

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

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



Washington, D. C. 20549

(In ordering full text of Releases from Publications Unit, cite number)

(Issue No. 68-139)

FOR RELEASE July 17, 1968

MILWAUKEE CO. SUSPENDED. The SEC today announced the issuance of an order under the Securities Exchange Act (Release 34-8357) censuring The Milwaukee Company, a Milwaukee broker-dealer firm, and Harold A. Franke, former president of the firm, for failure between July 1964 and April 1965 to supervise a salesman in connection with the offer, sale and purchase of common stock of Franklin Balmor Corporation with a view to preventing violations of the Federal securities laws, and suspending certain over-the-counter trading activities of the firm for seven days, commencing at the opening of business July 22. The two respondents, without admitting the allegations against them, submitted an offer of settlement in which they waived a hearing and consented to the entry of the order and the imposition of the indicated sanctions. The suspension does not involve the firm's bond and mutual fund departments.

CENTRAL INDIANA GAS RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16117) authorizing Central Indiana Gas Company, Inc., Muncie, Ind., subsidiary of American Natural Gas Company, to issue and sell from time to time prior to June 30, 1969, \$7,500,000 aggregate principal amount of unsecured promissory notes to a bank. The company proposes to use the proceeds of this borrowing to pay its presently outstanding \$4,500,000 of notes to banks and to finance partially its 1968 construction, estimated at \$4,400,000.

MICHIGAN WISCONSIN PIPE LINE RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16118) authorizing Michigan Wisconsin Pipe Line Company, Detroit, to issue and sell to banks from time to time up to \$70,000,000 of promissory notes to be outstanding at any one time. The company proposes to use the net proceeds of such borrowings to retire \$68,000,000 of presently outstanding notes and to finance, in part, its 1968 expansion program, estimated at \$96,000,000.

INDIANA GAS SEEKS ORDER. Indiana Gas Company, Inc. ("Indiana Gas"), Indianapolis, has applied to the SEC for an order under the Holding Company Act with respect to its proposed acquisition of all the shares of common stock of Indiana Gas Distribution Corporation ("Gas Distribution"), a nonassociate gas utility company; and the Commission has issued an order (Release 35-16120) giving interested persons until August 7 to request a hearing thereon. Indiana Gas and Gas Distribution are both gas utility companies operating solely within the state of Indiana. As of March 31, 1968, Indiana Gas rendered natural gas service to some 150,000 consumers (residential, commercial and industrial) and Gas Distribution supplied similar service to some 5,700 (including 600 rural area customers). Indiana Gas states that the gas utility service areas of Gas Distribution are directly adjacent to and can be readily integrated into its gas distribution system, and are essential to Indiana Gas to preserve its territorial operating rights adjacent to the city of Indianapolis. It further states that economies of operation will be realized and that the number of customers served by Gas Distribution can be greatly increased. The only securities which Gas Distribution has outstanding are 16 common shares, eight of which are owned by its president, William H. Maxon, and 8 by his mother, Mrs. Lucie W. Maxon. Indiana Gas proposes to acquire said 16 shares for a total of \$2,400,000.

R. M. ALWORTH ENJOINED. The SEC Fort Worth Regional Office announced July 15 (LR-4064) that the U. S. District Court in Fort Worth had granted the Commission's motion for a preliminary injunction against the offer and sale of oil interests by Rexford May Alworth, of Ranger, Texas, in violation of the Securities Act registration and anti-fraud provisions.

INTERNATIONAL UTILITIES SEEKS ORDER. International Utilities Corporation ("International"), Toronto, Ontario, Canada, has applied to the SEC for an order exempting Brazilian Light and Power Company Limited ("Brazilian") from all provisions of the Holding Company Act; and the Commission has issued an order (Release 35-16119) giving interested persons until August 7 to request a hearing thereon. In May 1968, International owned some 7.1% of the 17,528,871 outstanding ordinary voting shares of Brazilian. International proposes to acquire additional shares so that it will own 10½% or more of such shares. Brazilian is engaged, through subsidiaries, in the electric and gas utility business within Brazil and has no public utility operations within the United States.

International is an exempt holding company and is qualified to carry on business in Canada. It has direct and indirect subsidiaries engaged in manufacturing, shipping, trucking, oceanography, public utility operations, communications and financial services. None of its public-utility subsidiaries operates within the United States, and the business of the company within the United States is not that of a public utility company.

TRADING SUSPENSIONS CONTINUED. The SEC has issued orders under the Securities Exchange Act suspending over-the-counter trading in the common stocks of Alscope Consolidated, Ltd., and Zimoco Petroleum Corp. for the further ten-day period July 18-27, 1968, inclusive.

OVER

ON-GUARD CORP. PROPOSES OFFERING. On-Guard Corporation of America, 343 West 37th St., New York, filed a registration statement (File 2-29600) with the SEC on July 15 seeking registration of 150,000 shares of common stock. These shares are to be offered for public sale through underwriters headed by P. K. Hickey & Co., 80 Broad St., New York; the offering price (\$4.50 per share maximum*) and underwriting terms are to be supplied by amendment. The company has agreed to pay the Hickey firm up to \$6,000 for expenses and to sell it (or its designees), for \$165, five-year transferable warrants to purchase 16,500 common shares at the public offering price. The company has also agreed to pay Peter L. Jacobs \$6,000 as a finder's fee and to sell him, for \$15, similar warrants to purchase 1,500 common shares. The principal shareholders of the company have granted the Hickey firm a nontransferable option to purchase 15,000 shares on the same terms as the offering.

Organized under New York law in October 1965, the company is engaged in the design, assembly and sale of a variety of security devices designed primarily for use in automobiles. Of the net proceeds of its stock sale, the company will use \$55,000 to repay short-term bank indebtedness incurred to pay certain taxes and to purchase inventory, \$22,000 to repay indebtedness to two principal shareholders and to the husbands of two principal shareholders, \$125,000 for the development, marketing and merchandising of additional products, including the company's new automotive safety and convenience products, \$100,000 to conduct market research on and expand production of a fully transistorized home burglar alarm unit, and \$125,000 to establish additional warehouse facilities and to acquire and alter new production and office facilities; the balance will be added to working capital to be used for general corporate purposes. The company has outstanding 300,000 common shares, of which Stanley Geller, president, Jay Meyerson, vice president, and Sarah Baron and Rose Moledzky, own 25% each. Upon completion of this offering, the present shareholders will own 66-2/3% of the outstanding common stock, for which they paid \$10,000, and the purchasers of the shares being registered will own 33-1/3%, for which they will have paid \$742,500.*

MORGAN GROWTH FUND PROPOSES OFFERING. Morgan Growth Fund, 3001 Philadelphia Pike, Claymont, Del. 19703, filed a registration statement (File 2-29601) with the SEC on July 15 seeking registration of 1,000,000 shares of common stock. The shares are to be offered for sale to shareholders of Wellington Fund in exchange for part or all of their Wellington Fund shares at net asset value and without sales charge; additional purchases may be made by Wellington Fund or Morgan Growth Fund shareholders at net asset value plus an 8-1/2% sales commission on purchases of less than \$10,000. The Fund was organized under Delaware law in June 1968. Wellington Management Company is the distributor of Fund shares. Ivest, Inc., a wholly-owned subsidiary of Wellington Management Company, is investment adviser of the Fund as well as of Ivest Fund and Explorer Fund. Walter L. Morgan is honorary chairman of the Fund and chairman of Wellington Fund, John C. Bogle is board chairman of the Fund and executive vice president of Wellington Fund and Robert W. Doran is president of the Fund.

DATA LEASE FINANCIAL PROPOSES OFFERING. Data Lease Financial Corporation, 401 North Lake Blvd., North Palm Beach, Fla. 33403, filed a registration statement (File 2-29603) with the SEC on July 16 seeking registration of 80,500 shares of common stock. The shares are to be offered for public sale through underwriters headed by Smith, Jackson & Co., Inc., 17 Battery Pl., New York 10004; the offering price (\$12 per share maximum*) and underwriting terms are to be supplied by amendment. The company has agreed to pay the underwriters \$20,000 for expenses; in addition, it sold the Smith, Jackson firm, for \$25, five-year warrants to purchase 25,000 common shares, exercisable initially at \$12 per share.

Organized under Florida law in 1964, the company owns a majority of the capital stock of Commerce National Bank in Lake Worth, Fla., 24.79% of the capital stock of First American Bank of North Palm Beach, Fla., and 24.75% of the capital stock of Bank of Stuart, Stuart, Fla. The company renders bank management services to the three banks and plans to render data processing services to banks and others. Of the net proceeds of its stock sale, the company will use \$350,000 for repayment of short term debt, \$150,000 for general corporate working capital purposes, and \$100,000 for development of a data processing center; the balance will be reserved for future acquisitions. The company has outstanding 193,500 common shares, of which Roy W. Talmo, president, owns 47.3%, Walter Colmes, secretary-treasurer, 12.4% and management officials as a group 71.3%.

HARVEST SPECIAL FUND PROPOSES OFFERING. Harvest Special Fund, Inc., 200 Park Ave., New York 10017, filed a registration statement (File 2-29607) with the SEC on July 16 seeking registration of 2,000,000 shares of common stock, to be offered for sale through September 15 at \$10 per share with no sales charge. It is anticipated that investors during this period will include, among others, investors in two limited partnerships now dissolved but formerly managed by Berkley Dean & Co., Inc., the investment adviser to the Fund. After September 15, the shares are to be offered for public sale through Dean Marketing Services, Inc., the principal underwriter and distributor of Fund shares, at the then net asset value plus a 3-1/3% sales charge on purchases of less than \$25,000. The adviser and the distributor of the Fund are wholly-owned subsidiaries of Finevest Services, Inc. William R. Berkley is board chairman and president of the Fund and of Finevest Services; he owns 70% of the voting and 35% of the nonvoting Class B stock of Finevest.

STOCK PLANS FILED. The following companies have filed Form S-8 registration statements with the SEC proposing the offer of stock under employee stock option and similar plans:

First Surety Corp., Burbank, Calif. (File 2-29594) - 50,000 shares
 Dixie Yarns, Inc., Chattanooga, Tenn. 37404 (File 2-29604) - 40,000 shares
 Texas Utilities Company System, Dallas, Tex. 75201 (File 2-29605) - 250,000 shares
 General Foods Corporation, White Plains, N. Y. 10602 (File 2-29606) - 500,000 shares

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's "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 July 3 News Digest.

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| Electronic Associates Inc May 68 (11) | 1-4680-2 | Decitron Electronics Corp Apr 68 (1) | 0-2833-2 |
| Knott Hotels Corp June 68 (13) | 1-1208-2 | May 68 (1,12,13) | 0-2833-2 |
| Pinkerton's Inc June 68 (11) | 0-3017-2 | June 68 (12,13) | 0-2833-2 |
| Trane Co June 68 (13) | 1-2860-2 | General Tel Co of the Southwest June 68 (7,13) | 0-1122-2 |
| Daytona Internat'l Speedway Corp May 68 (1,2,4,7,11,13) | 0-2384-2 | Nachman Corp June 68 (8) | 1-1492-2 |
| Kaiser Cement & Gypsum Corp June 68 (8) | 1-4598-2 | Nevada Power Co June 68 (7,13) | 1-4698-2 |
| Kaiser Steel Corp June 68 (13) | 0-433-2 | Canada Southern Ry Co June 68 (11) | 1-2003-2 |
| Knudsen Creamery Co of Calif. June 68 (11,13) | 0-1584-2 | Jones & Laughlin Steel Corp June 68 (1,7,13) | 1-463-2 |
| Pargas Inc June 68(4,7,13) | 1-5274-2 | Theil Inc June 68 (2,3,13) | 0-3012-2 |
| Sun Finance & Loan Co June 68 (7,8) | 0-2469-2 | Alden Electronic & Impulse Recording Equip Co Inc June 68 (8,11) | 0-1555-2 |
| Western Invmt Real Estate Tr June 68 (2) | 0-2809-2 | Arizona Valley Development Co Inc June 68 (11) | 0-2594-2 |
| UMC Inds Inc June 68 (12,13) | 1-4202-2 | Chromalloy American Corp June 68 (2,4,5,13) | 1-4073-2 |
| Cattlemen's Foundation Corp Inc June 68 (7,9) | 0-2067-2 | Dumont Corp May 68 (1,2,3,7) | 0-1567-2 |
| Cole National Corp June 68 (7,8,13) | 1-5188-2 | Hubinger Co Apr 67 (4,7,13) Dec 67 (4,8) | 0-579-2 |
| Eli Lilly & Co June 68 (8) | 0-1060-2 | The Londontown Mfg Co June 68 (11,13) | 1-5269-2 |
| Jefferson Lake Petrochemicals of Canada Ltd June 68 (12) | 1-4588-2 | Ramada Inns Inc June 68 (7) | 1-5440-2 |
| Reynolds Metals Co June 68 (4,7,8,12,13) | 1-1430-2 | Ashland Oil & Refining Co June 68 (13) | 1-2918-2 |
| Rogers Corp June 68 (7,13) | 1-4347-2 | Clarostat Mfg Co May 68 (11) | 1-3361-2 |
| Sealectro Corp June 68 (11) | 1-4635-2 | The Dayton Power & Light Co June 68 (7) | 1-2385-2 |
| Talon Inc June 68 (11) | 1-3637-2 | Foster Grant Co Inc June 68 (3) | 0-78-2 |
| Clark Equipment Credit Corp June 68 (7,13) | 2-17988-2 | Harnischfeger Corp July 68(13) | 1-1288-2 |
| Clark Equipment Overseas Finance Corp June 68 (4,13) | 1-5220-2 | Interphoto Corp June 68(4,11,13) | 1-4864-2 |
| Consolidated Papers Inc June 68 (13) | 0-1051-2 | Kennebec Cons Mining Co June 68 (1,2,7,13) | 1-1740-2 |
| Greyhound Computer Corp (Formerly) G C Computer Corp June 68 (11,13) | 1-5294-2 | May Dept Stores Co June 68 (11,13) | 1-79-2 |
| Hecla Mining Co June 68 (10) | 1-1527-2 | Welbilt Corp May 68 (11) | 1-586-2 |
| Houston Fearless Corp June 68 (2,13) | 0-1347-2 | Allis-Chalmers Mfg Co June 68 (3,12) | 1-2199-2 |
| Waite & Bond Inc June 68 (12) | 1-3411-2 | American Greetings Corp June 68 (8,11) | 0-1502-2 |
| AVM Corp June 68 (4,7,13) | 0-439-2 | American Zinc Co June 68 (7,13) | 1-59-2 |
| MPI Inds Inc June 68 (12,13) | 1-5608-2 | H & R Block Inc June 68 (7,11,13) | 0-2818-2 |
| Federated Dept Stores Inc June 68 (11,13) | 1-163-2 | Franklin Electric Co Inc June 68 (7) | 0-362-2 |
| Virginia Electric & Power Co June 68 (13) | 1-2255-2 | Gladding Corp June 68 (2,7,13) | 1-5563-2 |
| Del E Webb Corp June 68 (12) | 1-4785-2 | Miller-Wohl Co Inc June 68 (13) | 1-3256-2 |
| Anchor Coupling Co Inc June 68 (12) | 1-4911-2 | Ormco Corp May 68(2,12,13) | 0-1613-2 |
| Hat Corp of America May 68 (2,13) | 1-307-2 | Signode Corp June 68 (7,12,13) | 1-1282-2 |
| Jantzen Inc June 68 (12,13) | 0-629-2 | Alabama Power Co June 68 (3) | 1-3164-2 |
| | | Albertson's Inc June 68 (11,12) | 0-1552-2 |
| | | American Cyanamid Co June 68 (3) | 1-3426-2 |

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| Data Design Laboratories June 68 (2,7,13) | 0-2869-2 | The Perkin-Elmer Corp June68(12) | 1-4389-2 |
| Alfred Hart Co June 68 (12) | 1-5136-2 | Realty Equities Corp of N Y May 68 (7,9,13) | 1-4378-2 |
| Murphy Oil Corp June 68 (7,8) | 1-4857-2 | Puget Sound Power & Light Co June 68 (7) | 1-4393-2 |
| National Reserve Life Ins Co June 68 (8) | 2-21243-2 | Universal Leaf Tobacco Co Inc June 68 (12) | 1-652-2 |
| Windsor Life Ins Co of America June 68 (4,10,11,13) | 2-22845-2 | Thrift Plan of Reda Pump Co June 68 (7) | 2-13744-2 |
| Trico Prods Corp Amd #2 to 8K for Jan 68 (1) | 0-870-2 | Wetterau Foods Inc June 68 (11) | 0-1451-2 |
| Jervis Corp Amd #1 to 8K for Apr 68(13) | 1-5073-2 | Royal Dutch Petroleum Co (6K) for May 68 | 1-3788-2 |
| Kane-Miller Corp Amd #1 to 8K for Mar 68(13) | 1-5014-2 | Standard Kollisman Inds Inc Dec 67 (4,7,13) | 1-3600-2 |
| Spokane National Mines Inc Amd #1 to 8K for Nov 67(2,7) | 0-1389-2 | Skyline Corp June 68 (12) | 1-4714-2 |
| The Stern Metals Corp June 68(12,13) | 1-5147-2 | Sonderling Broadcasting Corp June 68 (2,7,9,11,13) | 1-5422-2 |
| Transcontinental Gas Pipe Line Inc June 68 (7) | 0-656-2 | Southern Railway Co (Carolina Division) June 68 (11) | 1-4793-2 |
| Southwestern Elec Service Co June 68 (7) | 0-22-2 | Portland General Elec Co June 68 (13) | 1-5532-2 |
| Alaska Airlines Inc June 68 (12) | 1-3314-2 | | |

SECURITIES ACT REGISTRATION STATEMENTS. During the week ended July 11, 1968, 56 registration statements were filed, 47 became effective, 3 were withdrawn, and 811 were pending at the week-end.

SECURITIES ACT REGISTRATIONS. Effective July 16: A I T S, Inc., 2-28621 (40 days); Budget Industries, Inc., 2-29171 (Aug 26); Elizabethtown Gas Co., 2-29106; General Public Utilities Corp., 2-29254; Intercoastal Capital Corp., 2-27009; Lone Star Cement Corp., 2-29116 (40 days); P. R. Mallory & Co. Inc., 2-29097; Metro-Goldwyn-Mayer Inc., 2-29179 (40 days); Nationwide Life Insurance Co., 2-28596 (Oct 14); J. C. Penney Co., Inc., 2-29422; The Side Fund, Inc., 2-28287; Unibraze Corp., 2-28919 (Oct 14).

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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