

# 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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SEC

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**COMPREHENSIVE SECURITIES REVOKED.** The SEC today announced the issuance of an order revoking the broker-dealer registration of John Wesley Hoover, Jr., doing business as Comprehensive Securities Company, Detroit, Mich., for violations of the anti-fraud and other provisions of the Federal securities laws. The Commission found that on or about June 8, 1965, the registrant filed with the Commission, as part of his application for registration as a broker-dealer, a statement of financial condition which was false and misleading with respect to material facts in that it overstated the registrant's net worth and failed to state a liability; that during the period from about March 31, 1966, to February 27, 1968, the registrant effected transactions in securities while his net capital was deficient; and that on March 23, 1966, and July 17, 1967, the registrant filed reports of financial condition which were materially false and misleading in that they failed to state moneys owed by the registrant to two creditors. The report of May 31, 1967, also falsely stated that subordinated capital in an amount sufficient to bring the registrant into compliance with the Commission's net capital rule had been provided to the registrant. The Commission also found that from about July 8, 1965, to May 22, 1968, the registrant failed to make and keep current required books and records, including, among others, ledgers, securities records, memoranda of orders, purchases and sales, and records of customers' accounts.

**MASTERS FILES FOR OFFERING AND SECONDARY.** Masters, Inc., 2400 Marcus Ave., New Hyde Park, N. Y. 11040, filed a registration statement (File 2-29703) with the SEC on July 26 seeking registration of 250,000 shares of common stock. Of this stock, 70,000 shares are to be offered for public sale by the company and 180,000 (being outstanding shares) by the present holders thereof. The offering is to be made through L. M. Rosenthal & Co., Inc., 5 Hanover Square, New York 10004. The offering price (\$10 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company operates discount stores known as "Masters" in the metropolitan New York area. In January 1967 it acquired Lady Rose Stores, Inc. The company will add net proceeds of its stock sale to its general funds to be used in "fixturing" and "inventorying up" new locations and for future operations as required; the balance will be added to the company's working capital and used to finance its operations. In addition to preferred stock, the company has outstanding 605,739 common shares, of which Louis Biblowitz, board chairman, Max Biblowitz, president, and Joshua Biblowitz, vice president, own some 23% each and Joel Biblowitz owns 8%. Louis and Joshua Biblowitz and Max Biblowitz propose to sell 54,000 shares each of 140,935, 141,499 and 142,629 shares held, respectively, and Joel Biblowitz proposes to sell 18,000 of 49,426 shares held.

**CONDEC PROPOSES OFFERING.** Condec Corporation, Boston Post Road, Old Greenwich, Conn. 06870, filed a registration statement (File 2-29704) with the SEC on July 26 seeking registration of \$20,000,000 of convertible subordinated debentures, due 1993, and 100,000 shares of common stock. The common stock and debentures, at 100% of principal amount, are to be offered for public sale through underwriters headed by Bear, Stearns & Co., 1 Wall St., New York 10005. The interest rate, offering price of the common stock (\$40 per share maximum\*) and underwriting terms are to be supplied by amendment. The offering also includes 7,000 outstanding common shares which are to be offered by the present holder thereof.

The company manufactures and sells a variety of products in the following categories: special-purpose vehicles; valves; energy control, control instrumentation and other equipment; and power producing and transmitting equipment. Of the net proceeds of its sale of securities, the company will use \$10,000,000 to retire its outstanding 7½% notes, due 1973, and \$550,000 to complete its agreed investment in Unimation Inc.; the balance will be used for working capital (including such sums as may be required for payment of dissenting shareholders) and to implement its acquisition policy. Until such funds are required for the foregoing, they will be used to reduce the company's 6-3/4% revolving credit loan. In addition to indebtedness and preferred stock, the company has outstanding 1,629,310 common shares, of which Norman I. Schafner, president, owns 20.1%, Rubelle Schafner 7.1%, management officials as a group 23.1% and Bear, Stearns & Co. 12.7%. Gerald Rosenberg, vice president, proposes to sell 7,000 of his holdings of 21,800 shares.

**CAVANAGH LEASING PROPOSES OFFERING.** Cavanagh Leasing Corporation, 122 E. 42nd St., New York 10017, filed a registration statement (File 2-29705) with the SEC on July 26 seeking registration of 200,000 shares of common stock. The shares are to be offered for public sale through underwriters headed by D. H. Blair Securities Corporation, 66 Beaver St., New York. The offering price (\$10 per share maximum\*) and underwriting terms are to be supplied by amendment. The company has agreed to pay the Blair firm up to \$20,000 for expenses and to sell to D. H. Blair & Company, an affiliate of the Blair firm, five-year warrants to purchase 20,000 common shares.

The company is engaged in the business of leasing various types of equipment. After completion of this offering, it expects to concentrate its efforts on the leasing of computers and other office equipment without discontinuing its other leasing activities. The net proceeds of the company's stock sale will be added to its capital and will enable the company (1) to enter the field of computer leasing, (2) to make possible the purchase of lease portfolios and leasing and other companies, (3) to expand the company's borrowing base and (4) to carry on a marketing program to increase the flow of lease applications from company representatives and others. The company has outstanding 700,000 common shares, of which management officials as a group own 10.89% and Enterprise Research & Development, Inc., owns 85%. Daniel Cavanagh, is president.

OVER

**OCCIDENTAL LIFE PROPOSES VARIABLE ANNUITY OFFERING.** Separate Account Fund B of Occidental Life Insurance Company of California, Hill and Olive at 12th St., Los Angeles, Calif. 90015, filed a registration statement (File 2-29706) with the SEC on July 26 seeking registration of \$5,000,000 of group variable annuity contracts. The variable annuity contracts provide retirement annuity benefits for self-employed individuals (and their eligible employees) who adopt plans meeting the requirements of Section 401 of the Internal Revenue Code of 1954, as amended ("HR-10 Plans"). Occidental Life, a wholly-owned subsidiary of Transamerica Corporation, is a stock life insurance company. It established Separate Account Fund B to facilitate investment of contributions made in connection with variable annuity contracts providing retirement benefits pursuant to plans qualified under the Internal Revenue Code for special tax treatment. Earl Clark is president of Occidental Life.

**DAVIDGE FUND PROPOSES OFFERING.** The Davidge Fund, 1700 Pennsylvania Ave., N. W., Washington, D. C. 20006, filed a registration statement (File 2-29707) with the SEC on July 26 seeking registration of \$4,000,000 of beneficial interests, to be offered for public sale in 200,000 units and at net asset value (\$20 per share maximum\*). The Fund was organized by John W. Davidge, Jr. as a common law trust under District of Columbia law in October 1967. Davidge, Van Cleef, Jordan and Wood, Inc., is the investment adviser and principal distributor of the Fund. The Fund has outstanding 83,170 shares, of which Davidge owns 12.1%, Lionel C. Epstein 6%, Gebhard W. Keny 11.6%, Anne H. Wallace 6% and Chalmers B. Wood 6%. Davidge is chief executive officer of the investment adviser.

**COMPUTERIZED NATURAL RESOURCES PROPOSES OFFERING.** Computerized Natural Resources, Inc. ("CNR"), 1111 Gravier St., New Orleans, La. 70112, filed a registration statement (File 2-29708) with the SEC on July 26 seeking registration of 200,000 shares of CNR common stock and \$1,000,000 of limited partnership interests in Computerized Natural Resources Exploration Fund--1968 ("Partnership"). The securities are to be offered for public sale in units of 2,000 CNR common shares (at \$5 per share) and a \$10,000 limited partnership interest. The offering is to be made through company officials who will receive no commission, and possibly through a dealer-manager who will receive 5c per common share and \$100 for each partnership interest sold and NASD members who will receive 25c per common share and \$500 for each partnership interest sold. The partnership is to be formed to conduct only exploratory oil and gas drilling operations, consisting of the evaluation, selection, acquisition, drilling, completion and operations of "wildcat" and "step-out" oil and gas leases and interests. CNR, which was organized under Delaware law in July 1968 and is a wholly-owned subsidiary of GFI Computer Industries, Inc., is the general partner. Bernard G. LeBeau is board chairman and H. L. Rowley president of CNR.

**BANDAG TO SELL DEBENTURES.** Bandag, Incorporated, 1056 Hershey Ave., Muscatine, Iowa 52761, filed a registration statement (File 2-29712) with the SEC on July 29 seeking registration of \$2,000,000 of convertible subordinated debentures, due 1988. The debentures are to be offered for public sale through Bacon, Whipple & Co., 135 S. LaSalle St., Chicago, Ill. 60603; the interest rate, offering price and underwriting terms are to be supplied by amendment.

The company manufactures and sells tread rubber and equipment and supplies for recapping tires under a patented process. Sales are made to dealers franchised to use the Bandag process. Of the net proceeds of its debenture sale, the company will use \$1,600,000 to pay the cost of a new plant under construction at Oxford, N.C.; the balance will be added to the company's general funds and used as working capital. The company has outstanding 593,000 common shares, of which Roy J. Carver, board chairman, owns 74.2%. Stephen A. Keller is president.

**COMCET PROPOSES OFFERING.** Comcet, Inc., 1950 W. County Road B2, St. Paul, Minn., filed a registration statement (File 2-29713) with the SEC on July 29 seeking registration of 515,000 shares of common stock. The shares are to be offered for public sale through A. C. Becker & Co. Inc., 120 S. LaSalle St., Chicago, Ill. 60603; the offering price (\$8 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company was organized under Maryland law in February 1968 principally to engage in the development of communications computers. These computers are designed to provide more effective transmission of input and output information to and from data processing computers, particularly in on-line and time-sharing applications. The company will use the net proceeds of its stock sale to make monthly repayments of \$2,319 on borrowings of \$117,105 obtained to finance leasehold improvements and also to defray continued promotional and development expenses, including a buildup of inventory items and payment of salary and other overhead expenses. The company has outstanding 840,000 common shares (with a 59c per share book value), of which COMRESS, Inc., owns 80.4%. Donald J. Herman is board chairman and chief executive officer of the company and Leland E. Johnson is president of the company and of COMRESS. Upon completion of this offering, the present shareholders will own 62% of the outstanding common stock, for which they will have paid \$500,000, and the purchasers of the shares being registered will own 38%, for which they will have paid \$4,120,000.\*

**CAPITAL FUNDING PROPOSES OFFERING.** Capital Funding Corporation, 690 Market St., San Francisco, Calif., filed a registration statement (File 2-29714) with the SEC on July 29 seeking registration of 100,000 shares of common stock. The shares are to be offered for public sale through Mitchum, Jones & Templeton, Inc., 510 S. Spring St., Los Angeles, Calif. The offering price (\$5 per share maximum\*) and underwriting terms are to be supplied by amendment. The company has agreed to pay the underwriter \$7,500 for expenses and has sold it 20,000 common shares at \$5 per share.

Organized under Delaware law in January 1966, the company is engaged in the sale of mutual fund shares and life insurance, either through Programs allowing a participant to utilize mutual fund shares purchased by him for cash as collateral for a loan to pay his insurance premiums, or independently. The company places the greater part of its life insurance sales in policies issued by the Puritan Life Insurance Company of Providence, R. I. and the greater portion of the mutual fund sales in shares of several mutual funds,

including the various Keystone Custodian funds, Value Line, Axe-Houghton and others. Of the net proceeds of its stock sale, the company will use \$350,000 to open and support new sales offices over the next 18 months; the balance will be used to install and program a computer to service the company's accounting and sales operations; to develop and market additional product lines similar to those now sold by the company; and for legal, filing and other fees for qualifying the Programs in states where not now qualified. In addition to indebtedness, the company has outstanding 476,000 common shares, of which Frank J. McCormack, president, owns 37.6% and George C. Huff, executive vice president, 29.1% and management officials as a group 79.3%. Upon completion of this offering, the present shareholders will own 476,000 of the outstanding common shares, for which they paid \$344,000, and the purchasers of the shares being registered will own 100,000 shares, for which they will have paid \$500,000.

PMC-POWDERED METALS PROPOSES OFFERING. PMC-Powdered Metals Corporation, 2010 Towne House Tower, 100 W. Clarendon, Phoenix, Ariz. 85013, filed a registration statement (File 2-29715) with the SEC on July 29 seeking registration of 115,000 shares of common stock with warrants to purchase 115,000 additional shares. Of these securities, 110,000 shares with warrants are to be offered for public sale by the company and 15,000 (being outstanding securities) by the present holder thereof, in units, each consisting of one common share and one warrant, at \$6 per unit. The offering is to be made through Young, Smith & Peacock, Inc., 3443 N. Central Ave., Phoenix, Ariz. 85012, which will receive a 54¢ per share commission. The company has agreed to sell to the underwriter, for \$100, warrants to purchase an additional 10,000 common shares.

The company was organized in 1958 for the purpose of developing and exploiting an invention of George E. Harlan (from whom it acquired all rights to the invention) related to a process for the production of copper from copper-bearing ores. It has sold unsubstantial amounts of copper produced from its pilot plant. No commercial sales have been made because a production facility has not yet been constructed. Of the net proceeds of its stock sale, the company will use \$150,000 for exploratory work on mining properties, \$200,000 for additional research and development, including extractive metallurgy of other metals, and metallurgical studies on copper powder and forming techniques; the remainder will be added to the working capital of the company. In addition to indebtedness, the company has outstanding 713,174 common shares (with a 75¢ per share book value), of which Frederick E. Kallof, president and board chairman, owns 66.3%. Kallof will own 15,000 shares of his holdings of 472,965 shares. Upon completion of this offering, Kallof will own 56.3% of the outstanding common shares, for which he paid \$26,187, and the public investors will own 33.9%, for which they will have paid \$867,113.

WESTERN OIL SHALE FILES FOR OFFERING AND SECONDARY. Western Oil Shale Corporation, 300 West Wall St., Midland, Tex. 79701, filed a registration statement (File 2-29717) with the SEC on July 29 seeking registration of 150,000 shares of common stock. Of this stock, 125,000 shares are to be offered for public sale by the company and 25,000 (being outstanding shares) by the present holder thereof. The offering is to be made through underwriters headed by Bateman Eichler, Hill Richards, Inc., 460 S. Spring St., Los Angeles, Calif. 90013. The offering price (\$28 per share maximum\*) and underwriting terms are to be supplied by amendment. The company will sell the Bateman firm, for \$1,000, five-year warrants to purchase 10,000 common shares, exercisable initially at the public offering price plus 8%. Also included in the statement are 45,000 outstanding warrants to purchase a like number of common shares, such warrants having been granted by Texas American Oil Corporation (a major stockholder of the company) to Enterprise Fund, Inc. Such warrants may be offered for public sale from time to time at prices prevailing at the time of sale.

The company was organized under Utah law in June 1965 for the purpose of acquiring, holding and exploiting oil shale properties. Of the net proceeds of its sale of additional stock, the company will use \$1,338,154 to fund its obligations under oil shale leases for the remainder of the 20-year term of such leases, \$350,000 for its commitments under "Project Bronco" and related studies and \$205,000 for a feasibility study and exploration by CER Geonuclear Corporation on the company's properties; the balance will be added to the company's general funds to be used for general corporate purposes, including exploration and development on the company's properties, the consolidation of existing properties, and acquisition of additional oil shale properties. The company has outstanding 1,278,535 common shares, of which Texas American Oil Corporation owns 48.4% and management officials as a group 6.3%. Parker, Bishop & Welsh, Inc., proposes to sell 25,000 shares of 52,344 shares held. Nash J. Dowdle is board chairman and chief executive officer and Ted B. Lcaff, Jr., president.

SOUTHERN CALIFORNIA EDISON TO SELL PREFERRED STOCK. Southern California Edison Company, 601 W. 5th St., Los Angeles, Calif. 90053, filed a registration statement (File 2-29718) with the SEC on July 29 seeking registration of 3,000,000 shares of convertible preference stock (\$25 par). The shares are to be offered for public sale through underwriters headed by The First Boston Corp., 20 Exchange Pl., New York 10005, and Dean Witter & Co., 45 Montgomery St., San Francisco, Calif. 94106. The dividend rate, offering price (\$25 per share maximum\*) and underwriting terms are to be supplied by amendment.

A public utility, the company will use the net proceeds of its stock sale to repay some \$55,000,000 of short-term obligations; the balance will become treasury funds. The company proposes to use an amount at least equal to such balance in its construction program. Construction expenditures for the years 1968-1969 are estimated at \$703,400,000. Jack K. Horton is board chairman and T. M. McDaniel, Jr., president.

TRADING SUSPENSIONS CONTINUED. The SEC has issued orders under the Securities Exchange Act suspending exchange and/or over-the-counter trading in the securities of Cameo-Parkway Records, Inc., and in the common stock of Condo-Keystone Mining Company for the further ten-day period August 1 through August 10, 1968, inclusive.

**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:

Norton Simon, Inc., Fullerton, Calif. 92634 (File 2-29709) - 758,809 common and 118,219 Series A convertible preferred shares  
Schenuit Industries, Inc., Baltimore, Md. 21211 (File 2-29710) - 75,000 Class A common shares

**TRADING IN ALSCO SUSPENDED.** The SEC today announced the issuance of an order temporarily suspending exchange and over-the-counter trading in the Class A common stock and 5 1/2% convertible subordinated debentures of AlSCO, Inc. (AlSCO) of New York, N. Y. and Akron, Ohio for the ten-day period July 31, 1968 to August 9, 1968, inclusive. AlSCO's Class A common stock is listed on the American Stock Exchange. The Commission's action was taken in the public interest pending clarification of information relating to developments concerning AlSCO's former management and its financial status.

The Commission previously suspended trading in AlSCO securities from April 5, 1968 to April 8, 1968 to allow the company to issue a release announcing a change of management. That company release also announced that the Department of the Navy had suspended AlSCO and Andrew L. Stone, the company's former president, as a source of procurement pending an investigation by the Department of Justice of suspected irregularities in connection with government contracts.

**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 July 3 News Digest.

Cox Broadcasting Corp Jun 68 (12)	1-4933-2	Maine Sugar Inds Inc Jun 68 (7)	0-2426-2
Mauchly Associates Inc Jun 68(7)	2-27122-2	Management Assistance Inc Jun 68 (7,9,10)	0-2017-2
Palomar Mtge Co Jun 68 (12,13)	0-1873-2	Roto American Corp Mar 68 (3)	1-5215-2
Skages Drug Centers Inc Jun 68 (7,8)	1-5392-2	Royal Inds May 68 (11) Jun 68 (12)	1-5319-2 1-5319-2
Strotoflex Inc Jul 68 (11)	0-2750-2		
Santa Anita Consolidated Inc May 68 (2,7,13)	0-677-2	Caribbean Cement Co Ltd (6K) for Jun 68	2-19155-2
		U S Inds Inc Jun 68 (7,12)	1-3772-2
The Bureau of National Affairs Inc Jun 68 (7)	2-28286-2	Alloys Unlimited Inc Jun 68 (4,7,13)	1-4479-2
Caribbean Shoe Corp Jun 68 (11,12)	0-108-2	Comstock-Keystone Mining Co Jun 68 (1,2,7,13)	1-2250-2
Consultants & Designers Inc May 68 (7,11)	1-5302-2	Transmotion Inc Jun 68 (12)	2-27910-2
Dentist's Supply Co of N Y Jun 68 (12)	1-4283-2	Waltham Watch Co Jul 68 (11)	0-1467-2
Empire Life Ins Co Jun 68(7,9)	2-20749-2	Warnco Inc Jun 68 (3)	1-4715-2
		Patric Storms Corp Jun 68 (7)	2-28525-2
Nationwide Inds Inc Jun 68 (4,11,13)	2-27731-2	Sales Follow-Up Corp Jun 68(7)	2-24433-2
Sears Inds Inc Jun 68(12,13)	1-574-2		
World Airways Inc Jun 68(2,12,13)	1-5351-2	Gateway Sporting Goods Co Jun 68 (4,11,13)	1-4766-2
Precision C Sports Corp Jun 68 (11,13)	2-27668-2	Worldwide Energy Co Ltd Jun 68 (7,13)	2-16095-2
		Tracor Inc Jun 68 (7,13)	0-528-2

**SECURITIES ACT REGISTRATIONS.** Effective July 26: Investors Funding Corp. of New York, 2-28887 (40 days).  
Effective July 30:

Allied Maintenance Corp., 2-29303 (Sep 8); Blue Bell, Inc., 2-29431 (40 days); Caressa, Inc., 2-29170 (40 days); Communications Industries, Inc., 2-29656; Dougherty Brothers Co., 2-28975 (40 days); Evans, Inc., 2-29193 (40 days); General Computer Services, Inc., 2-29308 (90 days); Packaging Corp. of America, 2-29475 (40 days); Sanford, Inc., 2-28598 (90 days); Southeast Bancorporation, Inc., 2-29128 (90 days); Vikoa, Inc., 2-29009 (40 days); Zale Corp., 2-29298.

**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.