

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 July 1, 1966

ELKTON CO., OTHERS ENJOINED; SHARE-TRADING TO RESUME. The SEC Denver Regional Office announced that on June 24 (LR-3534) the U. S. District Court in Denver entered an order enjoining the further offer and sale of stock of The Elkton Company, of Colorado Springs, in violation of the Securities Act registration and anti-fraud provisions. An order of preliminary injunction was issued against Defendant Hamilton Gregg after hearing; consent orders of permanent injunction against Wendel Lowry, Lowry Investments, Inc., Edward William Ohlson and Paul Ducommun, as well as H. Allan Lowther and William Ohlson and Paul Ducommun, as well as H. Allan Lowther and El Paso Financial Corporation; and default orders of permanent injunction against Elkton, Ernest A. Gottmar and Karl E. Courts (the action was continued as to defendant Barbara Moses, not served with the complaint).

Trading in Elkton common has been suspended by the Commission since April 18; the last suspension order will expire at the close of business July 6 and the trading ban will not be continued thereafter; accordingly, trading in Elkton stock may be resumed July 7 (both on the Colorado Springs Stock Exchange, an exempt exchange, and the over-the-counter market).

YEAMAN INC. REVOKED. The SEC today announced the issuance of a decision under the Securities Exchange Act (Release 34-7909) revoking the broker-dealer registration of John W. Yeaman, Inc., of Martinsville, Va., and barring John W. Yeaman (its president and controlling stockholder) from further association with any broker-dealer firm. The proceedings were based upon staff charges that the Yeaman firm and Yeaman violated the Commission's hypothecation, record-keeping and net capital rules. Without admitting or denying the allegations, the Yeaman firm and Yeaman consented to findings of violations (as alleged) and to the revocation and bar order.

INTERNATIONAL PACKERS PROPOSES RIGHTS OFFERING. International Packers Limited, 401 N. Michigan Ave., Chicago, Ill. 60611, filed a registration statement (File 2-25201) with the SEC on June 29 seeking registration of \$5,565,000 of convertible subordinated debentures (due 1986). The debentures are to be offered for subscription by common stockholders at 100% of the principal amount, and at the rate of \$100 of debentures for each 50 shares held. Any unsubscribed debentures are to be offered for public sale through Wertheim & Co., 1 Chase Manhattan Plaza, New York. The record date, interest rate and underwriting terms are to be supplied by amendment.

The company is a processor and distributor of meats and meat products. Net proceeds of its debenture sale will be added to working capital. In addition to indebtedness, the company has outstanding 2,781,516 common shares, of which Armour and Co. owns 27% (Armour has informed the company that it intends to exercise all of its subscription rights). A. Thomas Taylor is board chairman and president.

MUTUAL LIFE ANNUITY CONTRACTS IN REGISTRATION. The Mutual Life Insurance Company of New York, Broadway at 55th St., New York 10019, filed a registration statement (File 2-25204) with the SEC on June 28 seeking registration of its group variable retirement annuity separate account contracts in the aggregate amount of \$25,000,000. The contracts are designed to fund and provide benefits under qualified pension and profit-sharing plans established by self-employed individuals for themselves and their employees. Contributions paid under the contracts will be allocated, in accordance with the particular contract between a Guaranteed Accumulation Fund (in a form similar to the fund utilized in traditional insurance operations for fixed-dollar annuities) and an Equity Investment Accumulation Fund. Contributions credited to the accounts of contract-holders in the Equity Investment Accumulation Fund are credited in the form of Units, the value of which will vary to reflect the investment results of the company's Pooled Account No. 1. The Pooled Account is a separate account, the assets of which will be held for the sole benefit of contract-holders of, and other persons entitled to benefits under, all contracts issued by the company which provide for funding with, or annuities to vary in accordance with the investment results of, the Pooled Account. Monies allocated to the Pooled Account will be primarily invested in equity investments. The value of interests of participants under the contracts and the total amount of variable annuity payments under the contracts, if so provided therein, will vary with the net income and changes in market value of the securities held in the Pooled Account.

The company is a mutual life insurance company, which is owned by its policyholders. Roger Hull is president.

HARTWELL AND CAMPBELL FUND PROPOSES OFFERING. Hartwell and Campbell Fund, Inc., 277 Park Ave., New York, filed a registration statement (File 2-25215) with the SEC on June 29 seeking registration of 891,500 shares of common stock. The stock is to be offered for public sale at net asset value (\$11.52 per share maximum*) through J. M. Hartwell & Co.

Organized under New York law in December 1965, the company is an open-end management-type investment company whose objective is "to seek long-term capital appreciation." It has outstanding 108,500, of which J. M. Hartwell & Co. owns 5.71%. Hartwell & Co. also serves as the fund's investment adviser. John M. Hartwell is president of the fund; he and another fund official are general partners of the investment adviser.

HESS OIL & CHEMICAL PROPOSES RIGHTS OFFERING. Hess Oil & Chemical Corporation, 280 Park Ave., New York 10017, filed a registration statement (File 2-25218) with the SEC on June 29 seeking registration of \$13,800,000 principal amount of 4 $\frac{3}{4}$ % subordinated debentures (due 1987), to be offered for subscription by

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common stockholders. The subscription rate and price, as well as the record date, are to be supplied by amendment.

The company is engaged in the petroleum business. The company recently purchased 9.8% of the outstanding common stock of Amerada Petroleum Corp. for \$100,000,000 (1,243,824 shares at \$80.40 per share). The purchase price was obtained from bank borrowings (\$65,000,000) and the proceeds of a private placement, at par, of \$35,000,000 principal amount of subordinated convertible debentures of the same class as the subordinated convertible debentures offered hereby to the company's public stockholders. The proceeds of the sale of the subordinated convertible debentures offered hereby will be used to redeem, at par plus accrued interest, an equal principal amount of the privately-placed subordinated convertible debentures. Management officials own 5,660,318 (59%) outstanding common shares, including 45% owned by Leon Hess (board chairman). H. W. McCollum is president.

AMERICAR FILES FOR OFFERING AND SECONDARY. Americar, Inc., Diplomatic Center, South Tower, Daytona Beach, Fla. 32020, filed a registration statement (File 2-25221) with the SEC on June 29 seeking registration of 143,000 shares of common stock and \$1,430,000 of convertible subordinated debentures (due 1981). The securities are to be offered for public sale in units consisting of \$10 principal amount of debentures and one share. Of the stock being registered, 90,000 shares (being outstanding stock) are to be offered by the present holders thereof. The offering is to be made through underwriters headed by Pierce, Wulbern, Murphey, Inc., 222 W. Adams St., Jacksonville, Fla. 32202, and T. Nelson O'Rourke, Inc., 533 Seabreeze Blvd., Daytona Beach, Fla. 32020. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

Organized under Florida law in 1964, the company is engaged in the automobile rental business. Econo-Car International, Inc., a New Jersey company organized in 1961, recently merged into the company. Of the net proceeds of the company's sale of additional securities, \$500,000 will be used to redeem presently outstanding 6% subordinated debentures (due 1975); \$680,000 will be applied to the repayment of certain indebtedness; and the balance will be added to working capital. In addition to indebtedness, the company has outstanding 279,534 common shares, of which management officials own 50.6%. The prospectus lists four selling stockholders, including James W. Crowley (president and board chairman), who is offering 28,000 of 64,365 shares held; Berrien H. Becks (vice president), 30,000 of 66,361; Guy B. Odum (director), 30,000 of 73,557.

MISSISSIPPI POWER PROPOSES BOND OFFERING. Mississippi Power Company, 2500 14th St., Gulfport, Miss. 39501, filed a registration statement (File 2-25222) with the SEC on June 30 seeking registration of \$10,000,000 of first mortgage bonds (due 1996). The bonds are to be offered for public sale at competitive bidding. A subsidiary of The Southern Company, Mississippi will use the net proceeds of its bond sale (together with \$2,000,000 received from the sale of additional common stock to the parent company and approximately \$7,700,000 generated from internal sources) to finance its 1966 construction program. Construction expenditures for 1966, 1967 and 1968 are estimated at \$64,623,000.

MINERALS & CHEMICALS PHILIPP FILES FOR SECONDARY. Minerals & Chemicals Philipp Corporation, 350 Park Ave., New York 10022, filed a registration statement (File 2-25223) with the SEC on June 30 seeking registration of 200,000 outstanding shares of common stock, to be offered for public sale by the present holder thereof. The offering is to be made through underwriters headed by Dillon, Read & Co. Inc., 46 William St., N.Y. and Lazard Freres & Co., 44 Wall St., New York. The public offering price (\$31.25 per share maximum*) and underwriting terms are to be supplied by amendment.

The company markets ores, minerals and metals, and is engaged in the mining, processing and distribution of kaolin clays and attapulgite clay. In addition to indebtedness, it has outstanding 4,737,974 common shares, of which management officials own 17.3%. Engelhard Hanovia, Inc., the selling stockholder, presently owns 1,000,000 of the company's shares. Charles W. Engelhard (issuer's board chairman) and certain of his associates own 73.6% of the common and 80.4% of the preferred stock of Engelhard Hanovia. Engelhard and two other company officials are also directors and officers of the selling stockholder. Milton F. Rosenthal is president of the company.

SAUNDERS LEASING FILES FOR OFFERING AND SECONDARY. Saunders Leasing System, Inc., 2131 Magnolia Ave., Birmingham, Ala. 35205, filed a registration statement (File 2-25224) with the SEC on June 30 seeking registration of 210,000 shares of common stock. Of this stock, 190,000 shares are to be offered for public sale by the company and 20,000 shares (being outstanding stock) by the present holders thereof. The offering is to be made through underwriters headed by Courts & Co., 11 Marietta St., N. W., Atlanta, Ga. 30303 (15,000 shares are to be offered initially to company employees and employees of associate companies). The public offering price (\$13 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is engaged in the business of leasing and renting trucks, truck tractors and trailers. Of the net proceeds of its stock sale, approximately \$1,600,000 will be used to reduce indebtedness; \$200,000 will be used for improvements in service and maintenance facilities; and the balance will be applied to the purchase of new vehicles. In addition to indebtedness, the company has outstanding 650,000 common shares. The prospectus lists five selling stockholders, including Harris Saunders (board chairman), who propose to sell 12,700 shares of 149,000 shares held, and Harris Saunders, Jr. (president), 3,000 of 239,312. The Saunders family now owns all of the company's outstanding stock.

PIEDMONT AVIATION PROPOSES DEBENTURE OFFERING. Piedmont Aviation, Inc., Smith Reynolds Airport, Winston-Salem, N. C., filed a registration statement (File 2-25226) with the SEC on June 30 seeking registration of \$7,000,000 of convertible subordinated debentures (due 1986). The debentures are to be offered for public sale through underwriters headed by Lehman Brothers, One William St., New York 10004, and Carolina Securities Corp., Insurance Bldg., Raleigh, N. C. 27602. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

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The company is engaged primarily in the scheduled air transportation of persons, property and mail. Net proceeds of its debenture sale will be used in connection with the purchase of 16 aircraft for an aggregate of \$45,502,000. In addition to indebtedness, the company has outstanding 1,835,320 common shares, of which management officials own 15%. Thomas H. Davis is president.

TOWNSEND GROWTH FUND TO BE DE-REGISTERED. The SEC has issued an order under the Investment Company Act giving interested persons until July 20 to request a hearing on its motion to declare, by order, that Townsend U. S. & International Growth Fund, Inc., New York, has ceased to be an investment company. Townsend filed a voluntary petition under Chapter X of the Bankruptcy Act, and in 1961 a court order was issued appointing a trustee for the company. Pursuant to a shareholder-approved plan of reorganization, Townsend was dissolved in 1964.

EXAMINER ORDERS FIRM'S REVOCATION. SEC Hearing Examiner Sidney Feller has filed an initial decision under the Securities Exchange Act ordering that the broker-dealer registration of Strathmore Securities, Inc., of Pittsburgh, Pa., be revoked and that it be expelled from National Association of Securities Dealers, Inc. membership for violations of the registration and anti-fraud provisions of the Federal securities laws. The order, which may be appealed to the Commission within fifteen days, also provides for sanctions against various individuals, including a bar against further association by the firm's president, Auldus H. Turner, Jr., with any broker-dealer firm.

According to the decision, Strathmore Securities and its president offered and sold stock of L. F. Popell Co., Inc. (of Miami, Fla.), during the period December 1959 to September 1962 in violation of the Securities Act registration requirement; and in connection with the offer and sale of the Popell stock they engaged in manipulative acts and practices violative of the anti-fraud and anti-manipulative provisions of that Act and the Securities Exchange Act.

The Examiner found that Popell stock was offered to the public by Strathmore, as underwriter, under a claimed Regulation A exemption from the registration requirements. Instead of a complete public distribution taking place, approximately twenty percent of the shares involved were placed in nominee accounts controlled by the president of Popell Co. Strathmore and its principals participated in the scheme and later retailed most of these shares to the public through controlled accounts established with it. Thereafter successive distributions of Popell Co. stock were made under the direction and control of Strathmore and without compliance with the registration requirements. Strathmore salesman and other salesman participated in the violations of the registration requirements.

The Examiner's order provides for a 12-month suspension of the following from association with any broker-dealer: Ronald D. and T. Theodore Turner, brothers of Auldus and Strathmore salesman; Louis A. Moore, salesman for another firm; and Ethel I. Weber, office manager for that firm. Six-month suspension orders were issued against Alan J. Davis and Hugh M. Casper, also salesman for such other firm; and thirty-day suspension orders were issued against Theodore B. Henjum (a Strathmore salesman) and Michael R. Ventura (who was associated with a third firm).

O/C REGISTRATIONS REPORTED. The following issuers of securities traded over-the-counter have filed registration statements with the Commission pursuant to requirements of Section 12(g) of the Securities Exchange Act (companies which currently file annual and other periodic reports with the SEC are identified by "***"):

File No.	O-Registrant	Location
2180	Paradyne Electronics Corp.**	Belleville, N.J.
2165	Iowa Nat'l Inv Co.**	Dubuque, Iowa
2168	Nodaway Valley Pkg. Co.**	Clarinda, Iowa
2167	Oakite Products Inc.**	New York, N.Y.
2175	Robert Reis & Co.**	New York, N.Y.
2176	Shelby Williams Ind. Inc.**	Chicago, Ill.
2170	University Computing Co.**	Dallas, Texas
2172	Valley Music Hall Inc.**	Salt Lake City, Utah
2174	Venus Drug Distributors Inc.**	El Segundo, Calif.
2178	Villager Inc.**	Philadelphia, Pa.

UNITED SECURITY LIFE SUSPENSION CONTINUED. The SEC has issued an order suspending over-the-counter trading in securities of United Security Life Insurance Company for a further ten-day period, July 2-11, 1966, inclusive.

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 caption 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's "Issue No." in ordering). Invoice will be included with requested material when mailed.

Idaho Power Co May 66 (11)	1-3198-2	Miss River Corp May 66 (12)	1-3599-2
Inter-Mountain Tel Co		Missouri-Kansas-Texas RR Co (Del)	
May 66 (1,2,4,8,13)	0-330-2	May 66 (11,13)	1-4396-2
Internatl Harvester Co		Missouri Pacific RR Co	
May 66 (12,13)	1-101-2	May 66 (12)	1-2139-2
Internatl Oil & Gas Corp		Moutain Natl Corp	
May 66 (2,11,12,13)	1-4139-2	And #1 to 8K for Mar 66 (2,13)	2-23861-2
Internatl Paper Co(new)		Murphy Oil Corp May 66 (12,13)	1-4857-2
May 66 (11,13)	1-3157-2	Natl Home Products Inc	
Internatl Salt Co May 66 (3)	1-643-2	May 66 (11,13)	0-2062-2
Jersey Central Power & Lgt Co		Natl Reserve Life Insur Co	
May 66 (10,11,12)	0-3141-2	May 66 (11,12,13)	2-21243-2
John's Bargain Stores Corp		Natl Terminals Corp May 66 (11)	0-1644-2
May 66 (12)	1-4733-2	Natural Gas Pipeline Co of Amer	
Walter Kidde & Co Inc		May 66 (12)	2-14243-2
May 66 (7,10,11)	1-3226-2	North Penn Gas Co May 66(4,7,13)	0-1886-2
Koppers Co Inc May 66 (7,13)	1-3224-2	Ohio Brass Co May 66 (3)	1-47-2
LNC Corp May 66 (2)	0-1763-2	Outlet Co May 66 (11,13)	1-1209-2
Lake Arrowhead Development Co		Oxford Paper Co May 66 (12)	1-3841-2
May 66 (12)	0-131-2	Products Research & Chemical Corp	
Levine's Inc May 66 (11)	1-4609-2	May 66 (2,12,13)	1-4852-2
La Land & Exploration Co		Reading Co May 66 (3,11)	1-649-2
May 66 (11,13)	1-959-2	S & P Natl Corp May 66 (3,12,13)	2-6324-2
Louisville & Nashville RR Co		Sage Oil Co May 66 (11)	1-340-2
May 66 (7,13)	1-1116-2	Southern RY Co & N O & N E RR Co	
Mac Andrews & Forbes Co		May 66 (11)	1-3744-2
May 66 (4,7,8,10,11,13)	1-1222-2	Square D Co May 66 (7,13)	1-2188-2
Mammoth Mart Inc May 66 (7,11,13)	1-5059-2	Sta-Rite Inds Inc (Formerly Sta-Rite	
Management Assistance Inc		Products Inc)	
May 66 (7,8)	0-2017-2	May 66 (2,4,7,8,10,12,13)	0-1058-2
Md Shipbldg & Drydock Co		Texas Oil & Gas Corp May 66 (7)	1-4995-2
May 66 (8)	0-344-2	Trans-Beacon Corp May 66 (12)	1-2342-2
May Dept Stores Co		Trans-Canada Pipe Lines Ltd	
May 66 (4,7,13)	1-79-2	May 66 (7,8,11,13)	2-12927-2
Metal Goods Corp May 66 (11)	0-526-2	Union Lgt, Heat & Power Co	
Metropolitan Development Co		May 66 (3,11)	2-7793-2
May 66 (2)	1-1206	The Villager Inc May 66 (7)	2-24132-2
Mid-Amer Insur Co		Welded Tube Co of Amer	
May 66 (2,4,7,10,11,13)	2-22921	May 66 (4,7,10,11,13)	2-16990-2
		Wrather Corp May 66 (12,13)	0-988-2

SECURITIES ACT REGISTRATIONS. Effective June 30: Airpax Electronics Corp., 2-25076; Beech-Nut Life Savers, Inc., 2-25108 (90 days) and 2-25107; Holly Sugar Corp., 2-25121; Western Deep Levels Ltd., 2-25144. Effective July 1: Monmouth Capital Corp., 2-24659 (40 days); Thomas Jefferson Life Insurance Co., 2-23775 (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.