.(2,7,13)	1-5953-2
Showboat Inc. (11,12)	0-3971-2	Fidelity National Corp. (1,8,13)	0-2933-2
Stokley-Van Camp Inc. (12)	1-2944-2	McCulloch Oil Corp.(8,13)	1-3924-2
The Suburban Co. (12)	1-4279-2	Prevor-Maysohn International Inc. (7)	0-3181-2
Telecom Corp. (9)	0-4202-2	RPS Products Inc.(7,11,13)	0-4072-2
Telephone Utilities Inc. (2,7,13)	0-873-2	Union Oil Co. of Calif. (3,12,13)	1-554-2
United Air Lines Inc. (3,7,)	1-2637-2	Wolf Corp. (1,13)	0-294-2
U.S. Ind. Inc. (7)	1-3772-2	American Beef Packers Inc. (11)	0-2253-2
Paramount Foam Ind. (1,11,13)	2-18954-2	Commonwealth United Corp. (1,2,3,7,8,10,12,13)	1-4563-2
Teleprompter Corp. (12,13)	1-4138-2	Electro-Nucleonics Inc. (11)	0-3397-2
Western Union Telegraph Co. (7,11,13)	1-2493-2	R.D. Products (3,7,)	0-3321-2
Allied Chemical Corp. (7)	1-1269-2	Saladmaster Corp. (11,13)	0-30-2
First Mortgage Investors (4,8,9,11,12,13)	0-1381-2	Willamhouse-Regency Inc. (11,12,13)	1-4559-2
United Merchants & MFG. Inc. (11,13)	1-3185-2	Anametrics Inc. Oct.69 (7)	2-31525-2
Schenley Ind. Inc. (12,13)	1-2377-2	Arkansas Best Corp. (2,13)	1-5888-2
Trans World Airlines Inc. (7)	1-975-2	Empire Life Insurance Co. (7,9,12,13)	2-20749-2
Travelodge International Inc. (11,13)	0-1285-2	Faradyne Elect. Corp. (2,13)	0-2180-2
Volume Shoe Corp. (11,12)	0-1961-2	Jones & Laughlin Steel Corp. (12,13)	1-463-2
Whale Inc. Sep 69 (2,13)	1-4517-2	Louis Sherry Inc. (12)	1-4574-2
Wyandotte Chemicals Corp. (1,12)	0-1115-2	Transwestern Pipe Line Co. (7,13)	1-4443-2
		Avien Inc. (2,3,13)	1-4190-2
		Collins Radio Co.(4,11,13)	1-4248-2
		Congressional Life Insurance Co. (11)	2-23584-2

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.

Per Chairman Budge

Governor Laxalt, Frank Johnson (Chairman of the Gaming Control Board) and John Diehl (Chairman, Nevada Gaming Commission) are meeting with the Commission and its staff. The Governor and those accompanying him are not appearing on behalf of any individuals or companies or on any matter now pending before the Commission but to describe to the Commission the policy of the State of Nevada on corporate licensing of gaming licensees.

12/23/69

