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November 15, 1973

A NEGLECTED DIMENSION OF FINANCIAL REPORTING

Speaking before the Cleveland Treasurers Club, Commissioner A. A. Sommer, Jr., last night discussed the responsibilities of the financial management of publicly held companies.

"I think it is time we focused upon the responsibilities of the financial management of publicly-held companies. It is not incorrect to designate this as a professional responsibility. Most of the ranking financial officers of corporations have accounting pedigrees entailing professional responsibility which I suggest should carry through, whether they ply their trade in accounting firms or corporations. Furthermore, they are largely responsible for the most critical information investors use in making crucial investment decisions. And I think most corporate financial officers think of themselves as professionals and take pride in the thought."

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"I would suggest that the totality of the inside professional's responsibilities to the investing public is as broad and even broader than that of the outside independent accountant. It is the obligation of the inside professional to produce financial statements that are prepared in accordance with generally accepted accounting principles, just as it is the obligation of the auditor to determine whether they have so been prepared. But beyond that it is the obligation of the inside financial officer, as it is of the auditor, at least since the Simon case, to determine whether the financial statements present fairly the financial position and results of operations of the enterprise."

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"I would suggest the obligations of the inside professional go deeper than those of the outside auditor, and this for a simple reason: the inside professional knows more about the company than the auditor ever can. The auditors may spend man-years pouring over the books and records of an enterprise, but they weren't there when deals were discussed in the privacy of the executive suite, they weren't there when the impacts of transactions and corporate decisions were discussed in terms of earnings per share, they weren't there when the five year forecasts were put together."

In addition, Commissioner Sommer commented on the necessity of there being "an early warning system that would send up flares whenever an accounting practice emerged that, though apparently in accordance with generally accepted accounting principles, nonetheless had within it the seeds of seriously misleading the public."

Commissioner Sommer stated that there was a need to supplement the activities of the Financial Accounting Standards Board, which, he noted, is concerned with long term problems and whose approach must be one of careful analysis, public participation and deliberative action:

"I would hope that increasingly the Commission will fill that role and develop procedures which would warn investors that a given accounting approach, though in accordance with generally accepted accounting principles, nonetheless has a tendency to distort economic reality, which after all accounting is intended to mirror with as much precision as possible."

COMMISSION ANNOUNCEMENTS

SEC CITES BOVERS, PARNASS & TUREL, OTHERS. Public administrative proceedings have been instituted against Bovers Parnass & Turel, Inc. (BPT) of Jersey City, New Jersey; Diamond West Corporation, owner of 100% of the voting stock of BPT; Howard F. Bovers, president of BPT; Mark S. Parnass, secretary and director of BPT; and Lawrence R. Turel, vice president and director of BPT. The institution of proceedings is based on alleged violations of the net capital provisions of the securities laws and the issuance of a permanent injunction by the U.S. District Court in New York City enjoining the respondents from violations of the net capital provisions and the appointment of a trustee under the Securities Investor Protection Act of 1970.

A hearing will be scheduled to take evidence on the staff allegations and to afford the respondents an opportunity to offer any defenses. The hearing is to determine whether the allegations are true and if so, what if any action of a remedial nature should be ordered by the Commission. (Rel. 34-10499)

COURT ENFORCEMENT ACTIONS

COMPLAINT NAMES Y.W.C., OTHERS. The Atlanta Regional and the Miami Branch Offices, today announced the filing of a complaint in the U.S. District Court for Miami, Fla., seeking to enjoin Y.W.C., Inc., a Florida corporation, and George Irvine Hale of Miami, Fla. The complaint charges Y.W.C., Inc., and Hale, president and 100% stockholder of Y.W.C., with violations of the registration and anti-fraud provisions of the securities laws in the offer and sale of investment contracts and other securities of Y.W.C., Inc. The complaint also seeks the appointment of a receiver, an accounting for Y.W.C., Inc. and the disgorgement of pecuniary benefits derived by Y.W.C., Inc. and Hale by virtue of the alleged fraudulent scheme. (LR-6146)

INVESTMENT COMPANY ACT RELEASES

CONNBLIA FUND, INC. An order has been issued on an application by ConnBLIA Fund, Inc., West Hartford, Conn., declaring that it has ceased to be an investment company. (Rel. IC-8088)

AETNA INCOME FUND. An order has been issued declaring that Aetna Income Fund, of Hartford, Conn., has ceased to be an investment company. (Rel. IC-8080)

MAIN STREET FUND. An order has been issued declaring that Main Street Fund, Inc., of Fairfield, Conn., has ceased to be an investment company. (Rel. IC-8081)

INVESTORS VARIABLE PAYMENT FUND, INC. An order has been issued permitting Investors Variable Payment Fund, Inc., IDS New Dimensions Fund, Inc., and IDS Progressive Fund, Inc., Minneapolis mutual funds, to enter into exchange and recapitalization agreements with Fotomat Corporation, a company whose securities are owned by each of such investment companies, and to carry out the transactions contemplated by such agreements. (Rel. IC-8083)

MIDLAND BASIC. An order has been issued declaring that Midland Basic, Inc., Sioux Falls, S. Dak., closed-end investment company, has ceased to be an investment company. (Rel. IC-8084)

ITHACA GROWTH FUND. A notice has been issued giving interested persons until December 10 to request a hearing on an application of Ithaca Growth Fund, Inc. of New York, New York for an order of the Commission declaring that the fund has ceased to be an investment company. (Rel. IC-8085)

STANDARD & POOR'S/INTERCAPITAL SECURITIES. A notice has been issued giving interested persons until December 10 to request a hearing on an application of Standard & Poor's/Intercapital Income Securities, Inc., of New York, a closed-end diversified management investment company. The application requests an order declaring that John J. Scanlon, a director of the Fund, shall not be considered an "interested person" of the Fund as defined in the Act solely by reason of his status as a director of USLIFE, a diversified financial services company, two wholly-owned subsidiaries of which are registered broker-dealers. (Rel. IC-8086)

ECKMAR CORP. A notice has been issued giving interested persons until December 10 to request a hearing on an application of Eckmar Corp. for an order temporarily exempting it, subject to certain conditions, from Section 7 of the Act pending the disposition by the Commission of the application previously filed by Eckmar Corp. The application requests an order declaring that Eckmar is engaged in a business other than the investment company business or, in the alternative, that it be exempted from all the provisions of the Act. (Rel. IC-8087)

HOLDING COMPANY ACT RELEASES

THE SOUTHERN COMPANY. An order has been issued authorizing The Southern Company, Atlanta holding company, to sell 10,500,000 shares of common stock at competitive bidding. Net proceeds will be used to reduce short-term notes payable outstanding at the time of such sale. (Rel. 35-18169)

MISCELLANEOUS

SECURITIES ACT REGISTRATIONS. Effective November 14: Agway Inc., 2-49366; Alabama Financial Group, Inc., 2-48055; Barnett-Winston Investment Trust, 2-49369; Baruch-Foster Corp., 2-48356 (90 days); Dallas Power & Light Co., 2-49413; Del Monte Corporation Savings-Investment Plan, 2-49298; Detroit Edison Co., 2-49368; Flavorland Industries, Inc., 2-49548; Gilbert Associates, Inc., 2-49443; Intercontinental Diversified Corp., 2-49099 (40 days); MGIC Mortgage Corp., 2-48659 (Feb 12); Pacific Gas and Electric Co., 2-49432; Park-Ohio Industries, Inc., 2-48949; Republic Corp., 2-48879; Salco Products, Inc., 2-47191 (90 days); The Southern Co., 2-49429.

NOTE TO DEALERS: The period of time dealers are required to use the prospectus in trading transactions is shown in parentheses after the name of the issuer.

PACIFIC GAS AND ELECTRIC COMPANY. The SEC has issued an order under the Trust Indenture Act on application of Pacific Gas and Electric Company, exempting its First and Refunding Mortgage Bonds, Series 73A, due December 1, 2005 from certain provisions of the Act. (Rel. TI-348)

COMPANIES WHICH RECENTLY ACQUIRED STOCK OF OTHER COMPANIES. Companies and individuals must report to the Commission on Schedule 13D the acquisition of more than 5% of the stock of another company within 10 days of the acquisition. During the period October 9 through November 1 the following companies or individuals filed Schedule 13D's regarding the acquisition of stock of other companies.

<u>REPORTING COMPANY OR INDIVIDUAL</u>	<u>ISSUER & NUMBER OF SHARES</u>	<u>DATE FILED</u>
C. B. Ames et al.	Mayflower Co. Common Stock - 4,554,962 shs. (A member of the selling group has the option to repurchase 442,308 of the above shares)	10- 9-73
* J. P. Guerin & Co.	New America Fund, Inc. Common Stock - 325,625 shs.	10- 9-73
* Leonard Fruchtman et al.	Santa Fe Downs, Inc. Common Stock - 306,558 shs.	10- 9-73
* Getty Oil Co. (Approximately 87.7% of the outstanding shares of Mission Corp. are held by Getty Oil Co.)	Skelly Oil Co. Common Stock - 411,500 shs. Common Stock - 8,603,000 shs. are owned by Mission Corp.	10- 9-73
Geneve Corp.	Cable Funding Corp. Common Stock - 398,643 shs.	10-10-73
* Toromont Industrial Holdings Ltd.	Lewis Refrigeration Co. Common Stock - 890,365 shs. Common Stock - 100,000 shs. on exercise of Option	10-10-73
Edward Finkelstein Morton Finkelstein Raleigh Finkelstein	S. Gellis & Co., Inc. Common Stock - 970,000 shs. (The above shares have been pledged to a committee of the issuer's creditors. The company is now controlled by the Finkelsteins)	10-10-73
* Hollander & Co., Inc. Silent Hoist & Crane Co., Inc. et al.	Jaeger Machine Co. Common Stock - 140,585 shs.	10-11-73
* Rockwell International Corp.	Collins Radio Co. Common Stock - 2,028,265 shs. (All of the above shares were acquired pursuant to the tender offer and represent 68.2% of the outstanding shares)	10-11-73

13D REPORTS CONT.

<u>REPORTING COMPANY OR INDIVIDUAL</u>	<u>ISSUER & NUMBER OF SHARES</u>	<u>DATE FILED</u>
* Frank A. Klaus	Hi-Shear Corp. Common Stock - 81,425 shs.	10-11-73
* Harbor Fund, Inc.	Fluor Corp. Common Stock - 60,480 shs. on conversion of Preferred	10-11-73
* Harbor Fund, Inc.	Phillips-Van Heusen Corp. Common Stock - 32,004 shs. on conversion of Debentures	10-11-73
* Harbor Fund, Inc.	Chelsea Industries, Inc. Common Stock - 38,292 shs. on conversion of Debentures	10-11-73
* Investors Stock Fund, Inc.	Melville Shoe Corp. Common Stock - 1,271,300 shs.	10-11-73
* Investors Syndicate of America, Inc.	Reeves Telecom Corp. Common Stock - 170,227 shs. on conversion of Notes	10-11-73
McRae Industries, Inc.	American Mortgage & Investment Co. Common Stock - 246,088 shs. Common Stock - 39,261 shs. on exercise of Option	10-11-73
GL Corp.	Altamil Corp. Common Stock - 237,367 shs.	10-11-73
* Missouri Pacific RR Co.	Chicago & Eastern Illinois RR Co. Common Stock - 2,454,911 shs.	10-12-73
* American Home Products Corp.	Wm. Wrigley (Jr.) Co. Common Stock - 354,100 shs.	10-12-73
Harbor Fund, Inc.	Helmerich & Payne, Inc. Common Stock - 62,260 shs. on conversion of Debentures	10-12-73
Cybermatics Inc.	Data Systems Analysts, Inc. Common Stock - 165,000 shs.	10-12-73
* National Industries, Inc.	National Recreation Products, Inc. Common Stock - 1,196,800 shs. Common Stock - 81,895 shs. on exercise of Warrants	10-18-73
Michael Goodstein	Gaynor-Stafford Industries, Inc. Common Stock - 312,900 shs.	10-19-73
* InnoVen Capital Corp.	American Nucleonics Corp. Common Stock - 219,950 shs. on exercise of Option Common Stock - 3,289,474 shs. on conversion of Preferred Common Stock - 1,315,790 shs. on conversion of Preferred subject to Options	10-19-73
AMEV, Inc.	Listfax Corp. Class A Common - 125,000 shs. on exercise of Warrants	10-19-73
* Textron Inc.	Teradyne, Inc. Common Stock - 488,000 shs.	10-19-73

13D REPORTS CONT.

<u>REPORTING COMPANY OR INDIVIDUAL</u>	<u>ISSUER & NUMBER OF SHARES</u>	<u>DATE FILED</u>
* Bessemer Securities Corp.	Microform Data Systems, Inc. Common Stock - 694,220 shs. Common Stock - 82,533 shs. on exercise of Warrants	10-19-73
* M. W. Sullivan	Behavioral Research Laboratories, Inc. Common Stock - 1,866,370 shs.	10-23-73
* Utilities & Industries Corp.	Fifth Avenue Coach Lines, Inc. Common Stock - 300,329 shs.	10-23-73
D. David Cryan	United Coin Services, Inc. Common Stock - 81,522 shs. Common Stock - 550,000 shs. on exercise of Option	10-23-73
Allen Schrag Daniel Schrag Harold Jacobs	Acrite Industries, Inc. Common Stock - 503,700 shs. (The acquisition was for investment and to acquire a controlling interest and to participate in the management)	10-25-73
Joel C. Hardy, Sr.	Gateway Management Corp. Common Stock - 2,826,540 shs. (2,143,800 of above shares were purchased from Fred C. Tallant, Sr., who theretofore may have been deemed a parent of the issuer, and certain of his associates.	10-25-73
Jacob Burstyn Saul Dreier Robert Kamien	Prel Corp. Common Stock - 551,086 shs. Common Stock - 3,700 shs. on exercise of Rights	10-26-73
Stabetag AG (Switzerland)	Nachman Corp. Common Stock - 350,000 shs. (The acquisition of the above shares makes Stabetag AG the largest single shareholder. These shares constitute approximately 42.2% of the outstanding shares)	10-26-73
* Martin J. Wygod Albert M. Weis Merchant Investors Corp.	Susquehanna Corp. Common Stock - 47,700 shs. Preferred Stock - 99,400 shs.	10-26-73
* National Kinney Corp.	Uris Buildings Corp. Common Stock - 4,372,026 shs.	10-26-73
Mutual of Omaha Insurance Co.	United Benefit Life Insurance Co. Capital Stock - 509,465 shs.	10-29-73
B. D. Shipwash	United Coin Services, Inc. Common Stock - 95,023 shs. Common Stock - 35,000 shs. on exercise of Options	10-29-73
National Cash Register Co.	Applied Digital Data Systems Inc. Common Stock - 266,667 shs.	10-29-73

13D REPORTS CONT.

<u>REPORTING COMPANY OR INDIVIDUAL</u>	<u>ISSUER & NUMBER OF SHARES</u>	<u>DATE FILED</u>
Estate of Abraham Pletman	Lafayette Radio Electronics Corp. Common Stock - 325,290 shs.	10-29-73
* Norbat Corp.	General Battery Corp. Common Stock - 2,293,080 shs.	10-29-73
Willow Street of Virginia, Inc.	Abbey-Lee Sportswear, Inc. Common Stock - 387,500 shs. on exercise of Option	10-29-73
Chase Manhattan Bank, N.A. Pooled Trust Fd. for Employee Benefit Plans - Fund G-1	Gilbert Associates Class A Common - 145,000 shs.	10-29-73
Chase Manhattan Bank, N.A. Pooled Trust Fd. for Employee Benefit Plans - Fund G-1	P. R. Mallory Common Stock - 271,300 shs.	10-29-73
Arbee Corp.	America Life Insurance Co. Common Stock - 206,980 shs.	10-29-73
* Tristar Developments, Inc. (A wholly-owned subsidiary of Trizec Corp., Ltd. (Canada) which is controlled by Star (Great Britain) Holdings Ltd.	Mobile Home Communities, Inc. Common Stock - 573,350 shs. Common Stock - 65,840 shs. on exercise of Warrants	10-30-73
* Trust Houses Forte Ltd. (England)	Travelodge International, Inc. Common Stock - 2,005,277 shs. (As a result of a tender offer which expired October 3, 1973, THF has increased its interest from approximately 5.5% to 79.2%)	10-31-73
* INA Corp.	Horace Mann Educators Corp. Common Stock - 2,137,105 shs.	10-31-73
* Home Oil Company Ltd.	Scurry-Rainbow Oil Ltd. Common Stock - 475,850 shs.	10-31-73
George A. Goetz Jack G. Haessler Charles V. James	Inland Financial Corp. Common Stock - 42,187 shs.	10-31-73
Don F. Gaston	Southwest Realty and Development Company, Inc. Common Stock - 73,346 shs. Common Stock - 65,617 shs. on conversion of Preferred	10-31-73
Jean A. Knapp	Fox-Knapp Manufacturing Co. Common Stock - 53,305.5 shs.	11- 1-73
Samuel A. Klurman	Medic-Home Enterprises Inc. Common Stock - 101,274 shs. Common Stock - 401,607 shs. on exercise of Options	11- 1-73
INA Corp. and its wholly owned subsidiaries - Insurance Co. of North Amer. Life Insur. Co. of North Amer. Pacific Employers Insurance Co.	Metropolitan Edison Co. Preferred Stock - 96,900 shs.	11- 1-73

* Amended Acquisition Report

14D REPORTS

The following companies have made offers to acquire stock of companies listed below pursuant to tender offers as reported to the Commission on Schedule 13D:

<u>OFFER TO PURCHASE BY:</u>	<u>ISSUER AND NUMBER OF SHARES TO BE TENDERED:</u>	<u>DATE FILED</u>
Adobe Oil & Gas Corp.	Adobe Corp. Common Stock - 4,970,807 shs. of Adobe Oil & Gas Corp. for shares of Common Stock of Adobe Corp. on a share for share basis and for certain property interests having an exchange value as of August 1, 1973 of \$7,075,310	10-18-73
Pechiney Ugine Kuhlmann Corp. (Delaware) (Pechiney Ugine Kuhlmann (France) owns 60% of the outstanding stock)	Howmet Corp. Common Stock - 1,000,000 shs. for cash at \$21.50 net per share (The Offerer presently owns approximately 55% of the outstanding shares)	10-24-73

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Copies of registration statements may be ordered from the Commission's Public Reference Section. All other referenced material is available in the issue of the SEC Docket indicated in parentheses below the News Digest Issue No. Both the News Digest (\$33.00 a year, first class mail, \$8.25 additional for foreign mailing, \$25.00 additional for air mail) and the SEC Docket (\$17.00 a year, first class mail, \$4.25 additional for foreign mailing) are for sale by the Superintendent of Documents, Government Printing Office, Washington, D. C. 20402.