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

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FOR RELEASE January 28, 1969

PETER MENCHER BARRED. The SEC today announced a decision under the Securities Exchange Act (Release 34-8503) barring Peter Mencher, of New York City, from further association with a broker or dealer, except that he may be employed in a clerical capacity after 90 days upon an appropriate showing of adequate supervision.

Mencher was president and sole stockholder of Mencher & Co., Inc., whose registration previously was withdrawn. The Commission's action was based upon findings that between July 1 and December 31, 1964, he violated and aided and abetted violations by the Mencher firm of the anti-fraud provisions of the Federal securities laws, in that he caused customers' securities to be deposited with the Mencher firm for safe-keeping and thereafter diverted them to the firm's use. He also aided and abetted violations by the firm of the Commission's hypothecation and record-keeping rules.

While conceding the violations, Mencher had requested in view of certain mitigating factors that he be permitted to be employed in the securities business in a "purely clerical capacity," under supervision. Among other things, he observed that he is 69 years of age and has spent his entire working life in the securities business, that he is making full restitution to the customers involved, and that he has never before been the subject of disciplinary action.

STATEWIDE OIL, OTHERS ENJOINED. The SEC Chicago Regional Office announced January 24 (LR-4221) that the U. S. District Court in Detroit had permanently enjoined violations of the Securities Act registration provisions by the following in the offer and sale of oil interests: Duane F. Smith, of Mason, Mich.; Billy W. Chrisman, of Weston, W. Va.; Don Boone, of Lansing, Mich., individually and d/b/a State Wide Oil and Gas Co.; and Paul M. Baker, of Farmington, Mich.

BUSINESS FUNDS RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-5594) declaring that Business Funds, Inc., Houston, Tex., has ceased to be an investment company as defined in the Act, and that its registration as such is no longer in effect.

SYNTHATRON TO SELL STOCK. Synthatron Corporation, 103 Broadway, Brooklyn, N. Y. 11211, filed a registration statement (File 2-31433) with the SEC on January 22 seeking registration of 200,000 shares of common stock, to be offered for public sale through underwriters headed by A. J. Carno Co., Inc., 42 Broadway, New York. The offering price (\$3 per share maximum*) and underwriting terms are to be supplied by amendment. The company has agreed to pay the Carno firm \$27,000 for expenses and to sell it, for \$200, six-year warrants to purchase 20,000 common shares, exercisable after one year at \$1.25 per share.

Organized under Delaware law in August 1967, the company is in the business of researching and developing products and processes relating to chemicals; it will initially engage in the production, by a new method, of certain "doping" gases, utilized in the manufacture of microminiature electronic circuits. Of the net proceeds of its stock sale, \$78,000 will be used to purchase and install production equipment and \$150,000 for payment of salaries to officers and other personnel; the balance will be utilized for working capital. In addition to indebtedness, the company has outstanding 536,007 common shares (with a \$.047 per share book value), of which Martin Prince, president, and Hillard Blanck, secretary-treasurer, own 27.5% each.

GALBREATH MORTGAGE INVESTMENT FILES. Galbreath First Mortgage Investments, a real estate investment trust, 170 East Town St., Columbus, Ohio 43215, filed a registration statement (File 2-31435) with the SEC on January 23 seeking registration of 700,000 shares of beneficial interest in the trust, to be offered for public sale at \$25 per share. The offering is to be made by underwriters headed by Hayden, Miller & Co., 650 Union Commerce Bldg., Cleveland, Ohio 44115, which will receive a \$2.13 per share commission. Recently organized, the trust intends to qualify as a real estate investment trust under Sections 856-858 of the Internal Revenue Code; it will seek to provide investors with an opportunity to participate in a professionally managed diversified portfolio of: (1) First mortgages insured by the Federal Housing Administration or guaranteed by the Veterans Administration, (2) Conventional first mortgage loans on residential and income producing commercial and industrial properties, and (3) Short term first mortgage construction and development loans. Of the net proceeds of this financing, \$15,750,000 will be applied to the purchase of FHA insured and VA guaranteed first mortgage loans and first mortgage loans on residential and on income producing property; the balance will be used for organizational and operational expenses and for working capital purposes. David S. Cook is president of the trust.

LEVIN-TOWNSEND COMPUTER FILES. Levin-Townsend Computer Corporation, 445 Park Ave., New York, filed a registration statement (File 2-31436) with the SEC on January 23 seeking registration of \$35,000,000 of convertible senior subordinated debentures, due 1989, to be offered for public sale through underwriters headed by Kuhn, Loeb & Co., 40 Wall St., New York 10005. The interest rate, offering price and underwriting terms are to be supplied by amendment.

The company is engaged in the business of leasing to others electronic data processing equipment, substantially all of which is manufactured by IBM. One subsidiary performs computer programming, designs management systems and operates data processing centers and another engages in diversified businesses

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not related to the computer industry. The company also owns an 85% interest in National Equities, Inc., which is engaged primarily in the purchase, development, sale and leasing of real estate. Of the net proceeds of its debenture sale, \$15,000,000 will be used for the acquisition of IBM System/360 computer systems and other equipment for lease to others, \$13,000,000 will be used to repay short term indebtedness, and \$5,000,000 will be loaned to National Equities for the repayment of short term debt. The remaining proceeds will be used for working capital and for the acquisition of interests in other business opportunities as they arise. In addition to indebtedness, the company has outstanding 3,026,724 common shares, of which management officials own 17.6%. Howard S. Levin is president.

YONDATA TO SELL STOCK. Yondata Corporation, 40 St. Paul St., Rochester, N. Y. 14604, filed a registration statement (File 2-31438) with the SEC on January 23 seeking registration of 400,000 shares of common stock, to be offered for public sale at \$1 per share. No underwriting is involved.

The company was organized in December; it is the successor in interest to Electronic Systems Consultants, a business wholly-owned by Anthony H. Yonda, Jr., president. It proposes to operate a time-share computer facility providing subscribers with direct access to the system by means of a teletypewriter located in the office of the subscriber and connected to the computer facility by existing telephone lines to be leased by the company. Of the net proceeds of its stock sale, \$135,000 will be used for salaries, office rent and other operating expenses, \$75,000 for the purchase of the two computers, lease of three additional computers, and purchase of five teletypewriters, \$19,000 for promotional and other expenses, and \$146,000 as working capital. The company now has outstanding 761,500 common shares, of which Yonda owns 50.6% and management officials as a group 65.6%. Purchasers of the shares being registered will acquire a 34.4% stock interest in the company for a cash investment of \$400,000; present shareholders will then own 65.6% for their cash investment of \$45,000. The predecessor assigned its computer programs to the company.

RAYGO FILES FOR OFFERING AND SECONDARY. Raygo, Inc., 2005 East Center Circle, Minneapolis, Minn., filed a registration statement (File 2-31439) with the SEC on January 23 seeking registration of 148,000 shares of common stock, of which 50,000 are to be offered for public sale by the company and 98,000 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters headed by Dain, Kalman & Quail, Inc., 110 S. 6th St., Minneapolis, Minn.; the offering price (\$20 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is engaged in the design, development, production and sale of highway construction equipment relating principally to soil compaction, asphalt compaction and soil stabilization. Of the net proceeds of its sale of additional stock, some \$500,000 will be used to establish and operate a Finance Division to create more flexible financing plans in connection with the sale or possible leasing of the company's products; \$100,000 to establish manufacturing facilities in Canada and \$53,000 to purchase additional production equipment for a new Minneapolis facility, and the balance for working capital and other general corporate purposes. The company now has outstanding 868,500 common shares, of which Gordon O. Garis, president, owns 13.46% and management officials as a group 39.9%. Garis proposes to sell 10,000 of 131,650 shares held and Raymond F. Roettger, a director, 71,100 of 131,100 shares held. Four others will sell the balance of the shares being registered.

PHOTOSYSTEMS TO SELL DEBENTURES. Photosystems Corporation, 52 Newtown Plaza, Plainview, N. Y. 11803, filed a registration statement (File 2-31440) with the SEC on January 23 seeking registration of \$1,000,000 of 7½% convertible subordinated debentures, due 1981, to be offered for public sale at 100% of principal amount through Charles Plohn & Co., 200 Park Ave., New York 10017. The underwriter will receive a 10% commission plus \$12,500 for expenses; and the company has agreed to issue a five-year option to the underwriter for the purchase of 30,000 common shares (exercisable after one year at the conversion price of the debentures).

The company's business involves the design, development, manufacture and sale of tiny cylindrical lenses and the use and application of such lenses to photographic systems. Of the net proceeds of its debenture sale, \$250,000 will be used for the repayment of certain indebtedness, \$250,000 for the further design, development and building of prototypes and purchase of material and parts for a medical X-ray system, \$100,000 for the establishment of new plant facilities, and the balance for research and development, the purchase of additional equipment for research and manufacturing operations, and general corporate purposes. The company now has outstanding 782,662 common shares, of which Richard A. Hayes, president, owns 28.9%.

LINCOLN FUND PROPOSES OFFERING. The Lincoln Fund, Inc., 300 Main St., New Britain, Conn. 06051, filed a registration statement (File 2-31441) with the SEC on January 23 seeking registration of 1,000,000 shares of common stock. The shares are to be offered for public sale at net asset value, plus a sales charge of 5% of the offering price on purchases not exceeding \$25,000 (\$11.33 per share maximum*). Horizon Management Corporation is the distributor. An open-end investment company, the Fund will be managed by its officers and directors; they may seek investment advice from Horizon Management. Albert Sargis is president. He and Robert E. Kusch, Fund secretary, are the only stockholders, officers and directors of Horizon Management.

PILLSBURY TO SELL DEBENTURES. The Pillsbury Company, 608 Second Ave. South, Minneapolis, Minn. 55402, filed a registration statement (File 2-31442) with the SEC on January 23 seeking registration of \$20,000,000 of convertible subordinated debentures, due 1989, to be offered for public sale through underwriters headed by Goldman, Sachs & Co., 55 Broad St., New York 10004, and two other firms. The interest rate, offering price and underwriting terms are to be supplied by amendment.

The company is engaged principally in producing consumer food products, industrial food products, agricultural products and services, and food service. The net proceeds of its sale of debentures will be added to the general funds of the company and, together with other funds generated internally or derived from other sources will be used for working capital purposes and for capital expenditures. Upon receipt of the net proceeds from the debenture sale, the company intends to reduce its short-term borrowings by an approximately equal amount.

FINANCIAL SERVICE FILES FOR OFFERING. Financial Service Corporation, International, 148 Cain St., N.E., Atlanta, Ga. 30303, filed a registration statement (File 2-31443) with the SEC on January 23 seeking registration of 75,000 shares of common stock, to be offered for sale at \$5 per share under an employee stock purchase plan.

The company's principal business, which is conducted through four wholly-owned subsidiaries, consists of the sale of investment company shares and investment securities to the general public.

IDS SEEKS ORDER. The SEC has issued an order under the Investment Company Act (Release IC-5596) giving interested persons until February 18 to request a hearing upon an application of Investors Diversified Services, Inc., Minneapolis investment company, for an order declaring that it has ceased to be an investment company as defined in the Act. In addition to its investment company distribution and management businesses, IDS has subsidiaries engaged in the life insurance, equipment leasing and financing, consumer credit, mortgage banking and real estate ownership, management and financing businesses. On April 23 its stockholders by a vote of 11,778,607 to 126,098 adopted a resolution authorizing IDS to cease to be an investment company. IDS asserts that it is primarily engaged in the business of underwriting and distributing securities issued by other persons and that its gross income normally is derived from such business and that it is not therefore an "investment company" within the meaning of the Act.

INVESTORS SYNDICATE LIFE INSURANCE SEEKS ORDER. The SEC has issued an order under the Investment Company Act (Release IC-5598) giving interested persons until February 10 to request a hearing upon a joint application of Investors Syndicate Life Insurance and Annuity Co., a Minneapolis stock life insurance company, and ISL Variable Annuity Fund A for exemption from certain provisions of the Act. Fund A was established as a separate account in May 1968 to offer individual variable annuity contracts of three types, The Individual Installment Purchase Payment Deferred Annuity Contract, The Individual Single Purchase Payment Deferred Annuity Contract and The Individual Single Purchase Payment Immediate Annuity Contract.

INVESTORS SYNDICATE LIFE INSURANCE SEEKS ORDER. The SEC has issued an order under the Investment Company Act (Release IC-5599) giving interested persons until February 10 to request a hearing upon a joint application of Investors Syndicate Life Insurance and Annuity Co., Minneapolis stock life insurance company, and ISL Variable Annuity Fund B for exemption from certain provisions of the Act. Fund B was established as a separate account in June 1968 for contracts on a variable basis to offer individual variable annuity contracts designed for use in retirement programs qualifying for special tax treatment under Section 401 or 403 of the Internal Revenue Code.

OHIO POWER SEEKS ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16274) giving interested persons until February 17 to request a hearing upon a proposal of Ohio Power Company, Canton subsidiary of American Electric Power Company, Inc., to issue and sell \$70,000,000 of first mortgage bonds and \$15,000,000 of sinking fund debentures, both due 1999, at competitive bidding. Net proceeds of its financing will be applied to pay Ohio Power's commercial paper outstanding and to prepay without premium its notes payable to banks (expected to aggregate not more than \$62,000,000 outstanding at the time of issuance of the bonds and debentures); the balance will be added to the company's general funds.

OMEGA EQUITIES SUSPENSION CONTINUED. The SEC has ordered the suspension of over-the-counter trading in the securities of Omega Equities Corporation for the further ten-day period January 29 to February 7, 1969, inclusive.

COMMUNITY COMPUTER TO SELL STOCK. Community Computer Corporation, 185 W. School House Lane, Philadelphia, Pa. 19144, filed a registration statement (File 2-31444) with the SEC on January 23 seeking registration of 150,000 shares of Class A stock, to be offered for public sale at \$3.75 per share. The offering is to be made on an all-or-none, best efforts basis by Herbert Young & Co., Inc., 160 Broadway, New York 10038, for which it will receive a \$.375 per share selling commission plus \$15,000 for expenses. Subject to the sale of the 150,000 shares, the company has agreed to sell to the underwriter, for a nominal consideration, six-year warrants to purchase 15,000 shares, exercisable after one year at \$4.50 per share. Also included in the statement are an additional 40,000 outstanding shares owned by Acorn Associates (but not offered at this time).

Organized in November, the company offers remote access time-sharing computer services, software packages and related technical support and data processing consulting. Of the net proceeds of its stock sale, \$80,000 will be applied to discharge the company's indebtedness in that amount to Acorn Associates; the entire balance of the proceeds will be added to working capital and will be used in part for the acquisition of additional computer systems and of hardware complementary to such systems. The working capital also may be used for payment of salaries and other overhead expenses. The company now has outstanding 240,000 shares of Class A and 20,000 shares of Class B stock. Principal stockholders are Earnest L. Philips, president, and Walter C. Friedrich, vice president. Purchasers of the shares being registered will acquire a 36.6% stock interest in the company for an investment of \$562,500, or \$3.75 per share; Philips and Friedrich and members of their families will then own 200,000 Class A and 20,000 Class B shares, or 53.6%, for which they will have paid \$20,000 or \$.095 per share, and Acorn Associates will own 40,000 Class A shares, for which it paid \$20,000 or 50¢ per share.

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 2 News Digest.

Vikoa Inc Dec 68 (2,3,7,12,13)	1-5300-2	American Smelting & Refining Co Dec 68(3)1-164-2	
Madison Square Garden Corp Dec 68 (2,7,13)	1-1144-2	Public Service Co of Oklahoma Dec 68 (7,10,11,13)	0-343-2
Di Giorgio Corp Dec 68 (2,7,13)	1-1790-2	Woodall Industries Inc Dec 68 (11)	1-5813-2
Republic Steel Corp Dec 68 (8)	1-2388-2	Wolf Corp Dec 68 (1,7,8,12)	0-294-2
Western Empire Life Ins Co Dec 68 (1,7,12,13)	2-15283-2	Mississippi River Corp Dec 68 (7,13)	1-3599-2
Siboney Corp Dec 68 (1,7,8)	1-3952-2	Martin-Marietta Corp Dec 68 (7,8,12,13)	1-4552-2
Munsingwear Inc Dec 68 (7,10)	1-63-2	National Computer Analysts Inc Dec 68 (7)	2-26977-2
Management Assistance Inc Dec 68(9,12,13)	0-2017-2	Plastiline Inc Dec 68 (12,31)	0-2584-2
Norris Oil Co Dec 68 (7)	1-3623-2	20th Century Industries Inc Dec 68 (2,9)	0-1687-2
O'Sullivan Rubber Corp Dec 68 (7)	1-4438-2	Vulcan Materials Co Dec 68 (7,13)	1-4033-2
Northwest Nikro Chemicals Ltd Dec 68(12)	0-2898-2	Watkins-Johnson Co Dec 68 (12)	1-5631-2
Western Investment Real Estate Trust Dec 68 (2)	0-2809-2	Wellington Technical Industries Inc Dec 68 (7)	0-3254-2
Marine Midland Banks Inc Dec 68 (13)	1-2940-2	Williamhouse Regency Inc Dec 68 (7)	1-4559-2
McCandless Corp Dec 68 (3)	2-6407-2	Louis Sherry Inc Dec 68 (11)	1-4574-2
Fred Meyer Inc Dec 68 (7,12,13)	0-995-2	Missouri National Life Ins Co Dec 68 (9,13)	2-21744-2
Publicker Industries Inc Dec 68 (13)	1-3315-2	National Car Rental Systems Inc Dec 68 (7,8)	2-19978-2
Rex Chainbelt Inc Dec 68 (8)	1-373-2	Quindar Electronics Inc Dec 68 (3)	2-27381-2
John Wiley & Sons Inc Dec 68 (7)	0-2538-2	Scam Instrument Corp Dec 68 (3)	0-1864-2
New England Power Co Dec 68 (11)	0-1229-2	Zenith Radio Corp Dec 68 (12)	1-4115-2
Pan American World Airways Inc Dec 68 (7)	1-3532-2	Mallinckrodt Chemical Works Dec 68(7)	0-1274-2
Real Eight Co Inc Dec 68 (12)	1-5504-2	Mccord Corp Dec 68 (11)	1-1233-2
Reeves Industries Inc Dec 68 (3,12)	1-4184-2	Pacific Coast Holdings Inc Dec 68 (9,12)	0-935-2
Royal American Industries Inc Dec 68 (7,13)	1-4109-2	Paradise Fruit Co Inc Dec 68 (12)	0-3026-2
Wesco Financial Corp Dec 68 (12)	1-4720-2	Paterson Parchment Paper Co Dec 68(11)	1-5295-2
Union Carbide Corp Dec 68 (12,13)	1-1463-2	Penn-Dixie Cement Corp Dec 68 (4,7,13)	1-884-2
United Merchants & Manufacturers Inc Dec 68 (4,7,13)	1-3185-2	Union Pacific RR Co Dec 68 (13)	1-1324-2
Whale Electronics Inc Dec 68 (2,4,5,7,9,11,12,13)	1-4517-2	Wolins Pharmaceutical Corp Dec 68 (3,13)	2-28976-2
New York State Electric & Gas Corp Dec 68 (7,13)	1-3103-2	Maytag Co Dec 68 (7,10,11)	1-655-2
		Metals Goods Corp Dec 68 (11)	0-526-2
		Millipore Corp Dec 68 (2,13)	0-1052-2
		Pet Incorporated Dec 68 (7)	1-242-2
		Phoenix Steel Corp Dec 68 (7)	1-2908-2
		Wayne-Gossard Corp Dec 68 (7,8)	1-2782-2
		The Upjohn Co Dec 68 (3,12,13)	1-4147-2

SECURITIES ACT REGISTRATION STATEMENTS. During the week ended January 23, 1969, 72 registration statements were filed, 53 became effective, 3 were withdrawn, and 1,088 were pending at the week-end.

SECURITIES ACT REGISTRATIONS. Effective January 27: Corporation S, 2-31220 (40 days); Daniel Starch & Staff, Inc., 2-30515 (90 days); First Midwest Capital Corp., 2-30124 (Mar 5); Gateway Sporting Goods Co., 2-30756; Johnson Service Co., 2-31049; Metro-Goldwyn-Mayer Inc., 2-31091; The Reliance Electric and Engineering Co., 2-31377; Trattner Associates, Inc., 2-30290 (90 days).

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.

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