

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 March 19, 1970

HOLDING COMPANY ACT RELEASES

PENNSYLVANIA POWER SEEKS ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16644) giving interested persons until April 9 to request a hearing upon an application of Pennsylvania Power Company, subsidiary of Ohio Edison Company, Akron, to issue and sell 140,000 shares of common stock to its parent for \$4,200,000. Pennsylvania Power also proposes to issue and sell \$15,000,000 of first mortgage bonds, due 2000, at competitive bidding. It will use the net proceeds of this financing to construct and to acquire new facilities, for the betterment of existing facilities and to reimburse its treasury in part for monies expended for such purposes. Construction expenditures are estimated at \$25,174,000 for 1970.

CENTRAL INDIANA GAS SEEKS ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16645) giving interested persons until April 14 to request a hearing upon an application of Central Indiana Gas Company, Inc., Muncie subsidiary of American Natural Gas Company, to issue and sell \$8,000,000 of first mortgage bonds, due 1995, at competitive bidding. Central Indiana will use the net proceeds of its bond sale, together with treasury funds to the extent required, to repay \$8,000,000 of its \$10,000,000 of bank loan notes due June 26, 1970. Central Indiana proposes to obtain, through bank borrowings, the funds required for the payment of the balance of the bank loan notes, as well as financing for its 1970 construction program, estimated at \$4,300,000.

APPALACHIAN POWER SEEKS ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16646) giving interested persons until April 15 to request a hearing upon an application of Appalachian Power Company, Roanoke, Va. subsidiary of American Electric Power Company, Inc. ("AEP"), to sell \$70,000,000 of first mortgage bonds, due 1995, at competitive bidding. The company will apply the proceeds of its bond sale and \$30,000,000 of capital contributions of AEP to pay, at maturity, its then outstanding commercial paper notes, to pay, in part, the cost of its construction program (estimated at \$177,600,000 for 1970) to prepay its short-term notes to banks and for other corporate purposes. Short term debt is estimated at \$39,141,500 at the time of the issuance of the bonds.

CONNECTICUT LIGHT RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16647) authorizing The Connecticut Light and Power Company ("CL&P"), Berlin subsidiary of Northeast Utilities, to issue and sell from time to time up to June 30, 1971, \$61,000,000 of short-term notes (including commercial paper). CL&P will use the proceeds of its financing for construction expenditures and for investments in nuclear generating companies. Construction expenditures are estimated at \$123,300,000 and investments in nuclear generating companies at \$9,200,000 during 1970.

INVESTMENT COMPANY ACT RELEASES

BOSTON CAPITAL CORP. RECEIVES ORDER. The SEC has issued an exemption order under the Investment Company Act (Release IC-6003) permitting Boston Capital Small Business Investment Company ("BOSBIC"), a closed-end, non-diversified, management investment company, to participate with others in a public offering of the shares of Compugraphic Corporation, an affiliated person of BOSBIC.

NORTH LAKE CORP. RECEIVES ORDER. The SEC has issued an exemption order under the Investment Company Act (Release IC-6004) extending the period during which North Lake Corporation (formerly Delaware Valley Financial Corporation), Lake Success, N. Y., may operate without registering as an investment company until such time as the Commission has disposed of its exemption application under Section 3(b)(a) and Section 6(c) filed on March 28, 1969.

COURT ENFORCEMENT ACTIONS

POLYCARPO FILES PLEA. The SEC Boston Regional Office announced March 17 (LR-4558) that Lionel D. Polycarpo of South Dartmouth, Mass., entered a plea of guilty before the Federal court in Boston to one count of fraud in dealings with customers of his firm.

SECURITIES ACT REGISTRATIONS

TODHUNTER INTERNATIONAL TO SELL STOCK. Todhunter International, Inc., 324 Datura St., West Palm Beach, Fla. 33401, filed a registration statement (File 2-36601) with the SEC on March 16 seeking registration of 100,000 shares of common stock, to be offered for public sale through underwriters headed by Sterling, Grace Securities Corporation, 39 Broadway, New York 10004. The offering price (\$15 per share maximum*) and underwriting terms are to be supplied by amendment.

OVER

Organized in January 1970, the company proposes to acquire more than 80% of the stock of Todhunter-Mitchell and Company, Limited ("Todhunter-Mitchell"), a Bahamian corporation engaged as a manufacturer and distributor of alcoholic beverages principally in the Bahama Islands. Upon completion of the reorganization of Todhunter-Mitchell and affiliated corporations, International will own all the outstanding stock of two U. S. corporations, both engaged in other phases of the liquor business. International intends to engage in a program for the acquisition of other businesses consisting primarily of businesses engaged in the manufacture, sale or distribution of alcoholic beverages in the United States and Canada. Net proceeds of its stock sale will be used to effect the reorganization of Todhunter-Mitchell and affiliates, applied to the payment of, or to reimburse Todhunter-Mitchell for the payment of, all expenses of the reorganization, to pay Todhunter-Mitchell for the purchase of stock of affiliates and to pay certain short-term indebtedness; the balance will be used for the company's general corporate purposes. Upon completion of the exchange offer (assuming 100% acceptance), the company will have outstanding 352,500 common shares, of which A. Kenneth Pincourt, Jr., president and board chairman, and his mother own 62,500 shares each and a Pincourt Trust 55,750 shares.

YOUNG AMERICAN ENTERPRISES TO SELL STOCK. Young American Enterprises, Inc., 500 E. 77th St., New York 10021, filed a registration statement (File 2-36602) with the SEC on March 16 seeking registration of 200,000 shares of common stock, to be offered for public sale at \$15 per share. No underwriting is involved; participating NASD members will receive a \$1.50 per share selling commission. The company has agreed to sell such dealers, at \$.001 per warrant, three year warrants to purchase one share for each five shares sold, exercisable at from \$15 to \$17 per share.

Organized in December 1969, the company is engaged through subsidiaries in all phases of youth incentive marketing and merchandising, as well as promotion and various activities involved with the management and exploitation of performing groups, including logistic arrangements, advertising and public relations. Net proceeds of its stock sale will be used by its subsidiaries for their general corporate purposes, including construction and purchase of equipment. The company has outstanding 1,248,000 common shares (with a 39c per share net tangible book value), of which John Ellsworth Jaymes, president, owns 75% and management officials as a group 100%. Purchasers of the shares being registered will sustain an immediate dilution of \$14.83 in per share book value from the offering price.

HOWMEDICA SHARES IN REGISTRATION. Howmedica, Inc., 345 Park Ave., New York 10022, filed a registration statement (File 2-36604) with the SEC on March 16 seeking registration of 2,528,788 shares of common stock (representing 80% of its stock to be outstanding). Howmet Corporation proposes to distribute these shares to holders of its common stock (pursuant to a Plan of Reorganization to be voted on by shareholders at its annual meeting scheduled for May 8, 1970), at the rate of one Howmedica share for each three shares of Howmet (other than the 1,900,000 shares held by Pechiney Enterprises Incorporated). The Plan of Reorganization provides for the merger of Howmet Corporation into Pechiney Aluminum Corporation (to be renamed Howmet Corporation). Howmet has or will transfer to Howmedica substantially all the assets (except all or a part of the accounts receivable) related to Howmedica Division of Howmet in exchange for all the outstanding shares of Howmedica common stock and assumption of certain liabilities related to the Howmedical Division.

Howmedica was organized in October 1969 to assume the production and sale of dental, medical and hospital products now conducted by the Howmedica Division. Upon purchase of the Howmedica Division and completion of the reorganization, it has or will have outstanding 3,160,985 common shares, all of which are to be owned by Howmet (prior to the proposed distribution). Theodore W. Eckels is president and Yves H. Robert board chairman.

SILVER PRODUCERS PROPOSES OFFERING. Silver Producers, Inc., 215 Phillips Petroleum Bldg., Salt Lake City Utah, filed a registration statement (File 2-36605) with the SEC on March 16 seeking registration of 550,000 shares of common stock and 550,000 common stock purchase warrants, to be offered for public sale in units, each consisting of 100 shares and 100 warrants, and at \$110 per unit. No underwriting is involved; the offering is to be made through Gordon G. Fry, secretary-treasurer, who will receive an \$11 per unit selling commission plus expenses.

Organized in April 1969, the company holds leasehold and possessory interests in certain patented and unpatented mining claims located near Idaho City, Idaho, upon which exploratory operations are being conducted or will be conducted for ore-bearing minerals. Net proceeds of its stock sale will be used to conduct phase one of an exploration program. The company has outstanding 842,750 common shares (with a \$.148 per share net tangible book value), of which Eslie O. Barlow, president, owns 19.9% and management officials as a group 41.1%. Purchasers of the shares being registered will sustain an immediate dilution of 17c in per share book value from the offering price.

GENERAL ACCEPTANCE TO SELL DEBENTURES. General Acceptance Corporation, 1105 Hamilton St., Allentown, Pa. 18101, filed a registration statement (File 2-36606) with the SEC on March 17 seeking registration of \$50,000,000 of senior debentures, due 1990 (guaranteed by GAC Corporation, parent of General Acceptance) to be offered for public sale through underwriters headed by Salomon Brothers & Hutzler, 60 Wall St., and Kidder, Peabody & Co., Inc., 20 Exchange Place, both of New York. The interest rate, offering price and underwriting terms are to be supplied by amendment.

The company was organized in May 1968 to succeed to the finance, loan and insurance business previously conducted and controlled by GAC Corporation. Net proceeds of its debenture sale will be initially used to reduce short-term indebtedness and ultimately to refund \$48,896,250 principal amount of its 4½% senior notes, which mature on November 1, 1970. In addition to indebtedness and preferred stock, the company has outstanding 500,000 common shares, all owned by GAC. S. H. Wills is board chairman and J. H. Trombley president.

WASHINGTON WATER TO SELL BONDS. The Washington Water Power Company, East 1411 Mission Ave., Spokane, Wash. 99202, filed a registration statement (File 2-36607) with the SEC on March 17 seeking registration of \$20,000,000 of first mortgage bonds, due 2000, to be offered for public sale through underwriters headed by Kidder, Peabody & Co. Inc., 20 Exchange Pl., New York 10005, and three other firms. The interest rate, offering price and underwriting terms are to be supplied by amendment. A public utility, the company will use the net proceeds of its bond sale to prepay some \$2,000,000 of unsecured promissory notes, due July 1, 1970, and to carry forward its construction program. Proceeds of the borrowings were used for construction purposes. Construction expenditures are estimated at \$42,800,000 for 1970.

ATLANTIC RICHFIELD TO SELL DEBENTURES. Atlantic Richfield Company, 717 5th Ave., New York, filed a registration statement (File 2-36609) with the SEC on March 17 seeking registration of \$150,000,000 of debentures, due 2000, to be offered for public sale through underwriters headed by Smith, Barney & Co., 20 Broad St., New York. The interest rate, offering price and underwriting terms are to be supplied by amendment.

The company is engaged in the exploration for, and development, production, purchase, transportation and sale of, crude petroleum and natural gas, and in the manufacture, transportation and marketing of petroleum products derived from crude oil (including petrochemicals). Net proceeds of its debenture sale will be added to the company's general funds and used to reduce short term notes payable as they become due. At February 28, some \$275,000,000 of short term notes payable were outstanding. In addition to indebtedness and preferred stock, the company has outstanding 44,412,631 common shares. Robert O. Anderson is board chairman and T. F. Bradshaw president.

ITT SHARES IN REGISTRATION. International Telephone and Telegraph Corporation, 320 Park Ave., New York 10022, filed a registration statement (File 2-36610) with the SEC on March 17 seeking registration of 4,000,000 shares of common stock issuable in connection with certain acquisitions, in exchange for certain convertible securities and/or upon exercise of certain options or warrants; also, 116,950 outstanding warrants to purchase 60,954 common shares and 5,847 cumulative preferred shares, Series K. The company has outstanding 65,371,218 common shares.

MILITARY PURCHASE SYSTEMS FILES FOR OFFERING AND SECONDARY. Military Purchase Systems, Inc., 400 Madison Ave., New York 10017, filed a registration statement (File 2-36611) with the SEC on March 17 seeking registration of 125,000 shares of common stock, of which 37,500 are to be offered for public sale by the company and 87,500 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters headed by First Devonshire Corp., 67 Broad St., New York; the offering price (\$10 per share maximum*) and underwriting terms are to be supplied by amendment. First Devonshire will receive \$20,000 for expenses and be entitled to purchase, for \$100, a five-year warrant for the purchase of 10,000 shares, exercisable initially (after one year) at the offering price.

The company is engaged in providing credit and various consumer services to the professional career officers and non-commissioned officers in the U.S. armed forces; in November 1969 it acquired all of the outstanding stock of Columbia Export Packers, Inc., of Torrance, Calif., which is engaged as a freight forwarder in the transportation of used household goods (principally on behalf of U. S. Government personnel). Net proceeds of the company's sale of additional stock will be available for working capital, including expansion of existing programs and to implement a project for publication of a military magazine. The company has outstanding 1,365,000 common shares, of which William A. Fio Rito, president, owns 13.44% and management officials as a group 33.69%. In its purchase of Columbia Export Packers, the company issued 350,000 shares to Harold W. Squier and others; they propose to sell the 87,500 outstanding shares being registered.

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:

National Biscuit Company, New York 10022 (File 2-36603) - 250,000 shares
 Mirro Aluminum Company, Manitowoc, Wisc. 54220 (File 2-36608) - 75,000 shares
 American Bioculture, Inc., New York 10022 (File 2-36612) - 150,000 shares

MISCELLANEOUS

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 March 3 News Digest.

8K Reports for Jan '70

Carolina Pacific Plywood Inc	Dec 69	American United Inns Inc(11)	0-3500-2
(1,13)	0-1599-2	Burlington Industries Inc	Feb 70
Gamble Aldens Finance Co	Jan 70	(11,13)	1-2932-2
(2,13)	2-17985-2	Clear Creek Corp	Feb 70(6)
		Cryogenic Engineering Co	Dec 69
Century Convalescent Centers	Inc Jan 70	(11,13)	0-3357-2
(12,13)	2-33789-2	Scan-Data Corp	(7,13)
			0-3077-2

8K Reports for Jan '70 (Con't)

Cambridge Electric Light Co Feb 70 (11) 2-7909-2	Capital Cities Broadcasting Corp Feb 70 (12) 1-4278-2
Cape & Vineyard Electric Co Feb 70 (11) 2-26429-2	FWD Corp (1,13) 1-3020-2
Components Inc(2,7,13) 0-2777-2	American Bankeries Co Feb 70(12)1-74-2
Executive Securities Corp(4,9)2-27708-2	Fireco Sales Ltd Feb 70(11) 2-17894-2
Texas Clay Industries Inc(11) 2-32717-2	First S & L Shares Inc(12) 1-4572-2
Arden Mayfair Inc(12) 1-5281-2	Udyco Corp Sept 69(11,12,13) 0-2821-2
Diversified Realty Inc(7) 0-2864-2	U S Ceramic Tile Co Feb 70(11, 13) 1-4103-2
Brush Beryllium Co(7) 0-484-2	Wolins Pharmacal Corp(3) 0-3430-2
CMC Finance Group Inc Aug 69(7, 8,13) 0-865-2	American Diversified Industries Corp Feb 70(2,12,13) 0-4314-2
Stardust Inc(7,8) 1-5893-2	Franklin Electric Co Inc Feb 70(11)0-362-2
Acme Hamilton Mfg Corp(8) 1-775-2	Allied Control Co Inc(1) 1-3630-2
Equi Data Inc Feb 70(2,8,11,13)0-4236-2	Bio-Medical Sciences Inc Dec 69 (2,7,13) 2-32533-2
Dalto Electronics Corp(3,11, 12,13) 0-1852-2	Extracorporeal Medical Specialties Inc Feb 70(12) 2-32400-2
American Equity Investment Trust (7) 2-29890-2	S-G Metals Industries Inc Feb 70 (11) 2-29925-2
Coburn Corp of America(12,13) 1-4730-2	
Aerodex Inc(1,7,10,12) 1-5363-2	<u>Amended 8K's</u>
American Biomedical Corp Oct 69 (2,13) 2-31531-2	Beaver Mesa Uranium Inc #1 for Jan 70(13) 0-2939-2
Cagle's Inc Nov 69(7,13) 0-3832-2	Bonanza International Inc #1 for Oct 68(2,7,13) 0-2697-2
Falstaff Brewing Corp Feb 70(13)1-950-2	Cascade Steel Rolling Mills Inc #1 for Nov 69(4,7) 0-3732-2
Baumritter Corp Feb 70(11,13) 0-3969-2	American Automation Training Centers Inc #1 for Nov 69(13) 2-32003-2
Beacon Resources Corp Feb 70 (11,12) 2-26079-2	American Institutional Developers Inc #1 for Dec 69(13) 0-3033-2
Cincinnati Union Stock Yard Co(11)1-1623-2	Economy Finance Corp Amended for Feb 69(7) 0-2352-2
Dectron Electronics Corp Feb 70 (12) 0-2833-2	Weiman Co Inc #2 for Jan 70(2,7, 13) 1-5953-2
U S Reduction Co Dec 69(3) 1-5326-2	Bankers' Agency Inc Amended for Jan 70 (2,4,13) 2-29688-2
Bankers' Agency Inc(2,13) 2-29688-2	Commonwealth Industries Inc #1 for Nov 69(1) 1-5741-2

SECURITIES ACT REGISTRATIONS. Effective March 18: American Beef Packers, Inc., 2-35492 (Apr 28); Amico Properties, 2-34703 (40 days); General Telephone Co. of the Southwest, 2-36222; Genesco, Inc., 2-36065 (40 days); Georgia Power Co., 2-36413 (May 18); Goodbody & Co., Bache & Co. Inc., Walston & Co., Inc. Municipal Investment Trust Fund, Series U, 2-36360; Hi-Tech Industries, Inc., 2-33229 (90 days); Honeywell, Inc., 2-36497; Horizon Corp., 2-36488; Mr. Wiggs Department Stores, Inc., 2-36349 (40 days); Petrofunds, Inc., 2-35587 (90 days); Public Service Electric and Gas Co., 2-36426; Visual Art Industries, Inc., 2-33795(90 days). Withdrawn March 17: Compactor Corp., 2-34142; P.D.C. Industries, Inc., 2-34106; Plasti-Kote, Inc., 2-35216.

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.