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 SEC Publications Unit cite number)

(Issue No. 70-21) FOR RELEASE January 30, 1970

BACK-OFFICE VIOLATIONS CHARGED TO ENTERPRISE FUND. The SEC today announced the filing of a complaint in the Federal court in Los Angeles charging that Enterprise Fund, Inc., a Los Angeles-based mutual fund, and Shareholders Management Company, its principal underwriter and investment adviser, violated provisions of the Investment Company Act by reason of their failure to maintain and keep current the accounts, books, records and other documents required by the Act. The Commission alleges that there are substantial discrepancies or differences between the total number of shares reflected in the individual Enterprise shareholder accounts and the total number of shares which appear in the Capital Stock Control Account; and the Commission seeks a preliminary injunction directing defendants to make current and accurate the required accounts, books and records and to grant a preliminary and permanent injunction enjoining defendants from further violations of the bookkeeping provisions of the Investment Company Act and the Commission's rules and regulations thereunder, and, pending compliance with these provisions, enjoining defendants from making use of the mails or any means or instrumentality of interstate commerce to offer, sell or deliver Enterprise shares.

BUTCHER-SHERRERD RECEIVES SANCTION. The SEC today announced a decision under the Securities Exchange Act (Release 34-8809), based upon an offer of settlement submitted by the respondents, in which it ordered the suspension of over-the-counter trading activities of the Philadelphia firm of Butcher & Sherrerd for the five-day period February 2-6 for violations of the Securities Act registration provisions in the offer and sale of stock of Jerrold Corporation in 1966. The firm, without admitting the violations, consented to the suspension order, which also provided for the censure of Howard Butcher, III, a partner. According to the Commission's decision, in the summer of 1966, the firm and Butcher offered, sold and delivered about 516,351 shares of Jerrold common for the account of certain persons when no registration statement had been filed or was in effect with respect thereto. The respondents represented that they had received a formal written opinion of their counsel that such transactions were entitled to exemption from registration pursuant to Section 4(1) of the Act for transactions by any person other than an issuer, underwriter or dealer. In support of their settlement offer, it also was urged that the respondents cooperated with the Commission's staff in supplying information relating to the transactions and that persons who purchased the shares from the respondents and later sold them did not suffer any loss.

TRADING IN PLANT INDUSTRIES SUSPENDED. The SEC today ordered suspension of the trading in the over-the-counter market in the common stock of Plant Industries, Inc. ("Plant"), of New York City, from January 30 1970 through February 4, 1970. On January 5, 1970 the American Stock Exchange halted trading on the Exchange in Plant stock. The American Stock Exchange has advised the Commission that its halt will be continued through February 4, 1970. Accordingly, trading may resume at the opening of business on February 5, 1970.

The Commission announced it took this action to give the public time to consider the information contained in Plant's letter to shareholders of January 30, 1970. The Commission also announced that it is conducting an investigation into, among other things, the accuracy and adequacy of information previously released by the company.

AMERICAN BRANDS SEEKS ORDER. The SEC has issued an order giving interested persons until February 15, 1970, to request a hearing upon an application under the Trust Indenture Act of 1939 filed by American Brands, Inc. In its application, American Brands seeks a determination that Morgan Guaranty Trust Company of New York is not disqualified from serving as trustee under a trust indenture dated as of November 15, 1969, pursuant to which its wholly-owned subsidiary, American Brands Overseas, N.V., a Netherlands Antilles Corporation, has issued and sold $18,700,000 of 8% guaranteed debentures due 1981. Morgan Guaranty now serves as trustee under (1) a 1952 indenture securing $10,358,000 of outstanding 25-year 3¼% debentures due 1977, issued by American Brands and (2) a 1968 indenture securing $49,849,000 of 5¼% convertible guaranteed debentures, due 1988, issued by another subsidiary, American Tobacco International Corporation.

FOREIGN RESTRICTED LIST. The SEC has added the San Salvador Savings and Loan Co. Ltd., a purported Bahamian company, to its Foreign Restricted List. A search of the records of the Government of the Bahamas fails to disclose that a company by this name has ever been incorporated or is now in existence, or has received the requisite government authorization to issue bonds which, the Commission has reason to believe, have been offered for sale in the United States.

STOCK PLANS FILED. The following have filed Form S-8 registration statements with the SEC seeking registration of securities to be offered under and pursuant to employee stock plans:

Filmways, Inc., New York, N. Y. 10022 (File 2-36116) - 135,251 shares

United States Freight Company, New York, N. Y. 10017 (File 2-36121) - 37,911 shares and (File 2-36122) - 50,000 shares

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SELECTED OPPORTUNITY FUND PROPOSES OFFERING. Selected Opportunity Fund, Inc., 135 South LaSalle St., Chicago, Illinois 60603, filed a registration statement (File 2-36093) with the SEC on January 27 seeking registration of 50,000 shares of common stock, to be offered for public sale at net asset value ($10 per share maximum*) plus a sales charge of 8-1/2% on purchases of less than $10,000. The Fund is a diversified open-end management investment company seeking maximum capital growth through employment of speculative investment techniques as well as usual investment practices. Security Supervisors, Inc., an 80% subsidiary of International Industries, Inc., will serve as investment adviser and principal underwriter of the Fund. Herbert F. Horwich is board chairman of the Fund and of the adviser and Carl W. Vaicek, Jr., is president of the Fund and executive vice president of the adviser. Al Lapin, Jr., president and board chairman of International Industries, owns 11% and Allstate Insurance Company (subsidiary of Sears, Roebuck and Company) 8% of the outstanding voting stock of International Industries.

STOP-N-GO FOODS FILES FOR OFFERING AND SECONDARY. Stop-N-Go Foods, Inc., 4 Strader Drive, Trotwood, Ohio 45426, filed a registration statement (File 2-36103) with the SEC on January 27 seeking registration of 111,000 shares of common stock and $1,500,000 of sinking fund debentures, due 1985 with warrants to purchase 45,000 shares of common stock. The debentures (with 30 warrants for each $1,000 of debentures) and 100,000 common shares are to be offered for public sale by the company and 11,000 shares (being outstanding shares) by the present holders thereof through The Ohio Company, 51 North High Street, Columbus, Ohio. The interest rate on the debentures, offering prices ($10 per share maximum*) and underwriting terms are to be supplied by amendment.

Organized in September 1969 as successor to a corporation formed in 1960, the company is engaged in the operating and licensing of self-service convenience retail food stores which, in most instances, do business under the name Stop-N-Go Foods. Of the net proceeds of its financing, $60,000 will be used to retire the bank notes issued to provide interim financing for the opening of additional company-owned stores and some $116,129 to repay several promissory notes issued by certain subsidiaries prior to their acquisition by the company to provide working capital and funds for general corporate purposes, such as opening additional stores; the balance will be added to the company's general funds and used as working capital and for other corporate purposes. The company has outstanding 482,920 common shares (with a $1.62 per share book value), of which John H. Johnston, president, owns 15% and management officials as a group 50.9%.

MODULAR DYNAMICS FILES FOR OFFERING AND SECONDARY. Modular Dynamics, Inc., 1655 Peachtree Street, N.E., Atlanta, Georgia 30309, filed a registration statement (File 2-36104) with the SEC on January 27 seeking registration of 350,000 shares of common stock, of which 300,000 are to be offered for public sale by the company and 50,000 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters headed by Hoppin Bros. & Co., 55 Broad St., New York 10004; the offering price ($12.50 per share maximum*) and underwriting terms are to be supplied by amendment. The company has agreed to sell Hoppin Bros., at 1¢ per warrant, five-year warrants to purchase 17,500 shares, exercisable initially (after one year) at 107% of the offering price; Milton Allen, president and principal shareholder of the company, has agreed to sell Hoppin Bros. similar options to purchase 17,500 shares. John C. Moore III, an associate of Hoppin Bros. and a director of the company, will receive options and warrants to purchase 8,750 shares.

Organized in January 1969, the company is engaged in the development, sale and leasing of low-cost modular and mobile housing communities, and in the development and sale of vacation and retirement communities. Of the net proceeds of its sale of additional stock, $295,000 will be used to repay short-term bank debt, $1,000,000 to enable the company to carry its own accounts receivable on an interim basis pending disposition to various financial institutions, $250,000 for the acquisition of patent rights from Technical Investment Corporation, $500,000 for the construction of fiberglass molds and other related equipment to be used in the construction of concrete modular homes, and $400,000 for the acquisition of real estate; the balance will be added to the company's working capital. In addition to indebtedness, the company has outstanding 899,000 common shares, of which Milton Allen, board chairman and president, owns 551,813 and management officials as a group 626,251. Fifteen shareholders propose to sell an aggregate of 50,000 shares of 125,000 shares held; the numbers of individual shares to be sold are to be supplied by amendment.

LASER SYSTEMS PROPOSES RIGHTS OFFERING. Laser Systems Corporation, 313 N. First Street, Ann Arbor, Michigan, filed a registration statement (File 2-36106) with the SEC on January 26 seeking registration of 317,550 shares of common stock, to be offered for subscription by common stockholders at the rate of one new share for each share held. The subscription price ($7.375 per share maximum*) is to be supplied by amendment.

Organized in November 1967, the company is primarily engaged in the design, production and marketing of both laser beam sources and end-use equipment employing lasers which are principally of the pulsed carbon dioxide gas type. Of the net proceeds of its stock sale, $140,000 will be used to pay current accounts payable, $100,000 to retire a non-interest bearing note held by LSC Investment Company, $330,000 to finance inventories for one year, $250,000 for improvement and development of present products and related systems, $250,000 for expansion of the company's market organization and up to $250,000 to construct new plant facilities; the balance will be added to the company's working capital and used for general corporate purposes. The company has outstanding 317,550 common shares (with a $2.03 per share net tangible book value), of which Manley E. Brown, president, owns 11.09%, Douglas L. Linn, executive vice president, 11.03% and management officials as a group 24.32%.

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CAMBRIDGE INDUSTRIES TO SELL STOCK. Cambridge Industries, Inc., Duchaine Blvd., New Bedford, Mass., filed a registration statement (File 2-36107) with the SEC on January 27 seeking registration of 500,000 shares of common stock, to be offered for public sale through underwriters headed by Coenen & Co., Inc., 280 Park Ave., New York 10017. The offering price ($9 per share maximum*) and underwriting terms are to be supplied by amendment. The company has agreed to pay $15,000 to the Coenen firm for expenses and to sell it, for $500, five-year warrants to purchase 50,000 shares.

Organized in November 1968, the company is engaged through subsidiaries in canning and bottling of private label brand soft drinks, national brand soft drinks and certain juices and mixers and in the development, manufacture and marketing of flavorings, extracts and concentrates for soft drinks and certain other food products. Of the net proceeds of its stock sale, $1,150,000 will be used to retire indebtedness incurred in connection with certain of the company's acquisitions $700,000 to further its acquisition program and $300,000 for expansion of its production capabilities; the balance will be added to the company's working capital. In addition to indebtedness, the company has outstanding 248,000 Class A common shares and 360,800 common shares. Of both classes of common stock, Louis Mendes, Jr., president, owns 26% and management officials as a group 36.8%.

ASSOCIATED COMPUTER SERVICES TO SELL STOCK. Associated Computer Services, Incorporated, 6420 Hillcroft, Houston, Texas 77036, filed a registration statement (File 2-36108) with the SEC on January 28 seeking registration of 150,000 shares of common stock, to be offered for public sale through underwriters headed by Institutional Equity Corporation, Houston National Gas Bldg., Houston, Texas 77002. The offering price ($4 per share maximum*) and underwriting terms are to be supplied by amendment. The company has agreed to pay Institutional Equity up to $6,000 for expenses and to sell it, for $150, five-year warrants to purchase 15,000 shares, exercisable after one year at 120% of the offering price.

Organized in July 1967, the company is primarily engaged in the business of designing and developing computer programs and providing other related services for users of computer equipment. Net proceeds of its stock sale will be added to the company's general funds and used for general corporate purposes. The company has outstanding 400,000 common shares (with a 28¢ per share net tangible book value), of which Robert D. McCullough, board chairman and president, owns 17%, George F. Cook, vice president, 22%, Charles A. Langland, secretary-treasurer, 21% and management officials as a group 83%.

MAYFAIR SOUND PRODUCTS FILES FOR OFFERING AND SECONDARY. Mayfair Sound Products, Inc., 666 West Kinzie Street, Chicago, Illinois 60610, filed a registration statement (File 2-36109) with the SEC on January 27 seeking registration of 648,750 shares of common stock, of which 200,000 are to be offered for public sale by the company and 448,750 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters headed by Dominick & Dominick, Incorporated, 14 Wall Street, New York 10005; the offering price $20.25 per share maximum*) and underwriting terms are to be supplied by amendment.

The company (formerly Artic Import Co.) designs, imports and sells 8-track cartridge players, cassette tape recorders/players, and reel-to-reel tape recorders/players. Of the net proceeds of its sale of additional stock, $1,264,036 will be applied to retire short-term bank loans and 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 900,000 common shares of which Arthur Braver, president, owns 78.3% and management officials as a group 100%. Braver proposes to sell 300,000 of 705,000 shares held and 20 others the remaining shares being registered.

McKEE INC. FILES FOR SECONDARY. Robert E. McKee, Inc., 1918 Texas Ave., El Paso, Texas 79901, filed a registration statement (File 2-36110) with the SEC on January 28 seeking registration of 300,000 outstanding shares of common stock, to be offered for public sale by the present holders thereof through underwriters headed by Dabbs Sullivan, Trulock & Company, Inc., 412 Louisiana, Little Rock, Ark. 72201. The offering price ($20 per share maximum*) and underwriting terms are to be supplied by amendment. Certain of the selling stockholders have agreed to sell the Dabbs firm, for $200, a five-year option to purchase 20,000 shares.

The company is a general building contractor operating principally in the Southwestern, Southern, Southeastern, Mountain States and Pacific Coast areas. In addition to indebtedness, it has outstanding 998,126 common shares, of which management officials as a group own 43.7% and McKee family members 70.1%. Charles David McKee is president. Robert E. McKee, Jr., vice president, proposes to sell all of his holdings of 60,232 shares, Charles David McKee 14,194 of 70,976, Louis B. McKee, executive vice president, 19,962 of 64,362 and a large number of others the remaining shares being registered.

ZAPATA NORNESS SHARES IN REGISTRATION. Zapata Norness Incorporated, 2000 Southwest Tower, Houston, Tex. 77002, filed a registration statement (File 2-36083) with the SEC on January 27 seeking registration of 41,888 shares of $5.75 cumulative convertible preferred stock and 870,433 shares of common stock. The preferred stock and an estimated 189,127 common shares are issuable in connection with the merger of Boone County Coal Corporation into a subsidiary of Zapata. Of the remaining common shares, 406,306 are outstanding shares issued in connection with prior acquisitions and 275,000 are issuable pursuant to the company's stock option plan. The preferred shares and all the common shares may be offered for sale from time to time by the holders or recipients thereof at prices current at the time of sale ($100 per preferred and $34.25 per common share maximum*).

The company (formerly Zapata Off-Shore Company) is engaged in offshore drilling of oil and gas wells, international shipping, general construction and engineering, furnishing cargo boat services for offshore contractors and development of natural resources. In addition to indebtedness and preferred stock, it has outstanding 4,227,245 common shares. William H. Flynn is board chairman and J. B. Harrison president.

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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 January 13 News Digest.

8-K Reports for Dec. '69

Kearney & Trecker Corp. (3)	0-62-2
Olshen Overseas Inc. (12)	2-32217-2
National Liberty Corp. (7,13)	0-3583-2
Walter E. Heller & Co. (7,12,13)	1-6157-2
Alfred Hart Co. (12)	1-5136-2
American Cyanamid Co. (3)	1-3426-2
American Gas Co. of Wisconsin Inc.(2,12,13)	0-3523-2
Amarex Inc. (2,7,12,13)	2-31307-2
Astro-Space Corp. (2,7,8,13)	2-30866-2
Athlone Ind. Inc. (7,8,13)	1-5573-2
Compumarketing Services Corp. (12,13)	2-32312-2
General Signal Corp. (8)	1-996-2
Hitco (1,4,7,9,	1-5168-2
Hudson Pulp & Paper Corp. (11,13)	1-3546-2
Katy Ind. (12,13)	1-5558-2
Kansas City Southern Ind. (3)	1-4717-2
L. E. Myers Co. (7)	2-3440-2
Nortek Inc. (2,4,7,11,13)	1-6112-2
Ormand Ind. Inc. (2,3,13)	0-869-2
The Interpublic Group Of Companies Inc. Amdt. for Oct. 69 (7)	2-30151-2
Omega Equities Corp. Amdt.#1 for Sept. 69 (1,4,)	0-188-2
Consolidated Leasing Corp. of America Amdt. for Oct. 69 (7)	1-5201-2
Cavanagh Leasing Corp. Amdt. for Nov. 69 (2,13)	2-29705-2
Central Computing Inc. Amdt. for Oct. 69 (13)	2-30264-2
HF Image Systems Inc. Amdt. for Nov. 69 (11)	0-3766-2

Burris Chemical Inc. Amdt. for Jan 69 (13)	2-24482-2
Enconomy Finance Corp. Amdt. #1 for May 68 (7,13)	0-2352-2
Advance Metal Products Inc. Amdt. #1 for Jan 69 (2,13)	0-3259-2
Georgia-Pacific Corp. Amdt. #1 for Oct. 69 (7,13)	1-3506-2
Medalist Ind. Inc. Amended for Oct. 68 (13)	0-883-2
Medalist Ind. Inc. Amended for Jan 69 (13)	0-883-2
National Data Corp. Amdt. #1 for Nov. 69 (7)	0-3966-2
Aberle Ind. Inc. Amdt. #1 for Aug. 69 (13)	2-31229-2
Logic Corp. Amdt. #1 for Dec. 69 (13)	2-27433-2
Burnup & Sims Inc. Amdt. for Nov. 69 (7)	0-3797-2
Great Western Assurance Company (2,7,12,13)	2-27250-2
Hinsdale Raceway Inc. (3)	0-1342-2
Kulicke & Sofea Ind. Inc. (7,8,)	0-121-2
MGIC Investment Corp. (4,7,13)	1-5724-2
National Semiconductor Corp (2,3,)	0-2848-2
Niagara Frontier Services Inc. (8,11,12)	1-5915-2
Northrop Corp. (4,13)	1-3229-2
Hamco Machine & Electronics Corp. (12)	0-3078-2
Honeycomb Products Inc. (7,13)	0-3115-2
Lyntex Corp. (7,8,)	0-3015-2
George Washington Corp. & George Washington Life Ins. Co.	2-30148-2
Hudson Bay Mining & Smelting Co. LTD. (2,13)	1-1184-2
Instrument Systems Corp. (213)	1-16-70
Mickelberry's Food Products Co. (3)	1-67-2

SECURITIES ACT REGISTRATIONS. Effective January 29: Alaska Airlines, Inc., 2-33838 (40 days); Dynamic Classics, Ltd., 2-33811 (90 days); Gareway Sporting Goods Company, 2-34230; Mystic Development Corporation, 2-34414 (90 days); Philadelphia Electric Company, 2-35939; Quality Courts Motels, Inc., 2-34800 (40 days); Recreation Leisure Land Corp., 2-32975 (90 days).

Withdrawn January 29: Austin Travel Corp., 2-34903; Founders Security Life Ins. Co., 2-34847; Jubilee Industries, Inc., 2-30274; Marshall Foods, Inc., 2-33621; J. B. Schaefer Industries Inc., 2-31141; Servo Systems, Inc., 2-35391; Spectra McIntosh Corp., 2-33806.

NOTE TO DEALERS. The period of time dealers are required to use the propsectus 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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