

**NEWS DIGEST**

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



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FOR RELEASE May 6, 1970COMMISSION ANNOUNCEMENT

**FARM CREDIT BONDS EXEMPT.** The SEC today announced (Release 34-8879) that Farm Credit Investment Bonds of the 12 Federal land banks and the 12 Federal intermediate credit banks, have been designated exempted securities under the Securities Exchange Act of 1934 by the Secretary of the Treasury pursuant to Section 3(a)(12) of that Act. This action on the part of the Secretary of the Treasury has been previously announced in the Federal Register for April 28, 1970.

INVESTMENT COMPANY ACT RELEASE

**FIRST MULTIFUND SEEKS ORDER.** The SEC has scheduled a hearing for May 27 upon an application of First Multifund of America, Inc. ("Fund"), and its adviser, First Multifund Advisory Corp. ("Adviser") both of New York, for a determination pursuant to the Administrative Procedure Act that it is lawful under NASD rules for members of the NASD who are underwriters of shares of other mutual fund companies purchased by Fund, to grant concessions to members of the NASD who act as brokers for purchasers of such shares not excluding brokers who are affiliated persons of such purchasers.

The Fund invests solely in shares of other open-end (mutual fund) investment companies, purchases being made for the Fund by Adviser, a member of the NASD, purportedly as broker for Fund. In purchasing shares of other mutual fund companies for Fund, the Adviser has guaranteed that Fund will never pay a sales charge in excess of 3½%. According to the application, the concessions which Adviser receives from the underwriters of the shares of the other mutual fund companies purchased for the Fund are in accord with NASD rules.

The SEC Division of Corporate Regulation urges that the action of Adviser in acquiring shares of other open-end investment companies for the Fund constitutes either (1) a sale by Adviser, as principal, of the shares of the other open-end investment companies, which sale is proscribed by Section 17(a)(1) of the Investment Company Act unless exempted therefrom pursuant to Section 6(c) or upon approval of the Commission pursuant to Section 17(b) of the Act; or (2) a purchase by Adviser, as agent for Fund, and not in the course of Adviser's business as an underwriter or broker, of shares of the other open-end investment companies, thereby precluding the acceptance by Adviser, pursuant to Section 17(e)(1) of the Act, of any concessions from the principal underwriters of the other open-end companies unless exempted from such prohibition pursuant to Section 6(c) of the Act.

The Division further contends that the guarantee by Adviser that Fund will never pay more than a 3½% sales charge for shares of other open-end investment companies results, or may result, in the acquisition by Fund of securities of the other open-end investment companies at a price other than the public offering price of such securities and is thereby prohibited by the provisions of Section 22(d) of the Act (not exempted by any provision of Rule 22d-1 promulgated under the Act) unless exempted therefrom pursuant to Section 6(c) of the Act. (Release IC-6044)

SECURITIES ACT REGISTRATIONS

**POCONO INTERNATIONAL RACEWAY PROPOSES OFFERING.** Pocono International Raceway, Inc., Long Pond, Pa., filed a registration statement (File 2-37271) with the SEC on May 1 seeking registration of 300,000 shares of Class A common stock, to be offered for public sale at \$8 per share. The offering is to be made through underwriters headed by Suplee-Mosley, Inc., 1700 Market St., Philadelphia, Pa. 19103, and Warren W. York & Company, Inc., 514 Hamilton St., Allentown, Pa. 18105, which will receive a 72¢ per share commission plus \$20,000 for expenses. The company has agreed to sell the Suplee-Mosley and York firms, for \$300, six-year options to purchase 30,000 shares of Class A stock (after one year) at 50¢ per share.

The company owns and is engaged in completing a multi-purpose automobile racing and testing complex ("raceway") and operates a drag strip at the raceway. Of the net proceeds of its stock sale, \$1,429,000 will be used for construction at the raceway, \$267,000 for repayment of short term loans used for working capital during the 1969 season and \$369,000 for working capital (including payment of accounts payable). In addition to indebtedness, the company has outstanding 230,449 common shares (with a 65¢ per share book value deficit), of which David Montgomery, Jr., president, and John D. Montgomery, a director, own 15.8% and Carl B. Lehr, a director, 10.4%. Purchasers of the shares being registered will acquire a 57% stock interest in the company for their investment of \$2,400,000 (they will sustain an immediate dilution of \$4.32 in per share book value from the offering price); present shareholders will then own 43%, for which they paid \$591,112 in cash and services, or an average of \$2.57 per share.

**OCEANOGRAPHY DEVELOPMENT TO SELL STOCK.** Oceanography Development Corporation, 301 Broadway, Riviera Beach, Fla. 33404, filed a registration statement (File 2-37273) with the SEC on May 1 seeking registration of 500,000 shares of common stock, of which 200,000 are reserved for sale to institutions in lots of not more than 20,000 shares. The remaining shares and any not sold to institutions are to be offered for public sale through underwriters headed by Chartered New England Corporation, 90 Broad St., New York, N. Y., which will

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receive a 5% commission on the shares sold to institutions and a 9% commission on those sold to the public. The offering price (\$12.50 per share maximum\*) is to be supplied by amendment. The company has agreed to sell the underwriters a number of shares equal to 10% of the number sold at \$3.50 per share.

The company was organized in 1968 for the purpose of engaging, through subsidiaries, in various activities in the field of oceanography. Of the net proceeds of its stock sale, \$1,500,000 will be used for research and development operations of two subsidiaries, \$200,000 for improvements and repairs to its office building, \$75,000 to acquire and install data processing and other accounting equipment, \$1,750,000 to pay for executive and administrative salaries and other overhead expenses and part may be used to provide all or a portion of the \$1,000,000 a subsidiary requires for construction of a fish farm; the balance, together with the company's existing cash, will be available for the costs of land planning and site preparation for Peanut Island and related properties which the company proposes to develop into a center for oceanographic activities. In addition to indebtedness, the company has outstanding 4,497,618 common shares, of which Adolph B. Lewson, board chairman, and George Lewson, president, own 17.3% each and American Ocean Science Enterprises, Inc. (a subsidiary of American Diversified Enterprises, Inc.) 32.8%. Purchasers of the shares being registered will acquire a 10% stock interest in the company for their investment of \$6,250,000; present shareholders will then own 90%, for which they paid \$3,042,500 (or 68¢ per share).

**SB PARTNERS PROPOSES OFFERING.** SB Partners, 1345 Avenue of the Americas, New York, N. Y. 10019, filed a registration statement (File 2-37280) with the SEC on May 1 seeking registration of 1,000 units of limited partnership interest, to be offered for public sale at \$10,000 per unit. The partnership was formed by Smith, Barney Real Estate Corporation (the general partner), a wholly-owned subsidiary of Smith, Barney & Co., Inc. (the underwriter), for the purpose of acquiring and developing real property. The underwriter will receive a \$200 per unit commission. Net proceeds of the offering will be available for general corporate purposes. Thomas F. Githens is president of the general partner.

**WALLACE-MURRAY SHARES IN REGISTRATION.** Wallace-Murray Corporation, 299 Park Avenue, New York, N. Y. 10017, filed a registration statement (File 2-37281) with the SEC on May 1 seeking registration of 113,132 outstanding shares of common stock. These shares were issued by the company in connection with its acquisitions of businesses; they may be offered for sale from time to time by the holders thereof, at prices current at the time of sale. The company is engaged in the manufacture and sale of building products, cutting tools, power components and custom metal products. In addition to indebtedness and preferred stock, it has outstanding 2,863,388 common shares.

**FEDDERS FILES OFFERING PROPOSAL.** Fedders Corporation, Edison, N. J., filed a registration statement (File 2-37282) with the SEC on May 1 seeking registration of 800,000 shares of common stock, to be offered for public sale through underwriters headed by Allen & Company, Inc., 30 Broad St., New York, N. Y., and two other firms. The offering price (\$35 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company is principally engaged in the manufacture and sale of residential and commercial central air conditioning systems and window air conditioners and other home appliances. The net proceeds of its stock sale will be applied to the reduction of short-term bank borrowings incurred for working capital purposes. In addition to indebtedness, the company has outstanding 9,756,344 common shares, of which management officials as a group own 2.18%. Salvatore Giordano is president and board chairman.

**AMERICAN MEDICORP. FILES FOR SECONDARY.** American Medicorp. Inc., Barclay Bldg., Bala Cynwyd, Pa. 19004, filed a registration statement (File 2-37283) with the SEC on May 1 seeking registration of 823,002 outstanding shares of common stock, to be offered for public sale by the holders thereof through underwriters headed by Smith, Barney & Co., Inc. The offering price (\$25 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company is primarily engaged in the business of managing and developing general, acute care community hospitals. In addition to indebtedness and preferred stock, it has outstanding 8,461,688 common shares. Robert S. Goldsamt is board chairman and Bernard J. Korman president. The list of selling stockholders includes Sheldon L. Pollack (a director), 65,098 shares, M. B. Dalitz, 158,210, Irwin A. Molasky, 109,586, Merv Adelson, 60,544, Nathan Adelson, 60,540, Allard Roen, 45,120 and Gregory & Sons, 28,400.

**DELTA DATA SYSTEMS TO SELL STOCK.** Delta Data Systems Corporation, 1765 Woodhaven Dr., Cornwells Heights, Pa. 19020, filed a registration statement (File 2-37284) with the SEC on May 1 seeking registration of 400,000 shares of common stock, to be offered for public sale through underwriters headed by Thomson & McKinnon, Auchincloss Inc., 2 Broadway, New York, N. Y. 10004. The offering price (\$10 per share maximum\*) and underwriting terms are to be supplied by amendment. The company will pay a \$22,000 finder's fee to David H. Schwartz, a stockholder.

The company designs, manufactures and sells computer peripheral devices, principally remote visual display terminals. Of the net proceeds of its stock sale, \$500,000 will be used to expand its marketing activities, \$500,000 for research and the development of new products, \$400,000 to purchase production and engineering equipment, \$400,000 for inventory buildup, and \$190,000 to repay notes held by certain stockholders; the balance will be added to working capital, except that \$750,000 may be invested in a subsidiary to provide permanent financing for the leasing of equipment manufactured by the company. The company has outstanding 1,095,600 common shares, of which R. Barry Borden, president, owns 11% and management officials as a group 41%. Purchasers of the shares being registered will acquire a 26.8% stock interest in the company for their investment of \$4,000,000\*; present stockholders will then own 73.2%, for which the company received an average of \$.845 per share (\$926,421 in the aggregate).

**DICTAPHONE SHARES IN REGISTRATION.** Dictaphone Corporation, 120 Old Post Road, Rye, N. Y. 10580, filed a registration statement (File 2-37286) with the SEC on May 1 seeking registration of 358,561 outstanding shares of common stock. These shares are part of some 465,514 shares issued by the company in connection with its acquisition of businesses in which they were stockholders; they may be offered for sale from time to time by such holders (at \$11 per share maximum\*). The company is engaged, among other things, in the manufacture and sale of business machines. It has outstanding 3,592,042 common shares.

**CONSOLIDATED SOFTWARE PROPOSES OFFERING.** Consolidated Software, Inc., 8408 Arlington Blvd., Fairfax, Va. 22030, filed a registration statement (File 2-37287) with the SEC on May 1 seeking registration of 300,000 shares of common stock, to be offered for public sale through underwriters headed by Provident Securities, Inc., 32 Broadway, New York, N. Y. The offering price (\$4 per share maximum\*) and underwriting terms are to be supplied by amendment. Provident Securities will be entitled to purchase, for \$300, five-year warrants for the purchase of 30,000 shares.

The company was organized in November 1968 to engage in the business of designing and marketing computer programs and related documentary material ("software packages"). Of the net proceeds of its stock sale, \$360,000 will be applied to the payment of bank loans and other indebtedness, \$262,000 to prepay in part an outstanding 8½% convertible note, and the balance for payment of the cost of the company's program for the establishment of its business of marketing software packages. In addition to indebtedness, the company has outstanding 1,039,750 common shares, of which William G. Debs, board chairman, owns 21.3%, Edward K. O'Connor, president and chief executive officer, 12.8%, and management officials as a group 60.2%.

**FUTURES FUND PROPOSES OFFERING.** Futures Fund, Inc., 1144 Americana Court, Des Moines, Iowa 50314, filed a registration statement (File 2-37290) with the SEC on May 4 seeking registration of 100,000 shares of common stock, to be offered for public sale at \$5 per share. The offering is to be made through underwriters headed by Conway Brothers-First of Iowa Corp., 902 Walnut St., Des Moines, Iowa 50309, which will receive a 50c per share commission. The company has granted Conway Brothers a five-year option to purchase 5,000 shares exercisable at \$5 per share.

The Fund was organized in March as a closed-end mutual fund devoted exclusively to trading in commodity and provision futures contracts. Futures Management Corporation of Iowa is the investment adviser. The Fund has outstanding 68,200 common shares, of which management officials as a group own 16,000 and Pyramid Management Corporation 22,000 shares (a total of 56% of the outstanding shares). Robert Bullene, vice president of the Fund, is president of Pyramid. Robert Bullene and Kenneth Mitchell, president of the Fund, are officers and sole shareholders of the investment adviser. Public investors will acquire a 59% stock interest in the Fund for their investment of \$500,000; present shareholders will then own 41%, for which they will have paid \$170,500.

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

Genesco Inc., Nashville, Tenn. 37202 (File 2-37289) - 325,000 shares

The Warner & Swasey Company, Cleveland, Ohio 44106 (File 2-37291) - 200,000 shares

#### MISCELLANEOUS

**UNLISTED TRADING REPORTED.** The SEC has issued orders under the Securities Exchange Act (Release 34-8880) granting applications of the following exchanges for unlisted trading privileges in the common stocks of the named companies: Boston Stock Exchange - Alloys Unlimited, Inc., American Medical Enterprises, Inc., Astrodata, Inc., Automated Building Components, Inc., Canadian Superior Oil Ltd., Champion Home Builders Co., Computing & Software, Inc., Damon Corp., Data Processing Financial & General Corp., Desert Pharmaceutical Co., Federal Sign and Signal Corp., General Cinema Corp., Great Lakes Chemical Corp., Guerdon Industries, Inc., Helmerich & Payne, Inc., Instron Corp., International Flavors & Fragrances, Inc., Kaiser Cement & Gypsum Corporation, Kansas Gas and Electric Company, McCulloch Oil Corp., Molybdenum Corp. of America, Planning Research Corp., Plough, Inc., Ramada Inns, Inc., Redman Industries, Inc., Rochester Telephone Corp., Savin Business Machines Corp., Saxon Industries, Inc., Schaefer (F & M) Corp., Technical Operations, Inc., Telex Corp., Tool Research & Engineering Corp., Town & Country Mobile Homes, Inc., Trans Union Corporation, Tyco Laboratories, Inc., Varo, Inc., Wang Laboratories, Inc. and William Brothers Co;

Philadelphia-Baltimore-Washington Stock Exchange - Marshall Industries, Milgo Electronic Corporation, STP Corporation and Teleprompter Corporation;

Midwest Stock Exchange - Columbia Pictures Industries, Inc.

Orders have also been issued giving interested persons until May 19 to request a hearing upon applications of the following exchanges for unlisted trading privileges in the common stocks or named securities of the specified companies: Boston Stock Exchange - ITI Corp., Monogram Industries, Inc., Morton-Norwich Products, Inc., Pepi Inc., Southern Pacific Company and The Summit Organization, Inc. Class A Common Stock; Detroit Stock Exchange - Southern Pacific Company; Midwest Stock Exchange - Monogram Industries, Inc. and Southern Pacific Company; Pacific Coast Stock Exchange - Penn Central Company;

Philadelphia-Baltimore-Washington Stock Exchange - The Franklin Mint, Inc. and Southern Pacific Company.

**DELISTINGS GRANTED.** The SEC has issued orders under the Securities Exchange Act (Release 34-8880) granting applications of the Midwest Stock Exchange to strike from listing and registration the common stocks of Duncan Industries, Inc. and FWD Corporation, effective at the opening of business on May 6, 1970. Duncan Industries requested the delisting. Trading in FWD common stock has been inactive, no transactions having taken place since November 19, 1969, and only 95,828 shares remain outstanding in the hands of the public exclusive of 588,662 shares owned by Corporation Investments, Inc. and Wisconsin Investments, Inc.

**CONTINENTAL VENDING BAN CONTINUED.** The SEC has ordered the suspension of over-the-counter trading in the securities of Continental Vending Machine Corporation for the further ten-day period May 7-16, 1970, inclusive.

**IMPORTANT NOTICE**

Many requests for copies of documents referred to in the daily SEC News Digest have erroneously been directed to the Government Printing Office. They should be addressed: Public Reference Section, Securities and Exchange Commission, Washington, D. C. 20549. The reproduction cost will approximate 12¢ per page, plus postage, for mailing within four days, to 25¢ per page, plus postage, for overnight mailing. Cost estimates given on request.

**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. The captions of the items are as follows:

- Item 1. Changes in Control of Registrant.
- Item 2. Acquisition or Disposition of Assets.
- Item 3. Legal Proceedings.
- Item 4. Changes in Securities.
- Item 5. Changes in Security for Registered Securities.
- Item 6. Defaults upon Senior Securities.
- Item 7. Increase in Amount of Securities Outstanding.
- Item 8. Decrease in Amount of Securities Outstanding.
- Item 9. Options to Purchase Securities.
- Item 10. Revaluation of Assets or Restatement of Capital Share Account.
- Item 11. Submission of Matters to a Vote of Security Holders.
- Item 12. Other Materially Important Events.
- Item 13. Financial Statements and Exhibits.

Copies of the reports 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.

**8K Reports for March 1970**

Commuter Airlines (3,13)	0-1697-2	Brush Beryllium Co. Feb 70(7)	0-484-2
Compudyne Corp (4,7,8,13)	1-4245-2	Calhoun Investment Co., Inc.	
E. C. Ernst, Inc.(12)	1-6060-2	(11,13)	0-3136-2
Sterchi Bros. Stores Inc.			
Apr 70(13)	1-2504-2	American Science & Engineering, Inc.	
Wells Fargo & Co.(11,12)	1-6214-2	(11,13)	0-3381-2
Western Orbis Company(7,8)	1-4783-2	Boston Herald Traveler Corp	
		(11,13)	0-642-2
Commerce Clearing House(11,13)	0-135-2		
Continental Telephone International		Clark Equipment Overseas Finance Corp	
Finance Corp (7,13)	1-5614-2	(7)	1-5220-2
Cutter Laboratories, Inc.(11)	1-4286-2	Commercial International Corp(7)	0-4178-2
Foto Mem Inc.(3)	0-3879-2	Edwards Engineering Corp Feb 70	
Royal Coach, Inc. Feb 70(7)	2-34814-2	(7,13)	0-2004-2
		Unico Environmental Instruments, Inc.	
CT Dissolution Co. Feb (2,13)	0-3058-2	(1,11,12,13)	2-28117-2
Chesapeake Corp of Virginia(13)	1-3203-2		
Frudential Building Maintenance Corp		Alex Colman, Inc. (11,13)	0-4457-2
(2,7,13)	1-5600-2	Convalescent Nursing Centers of America, Inc.	
Shatterproof Glass Corp Feb 70		(1)	0-3636-2
(12,13)	0-177-2	Cyclops Corp (7,9,13)	1-2858-2

**SECURITIES ACT REGISTRATIONS.** Effective May 5: Boise Cascade Credit Corp., 2-36551 (90 days); Carolina Power & Light Co., 2-37011; The Empire District Electric Co., 2-37054; Esquire, Inc., 2-37072; The Hanna Mining Co., 2-37211; Laclede Gas Co., 2-37088; Midland Ross Corp., 2-37115; Monongahela Power Co., 2-36780 (40 days); Levi Strauss & Co., 2-37059; The Stuart McGuire Company, Inc., 2-36447 (Jun 14). **Withdrawn May 1:** Mister Pants Inc., 2-34109; Mesa Petroleum Co., 2-35898.

**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.