

sec news digest

Issue 78-145

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July 27, 1978

U.S. SECURITIES AND EXCHANGE COMMISSION

NOTICE OF COMMISSION MEETINGS

Following is a schedule of Commission meetings which will be conducted pursuant to provisions of the Government in the Sunshine Act. In general, the Commission expects to follow a schedule of holding closed meetings on Tuesdays, and open meetings on Thursday mornings. Meetings on Wednesday, and if necessary on Thursday afternoons, will be either open or closed according to the requirements of agenda items under consideration. The Commission will not normally meet on Mondays or Fridays.

Visitors are welcome at all open meetings, insofar as seating is available.

Meetings will be held in the Commission Meeting Room on the eighth floor of the Commission's headquarters building at 500 North Capitol Street, Washington, D.C. All visitors are required to sign in and obtain passes at the Reception Desk in the lobby. Persons wishing to photograph or obtain a tape recording of Commission meetings must obtain permission in advance from the Secretary of the Commission.

CLOSED MEETING - WEDNESDAY, AUGUST 2, 1978 - 10 A.M.

The subject matter of the August 2 closed meeting will be: Access to investigative files by Federal, State, or Self-Regulatory authorities; Formal orders of investigation; Institution of injunctive actions; Institution of administrative proceedings of an enforcement nature; Settlement of administrative proceedings of an enforcement nature; Chapter X proceeding; Opinion; Regulatory matter bearing enforcement implications.

OPEN MEETING - THURSDAY, AUGUST 3, 1978 - 10 A.M.

The subject matter of the August 3 open meeting will be:

- (1) Proposed adoption of amendment delegating authority to the Director of the Division of Enforcement to approve applications for relief from disqualification by certain individuals who have previously been allowed to re-enter the securities industry.
- (2) Consideration of the withdrawal of proposed amendment to Rule 306 under Regulation B under the Securities Act of 1933, which would require offerors to be registered brokers or dealers.
- (3) Consideration of a petition for rulemaking submitted by the Institute for Public Interest Representation, requesting that the Commission promulgate a rule defining responsibilities of an attorney whose client has, during the course of the representation, perpetrated a fraud upon any person or upon the Commission.
- (4) Proposed order extending the date upon which the delisting of Pacific Resources, Inc. stock from the Pacific Stock Exchange, Inc. becomes effective and extending the date of the exemption of certain persons from the requirements of Exchange Act Rule 17a-15 relating to the last sale reporting of Pacific Resources, Inc. stock transactions in the over-the-counter market.

FOR FURTHER INFORMATION CONTACT: George Yearsich at (202) 755-1100

ADMINISTRATIVE PROCEEDINGS

THE WILLIAMS COMPANIES

The Commission today announced the simultaneous institution and settlement of a stop order proceeding pursuant to Section 8(d) of the Securities Act of 1933 relating to a registration statement filed by The Williams Companies on Form S-14 on November 23, 1977. (Rel. 34-15000)

COMMISSION ANNOUNCEMENTS

ISSUANCE OF FINAL GUIDELINES FOR THE REPLACEMENT OF INVOLUNTARILY DELISTED OPTIONS CLASSES DURING THE VOLUNTARY MORATORIUM

The SEC has announced that it has sent letters to each self-regulatory organization which presently trades, or which has proposed to trade, standardized options, containing the Commission's final guidelines for the replacement of involuntarily delisted options classes during the voluntary moratorium on further expansion of standardized options trading which the Commission requested on June 22, 1978. (Rel. 34-14991)

COURT ENFORCEMENT ACTIONS

VICTOR DANENZA PLEADS GUILTY

The New York Regional Office announced that on May 16, before the Honorable Inzer B. Wyatt, U.S. District Judge of the Southern District of New York, Victor Danenza, also known as Victor Danen (Danenza) pleaded guilty to a superceding information charging him with one count of selling unregistered securities and one count of securities fraud in connection with transactions in the common stock of Display Sciences, Inc. Danenza, along with four others, had been named in a thirty-six count indictment returned on June 25, 1975. At that time, he resided in France and refused to return for trial. The U.S. Attorney initiated extradition proceedings and when the Ministry of Justice of France determined Danenza should be extradited, Danenza returned to the U.S. and pleaded guilty to the subject information which superceded the 1975 indictment. Sentencing of Danenza is scheduled for September 14, 1978. (U.S. v. Victor Danenza, S. 75 Crim. 1141, S.D.N.Y.). (LR-8472)

FINANCIAL INFORMATION CENTER, INC. AND RICHARD P. JENNETT ENJOINED

The Boston Regional Office announced that on July 18 a civil complaint was filed in the U.S. District Court for the District of Massachusetts seeking to enjoin Financial Information Center, Inc. (FIC), of Sherborn, Massachusetts, a registered investment adviser and its president, Richard P. Jennett, also of Sherborn, from further violations of the antifraud, advertising and recordkeeping provisions of the Investment Advisers Act of 1940. The defendants consented to the entry of a final judgment of permanent injunction against them without admitting or denying the allegations of the complaint. The complaint alleged, among other things, that the defendants violated the antifraud and advertising provisions of the Investment Advisers Act in that FIC, aided and abetted by Jennett, continued to solicit subscriptions to the FIC publications at a time when FIC was insolvent; unable to publish and furnish to clients those publications already subscribed for; and that they failed to disclose that FIC had not published or furnished to clients and subscribers copies of FIC's publications since on or about July 1, 1977. The complaint further alleged that FIC, aided and abetted by Jennett, failed to make and keep true, accurate and current, books and records relating to FIC's investment advisory business. (SEC v. Financial Information Center, Inc., et al., D. Mass., Civil Action No. 78-1685-C). (LR-8473)

FIVE STAR COAL COMPANY, INC. ENJOINED; ORDERS ENTERED WITH RESPECT TO EDWARD H. MILLER, OTHERS

The Commission announced that on July 6 Judge Robert M. Duncan granted a preliminary injunction against Five Star Coal Company, Inc. enjoining it until further order of the court from further violations of the registration and antifraud provisions of the securities laws. Judge Duncan also ordered that Edward H. Miller, Maurice Roth, and Benjamin G. Sprecher shall, in connection with any offer to sell or sale of Five Star stock advise any such offeree or purchaser that the SEC has filed this action against them alleging violations of the registration and antifraud provisions of the securities laws, and shall, upon request, provide any such offeree or purchaser a copy of the Commission's complaint in this action. (SEC v. Five Star Coal Company, et al., Civil Action No. C-2-77-832, S.D. Ohio). (LR-8474)

INVESTMENT COMPANY ACT RELEASES

INTERNATIONAL LIQUID ASSETS

An order has been issued declaring that International Liquid Assets, Inc. has ceased to be an investment company. (Rel. IC-10335 - July 25)

T. ROWE PRICE ASSOCIATES

A notice has been issued giving interested persons until August 18 to request a hearing on an application of T. Rowe Price Associates, Inc. and the registered investment companies which it serves as investment adviser (Applicants), pursuant to Section 17(d) of the Act and Rule 17d-1 thereunder, for an order permitting the Applicants to enter into a joint arrangement on an annual basis for the payment of premiums for errors and omissions insurance covering the Applicants and their officers, directors, and employees. (Rel. IC-10336 - July 25)

NATIONAL CORPORATE TRUST, FIRST SERIES AND PREFERRED STOCK SERIES AND SIMILAR AND SUBSEQUENT SERIES

A notice has been issued giving interested persons until August 18 to request a hearing on an application of National Corporate Trust, First Series and Preferred Stock Series and Similar and Subsequent Series (Fund), a registered unit investment trust, for an order exempting the Fund from the initial net worth requirements of Section 14(a), exempting certain pricing practices in the offering of units of the Fund from the provisions of Section 22(d), exempting the Fund from the limitations on distributions of capital gains contained in Rule 19b-1, and exempting from Rule 22c-1 the proposed secondary market operations of the Fund's sponsors. (Rel. IC-10337 - July 25)

CALIFORNIA MUTUAL FUND

An order has been issued declaring that California Mutual Fund has ceased to be an investment company. (Rel. IC-10338 - July 25)

METROPOLITAN LIFE INSURANCE COMPANY

A notice has been issued giving interested persons until August 17 to request a hearing on an application of Metropolitan Life Insurance Company, a New York mutual life insurer, and Metropolitan Variable Account B of Metropolitan Life Insurance Company, a separate account of Metropolitan registered as an open-end management investment company under the Investment Company Act of 1940, for an order pursuant to Section 17(b) exempting a proposed transaction from Section 17(a) and pursuant to Section 6(c) for an order of exemption from the provisions of Sections 22(d) and 27(a)(3) of the Act. (Rel. IC-10339 - July 25)

HOLDING COMPANY ACT RELEASES

SOUTHWESTERN ELECTRIC POWER COMPANY

A notice has been issued giving interested persons until August 15 to request a hearing on a proposal of Southwestern Electric Power Company, subsidiary of Central and South West Corporation, to expend through December 31, 1978, an additional \$2,550,000 in its previously authorized gas and oil exploration and development programs. (Rel. 35-20639 - July 25)

OHIO POWER COMPANY

A notice has been issued giving interested persons until August 18 to request a hearing on a proposal of Ohio Power Company, subsidiary of American Electric Power Company, Inc., that it sell a certain transformer installation and appurtenant rights to Ashland Oil Company. (Rel. 35-20640 - July 25)

LISTING, DELISTING AND UNLISTED TRADING ACTIONS

DELISTING GRANTED

An order has been issued granting the application submitted by the American Stock Exchange, Inc. to strike from listing and registration the common stock of Bertea Corporation. (Rel. 34-14990)

LISTING ACTIONS

The Commission has announced that the specified securities of the following companies have become listed on the following stock exchanges: Pacific Stock Exchange, Inc. - Palm Beach Inc., common stock (effective as of June 22, 1978). New York Stock Exchange, Inc. - Butler International, Inc., common stock (effective as of March 18, 1978); National Distillers and Chemical Corporation, \$1.85 preference stock and Palm

Beach Inc., common stock (both effective as of June 22, 1978); Northwest Pipeline Corp., \$2.36 cumulative preferred stock, and Pengo Industries Inc., common stock (both effective as of July 13, 1978).

SELF-REGULATORY ORGANIZATIONS

NOTICE AND APPROVAL OF PROPOSED RULE CHANGE

The Commission has approved, on an accelerated basis, a proposed rule change filed by the American Stock Exchange, Inc. (SR-Amex-78-15) which would implement a trial program which would provide for the continuous display to the trading crowds engaged in option trading the highest bid and lowest offer on a specialist's limit order book and an indication of the number of option contracts on each such bid and offer. (Rel. 34-14996)

SECURITIES ACT REGISTRATIONS

The following registration statements have been filed with the SEC pursuant to the Securities Act of 1933. The information noted below has been taken from the cover page and the facing sheet of the prospectus and registration statement and will appear as follows: Form; Name, address and phone number (if available) of the issuer of the security; Title and the number or face amount of the securities being offered; Name of the managing underwriter (if applicable); Whether the offering is a rights offering; and File number and date filed.

- (S-16) ITEL CORPORATION, One Embarcadero Center, San Francisco, Cal. 94111 (415) 955-0000 - 82,200 shares of common stock. (File 2-62197 - July 25)
- (S-6) GOVERNMENT SECURITIES TRUST, GNMA SERIES 2, 14 Wall St., New York, N.Y. 10005 - 14,000 units. Depositors: Loeb Rhoades, Hornblower & Co., 14 Wall St., New York, N.Y. 10005, Smith Barney, Harris Upham & Co. Inc. and Blyth Eastman Dillon & Co. Inc. (File 2-62198 - July 25)
- (S-7) OKLAHOMA GAS AND ELECTRIC COMPANY, 321 North Harvey Ave., Oklahoma City, Okla. 73102 (405) 272-3000 - 3,000,000 shares of common stock. Underwriters: Merrill Lynch White Weld Capital Markets Group and Bache Halsey Stuart Shields Inc. The company is an electric utility. (File 2-62208 - July 26)
- (S-16) KRATOS, INC., 3344 North Torrey Pines Court, La Jolla, Cal. 92037 (714) 455-9020 - 73,345 shares of common stock. (File 2-62209 - July 26)
- (S-8) HECHINGER COMPANY, 3500 Pennsy Dr., Landover, Md. 20785 (301) 341-1000 - 100,000 shares of common stock. (File 2-62210 - July 26)
- (S-7) METROPOLITAN EDISON COMPANY, 2800 Pottsville Pike, Muhlenberg Township, Berks County, Pa. 19605 (215) 929-3601 - \$50 million of first mortgage bonds, due September 1, 2008. The company is engaged in the production, purchase, transmission, distribution and sale of electricity. (File 2-62212 - July 26)
- (S-8) ALLIED STORES CORPORATION, 1114 Avenue of the Americas, New York, N.Y. 10036 - 250,000 shares of common stock. (File 2-62213 - July 26)
- (S-8) UNION CAMP CORPORATION, 1600 Valley Rd., Wayne, N.J. 07470 - \$15 million of participations. (File 2-62214 - July 26)
- (S-6) CORPORATE SECURITIES TRUST, LONG-TERM DEBT SERIES 6, 1345 Avenue of the Americas, New York, N.Y. 10019 - 14,000 units. Depositors: Smith Barney, Harris Upham & Co. Inc., 1345 Avenue of the Americas, New York, N.Y. 10019, Loeb Rhoades, Hornblower & Co., Blyth Eastman Dillon & Co. Inc. and Paine, Webber, Jackson & Curtis Inc. (File 2-62215 - July 27)

REGISTRATIONS EFFECTIVE

July 14: Triton Oil & Gas Corp., 2-61406.

July 20: American Hoist & Derrick Co., 2-62063; Anglo Co. Ltd., 2-61884 & 2-61885; Armco Inc., 2-61755; Budget Capital Corp., 2-61870; Clary Corp., 2-61834; Colonial Commercial Corp., 2-62100; Communications Satellite Corp., 2-61905; Computer Communications, Inc., 2-61727; Florida Power & Light Co., 2-61997; The Government Securities Income Fund, Fourth GNMA Series, 2-61893; Greenbelt Consumer Services, Inc., 2-61694; Kaneb Services, Inc., 2-61791; McDowell Enterprises, Inc., 2-61917; Palm Beach Inc., 2-61383; Republic Automotive Parts, Inc., 2-61862; Rorer Group Inc., 2-61635; Sambo's

Restaurants, Inc., 2-61619; Transamerica Financial Corp., 2-62028; Union Oil Co. of California, 2-62079; Veeco Instruments, Inc., 2-61906; Virginia Electric and Power Co., 2-62027.

NOTE TO DEALERS. When applicable the 90-day period of time dealers are required to use the prospectus is noted above in parentheses after the name of the issuer. As to the other issuers, there may be no such requirement to use a prospectus, or the requirement may be for a period of only 40 days; see Section 4(3) of the Securities Act of 1933 and Rule 174 (17 CFR 230.174) thereunder.

REGISTRATION ABANDONED

July 19: Mexico Fund, 2-49027.

ACQUISITIONS OF SECURITIES

Companies and individuals must report to the Commission within 10 days on Schedule 13D if after the acquisition of equity securities of a public company their beneficial interest therein exceeds 5%. Persons eligible to use the short form (Form 13-G) may in lieu of filing a Schedule 13D file a Form 13-G within ten days after the end of the calendar quarter in which the person became subject to Section 13(d)(1). The following companies or individuals filed Schedule 13D's during the period June 26 - July 10, 1978. The number of shares of the security which are beneficially owned, and the number of shares concerning which there is a right to acquire are sent forth for each beneficial owner. *Amended Acquisition Reports.

<u>REPORTING COMPANY OR INDIVIDUAL</u>	<u>ISSUER AND NUMBER OF SHARES</u>	<u>DATE FILED</u>
* Ferdinand Graf von Galen	Patagonia Corp. (Tucson, AZ) Common Stock - 356,500 shs. (15.4%) Common Stock - 269,464 shs. on conversion of Debentures	6-26-78
* Farm House Foods Corp.	Scot Lad Foods, Inc. (Lansing, IL) Common Stock - 466,742 shs. (10.8%) (Farm House also owns 15,039 shares Series C Preferred Stock.)	7-5-78
Lowell F. McNeill	First Wisconsin Mortgage Trust (Milwaukee, WI) Shares of Beneficial Interest - 98,300 (Included above are shares owned by his wife.)	7-6-78
Liquifin of America, Inc. (Wholly-owned subsidiary of Liquigas S.p.A.) Liquigas S.p.A. (Italy)	Ronson Corporation (Woodbridge, NJ) Common Stock - 1,604,060 shs. (36.4%)	7-6-78
* Telco Marketing Services, Inc. Libco Corporation	Hickory Furniture Co. (Hickory, NC) Common Stock - 203,700 shs.	7-6-78
* Morse F. Van Horn	Lincoln Mortgage Investors (Fullerton, CA) Shares of Beneficial Interest - 74,400 (Included above are shares held by his wife and daughter.)	7-6-78
* Ted D. Nelson Daniel C. Montano Victoria G. Montano Dr. Paul Kouri, et al Individually and as Shareholders Committee	Lincoln Mortgage Investors (Fullerton, CA) Shares of Beneficial Interests - 146,400	7-6-78
* Telco Marketing Services, Inc. Libco Corporation	Outdoor Sports Industries, Inc. (Denver, CO) Common Stock - 98,600 shs.	7-6-78
Rosbro Sportswear Co., Inc.	Lortogs, Inc. (NYC) Common Stock - 75,000 shs.	7-7-78

ACQUISITION REPORTS CONT.

Valhi, Inc. (Wholly-owned subsidiary of Contran Corp.) Dixie Rice Agricultural Corp- oration, Inc.	Vornado, Inc. (Garfield, NJ) Common Stock - 551,400 shs.	7-7-78
* Orford Pendaflex Development Corp. (Wholly-owned subsidiary of Esselte AB (Sweden)	Dymo Industries, Inc. (San Francisco, CA) Common Stock - 1,824,450 shs. (94.34%)	7-7-78
* Johnson & Johnson Development Corp. (Wholly-owned subsidiary of Johnson & Johnson) Johnson & Johnson	HemoTec, Inc. (Englewood, CO) Common Stock - 114,000 shs. Class A Non-Voting Common Stock - 184,000 shs. (100%)	7-7-78
Harry Ross, Trustee of Harry Ross Family Trust Harry Ross 1975 Trust Epstein Children's Trust	Chromalloy American Corp. (St. Louis, MO) \$5 Convertible Preferred Stock - 82,343 shs.	7-10-78
Shamrock Associates, Limited Partnership	Citrus County Land Bureau, Inc. (Great Neck, NY) Common Stock - 41,800 shs.	7-10-78
ORON Inc. (Wholly-owned subsidiary of Anthes Imperial Ltd. (Canada)	Diversey Corporation (Chicago, IL) Common Stock - 1,969,072 shs. (97%) (1,755,072 of above shares were acquired pursuant to the Tender Offer.)	7-10-78
Peter R. Harvey	Dutch Boy, Inc. (Northfield, IL) Common Stock - 247,580 shs. (11.26%) Common Stock - 30,000 shs. on exercise of Option	7-10-78
Shufro, Rose & Ehrman	Kenwin Shops, Inc. (NYC) Common Stock - 71,607 shs. (15.6%)	7-10-78
Texas International Air- lines, Inc. (Controlled by Jet Capital Corp.)	National Airlines, Inc. (Miami, FL) Common Stock - 790,700 shs.	7-10-78
Allstate Insurance Company Northbrook Insurance Company (Wholly-owned subsidiaries of Sears, Roebuck and Co.) Sears, Roebuck and Co.	Northern Indiana Public Service Co. (Hammond, IN) 8.35% Preferred Stock - 100,000 shs. (The group also owns 100,000 shares 7-3/4% Preferred Stock.)	7-10-78
Jerral W. Jones	Seneca Oil Company (Oklahoma City, OK) Common Stock - 750,000 shs. (13.9%) Common Stock - 100,000 shs. on exercise of an Option	7-10-78
Sanford P. Brass James W. Walsh Leonard DeVries	Seneca Oil Company (Oklahoma City, OK) Common Stock - 750,000 shs. (13.9%) Common Stock - 100,000 shs. on exercise of Options	7-10-78
Diamond Shamrock Corporation	Sigmor Corporation (San Antonio, TX) Class A Common Stock - 1,410,000 shs. (21.04%) (Above shares were acquired pursuant to a Stock Purchase Agreement.)	7-10-78
Heidi Nitze	Twentieth Century-Fox Film Corp. (Los Angeles, CA) Series A Convertible Preferred Stock - 62,550 shs. (Above shares were acquired pursuant to the merger of Aspen Skiing Corp. into a subsidiary of Fox.)	7-10-78

ACQUISITION REPORTS CONT.

Peter P. Nitze, Individually and as Trustee	Twentieth Century-Fox Film Corp. (Los Angeles, CA) Series A Convertible Preferred Stock - 70,769 shs. (Above shares were acquired pursuant to the merger of Aspen Skiing Corp. into a subsidiary of Fox. Included above are shares held by his wife and children.)	7-10-78
Potomac Preservations, Inc.	Twentieth Century-Fox Film Corp. (Los Angeles, CA) Series A Convertible Preferred Stock - 33,446 shs. (Above shares were acquired pursuant to the merger of Aspen Skiing Corp. into a subsidiary of Fox. Two officers hold 40,639 shares.)	7-10-78
Phyllis Anina Thompson	Twentieth Century-Fox Film Corp. (Los Angeles, CA) Series A Convertible Preferred Stock - 63,740 shs. (Above shares were acquired pursuant to the merger of Aspen Skiing Corp. into a subsidiary of Fox. Included above are shares held in Trust for her children.)	7-10-78
J. B. Maher, Jr.	Universal Foods Corporation (Milwaukee, WI) Common Stock - 254,912 shs. (Mr. Maher is beneficiary of J. B. Maher Trust which owns 140,090 shares.)	7-10-78
Jerry Gilbert Brassfield	Western America Energy Corp. (San Jose, CA) Common Stock - 750,000 shs.	7-10-78
* Joel Greenberg Riverside Foods, Ltd.	Bluebird Inc. (Philadelphia, PA) Common Stock - 1,056,100 shs. (19%)	7-10-78
* Joel Greenberg Riverside Foods, Ltd.	Buring Food Group, Inc. (Memphis, TN) Common Stock - 44,800 shs.	7-10-78
* Midhurst Corporation	Camco, Incorporated (Houston, TX) Common Stock - 567,460 shs. (29%) Common Stock - 250,000 shs. on conversion of Debentures	7-10-78
* Ronald O. Perelman	Cohen-Hatfield Industries, Inc. (NYC) Common Stock - 461,467 shs. (32.7%)	7-10-78
* Joshua Biblowitz Max Biblowitz Louis Biblowitz Joel Biblowitz, et al	Masters, Inc. (Westbury, NY) Common Stock - 808,540 shs. (67.76%)	7-10-78



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NOTICE

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