

sec news digest

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RULES AND RELATED MATTERS

LIBRARY

ADOPTION OF RULE 465 AND RELATED AMENDMENTS TO REGISTRATION STATEMENT FORMS FOR CERTAIN INVESTMENT COMPANIES

The Commission today adopted Rule 465 under the Securities Act of 1933 and related amendments to the registration statement forms for certain investment companies. The Commission also adopted an amendment to the delegation of authority to the Director of the Division of Investment Management. The new rule and form amendments permit most post-effective amendments filed by open-end management investment companies and unit investment trusts, other than insurance company separate accounts, to become effective automatically without affirmative action on the part of the Commission or the staff. Certain post-effective amendments will become effective automatically on a date chosen by the registrant within twenty days of the date of filing, while other post-effective amendments, including those which discuss material events in investment company operations, will become effective on the sixtieth day after filing. The amended delegation of authority permits the Director of the Division of Investment Management to advance the effective dates of post-effective amendments filed in the sixty-day category, and to suspend the operation of automatic effectiveness with respect to amendments filed pursuant to the rule. The new rules and form amendments will become effective October 6, 1980. (Rel. 33-6229)

FOR FURTHER INFORMATION CONTACT: Dianne E. O'Donnell at (202) 272-2115 or
Kathleen A. Jackson at (202) 272-2118

ADOPTION OF PROPOSED AMENDMENT TO RULE 19d-1

The Commission has adopted the proposed amendment to Rule 19d-1 under the Securities Exchange Act of 1934 to eliminate the requirement that securities exchanges provide the Commission with notice of uncontested summary disciplinary actions involving infractions of floor decorum regulations. Adoption of the amendment will relieve the existing administrative burdens on both the exchanges and the Commission staff, and should facilitate enforcement of floor decorum rules by the exchanges. (Rel. 34-17085)

FOR FURTHER INFORMATION CONTACT: Susan M. Wilk at (202) 272-2824

PROPOSED RULE 16 TO EXEMPT CERTAIN NON-UTILITY SUBSIDIARIES UNDER THE PUBLIC UTILITY HOLDING COMPANY ACT OF 1935

The Commission has issued a release giving interested persons until September 16 to comment on proposed Rule 16 under the Public Utility Holding Company Act of 1935, which would exempt certain less than majority owned non-utility subsidiaries of registered holding companies from the duties, liabilities and obligations imposed under the Act upon subsidiaries of registered holding companies. Comments should be submitted in triplicate to George A. Fitzsimmons, Secretary, Securities and Exchange Commission, 500 North Capitol Street, Washington, D.C. 20549, and should refer to File S7-847. All comments will be available for public inspection. (Rel. 35-21685)

FOR FURTHER INFORMATION CONTACT: Grant G. Guthrie at (202) 523-5156

COMMISSION ANNOUNCEMENTS

STAFF STUDY WILL EXAMINE DEVELOPMENT OF RETAIL COMMISSION DISCOUNTING AND DISCOUNT BROKER-DEALER FIRMS

The rapid development of discount stockbrokers, and the ramifications of retail commission discounting for the economics and structure of the securities industry, investors and the capital formation process, will be examined comprehensively for the first time in a Commission staff study announced today.

Chairman Harold M. Williams said the study would be carried out over the next nine months by the Commission's Directorate of Economic and Policy Analysis.

FOR FURTHER INFORMATION CONTACT: Steven E. Levy at (202) 272-2850

DONALD L. LEWIS TO PARTICIPATE IN THE PRESIDENT'S EXECUTIVE EXCHANGE PROGRAM

Chairman Harold M. Williams announced today that Donald L. Lewis, Assistant Director in the Division of Corporation Finance, has been selected to participate in the President's Executive Exchange Program. Mr. Lewis has accepted an offer from Goldman Sachs and Company, an investment banking firm, to work for one year in its corporate headquarters in New York City. Under the Executive Exchange Program, executives from government and from private industry have an opportunity for professional growth through work experience in the opposite sector.

Mr. Lewis will begin work at Goldman Sachs on September 15 and is scheduled to return to the Commission in September 1981. During his year at Goldman Sachs, he will be assigned to the investment banking division and will work primarily in the area of private financing, mergers and acquisitions, and corporate finance.

This is the second consecutive year that a Commission executive has been selected for the prestigious exchange program. In 1979, Justin P. Klein, Director of the Commission's Office of Consumer Affairs, was selected to spend a year with General Electric Company. Mr. Klein will return to the Commission in early September.

ADMINISTRATIVE PROCEEDINGS

RONALD L. BROWNLOW BARRED

Administrative Law Judge Edward B. Wagner has filed an initial decision barring Ronald L. Brownlow from association with a broker or dealer provided that after a two-year period he may apply to be associated in a supervised capacity.

Brownlow was found to have wilfully violated antifraud provisions of the Exchange Act and the Securities Act in 1976 and 1977 while a registered representative at the Chicago office of Oppenheimer & Co., Inc. Violative conduct involved misrepresentations to customers concerning the profitability and safety of his bond option program, churning their accounts, and deceiving his customers about the status of their accounts. He was also found to have placed his customers in unsuitable securities but this was not held to be a violation.

ADMINISTRATIVE PROCEEDINGS INSTITUTED AND ORDER ENTERED AGAINST MERIT ENERGY CORPORATION AND ALVA J. HICKERSON

The Commission announced today the issuance of an Order Instituting Proceedings pursuant to Section 15(c)(4) of the Securities Exchange Act of 1934 and Findings and Order of the Commission (Order), against Merit Energy Corporation, a Colorado corporation with headquarters in Denver, Colorado, and Alva J. Hickerson, a Colorado resident, shareholder and director of Merit, to determine whether Merit and Hickerson failed to file and amend Schedules 13D as required by Section 13(d) of the Exchange Act and the rules and regulations thereunder. Simultaneously therewith, Merit and Hickerson have submitted Offers of Settlement. The Commission has determined that it is appropriate and in the public interest to accept the Offers of Settlement, and, accordingly has issued the Order.

As set forth in the Order, the Commission found that Merit and Hickerson each violated Section 13(d) of the Exchange Act and the rules and regulations thereunder. In late 1978 Hickerson decided to form a new company to attempt to take over Minerals Engineering Company. Shortly thereafter he arranged a meeting with individuals experienced in the oil and gas business, and another substantial Minerals shareholder to discuss his proposals for Minerals. By March 5, 1979, Merit had committed to acquire approximately 20% of Minerals outstanding shares, in exchange for 3,556,565 shares of newly issued Merit common stock.

The Commission ordered Merit and Hickerson to comply with the requirements of Section 13(d) and the rules and regulations thereunder, and to file any delinquent Schedule(s) 13D or amendments thereto. (Rel. 34-17087)

HOLDING COMPANY ACT RELEASES

ELRON ELECTRONIC INDUSTRIES LTD.

An order has been issued declaring that Elron Electronic Industries Ltd. is primarily engaged in a business other than that of investing, reinvesting, owning, holding or trading in securities. (Rel. IC-11314 - Aug. 22)

PHILADELPHIA ELECTRIC POWER COMPANY

An order has been issued authorizing a proposal by Philadelphia Electric Power Company, a registered holding company and subsidiary company of Philadelphia Electric Company, an exempt holding company, to issue and sell promissory notes to a group of banks through December 31, 1981. The proceeds will be used to make interest payments for debentures, to meet sinking fund obligations on debentures, and for other corporate purposes. (Rel. 35-21686 - Aug. 22)

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-8) BUFFALO FORGE COMPANY, 490 Broadway, Buffalo, N.Y. 14204 (716) 856-6000 - 200,000 shares of common stock. (File 2-68903 - Aug. 21) (Br. 9)
- (S-6) CORPORATE SECURITIES TRUST, LONG-TERM DEBT SERIES 21, 1345 Avenue of the Americas, New York, N.Y. 10105 - 14,000 units. Depositors: Smith Barney, Harris Upham & Co. Incorporated, 1345 Avenue of the Americas, New York, N.Y. 10105, Paine, Webber, Jackson & Curtis Incorporated and Drexel Burnham Lambert Incorporated. (File 2-68904 - Aug. 22) (Br. 16) (New Issue)
- (S-8) WARD FOODS, INC., 2 Pennsylvania Plaza, New York, N.Y. 10121 (212) 564-1010 - 521,593 shares of common stock. (File 2-68905 - Aug. 22) (Br. 4)
- (S-7) PENNSYLVANIA POWER COMPANY, 1 East Washington St., New Castle, Pa. 16103 (412) 652-5531 - \$20 million of first mortgage bonds. Underwriter: Morgan Stanley & Co. Incorporated. The company is an electric public utility. (File 2-68906 - Aug. 22) (Br. 7)
- (S-6) THE FIRST TRUST OF INSURED MUNICIPAL BONDS, SERIES 57, 300 West Washington St., Chicago, Ill. 60606 - an indefinite number of units. Depositor: Clyaton Brown & Associates, Inc. (File 2-68907 - Aug. 22) (Br. 18) (New Issue)
- (S-14) COACHMEN INDUSTRIES, INC., Coachmen Dr., Middlebury, Ind. 46540 (219) 825-5821 - 65,210 shares of common stock. (File 2-68908 - Aug. 22) (Br. 3)
- (S-14) SCIENTIFIC-ATLANTA, INC., 3845 Pleasantdale Rd., Atlanta, Ga. 30340 (404) 449-2000 - 175,000 shares of common stock. (File 2-68909 - Aug. 22) (Br. 7)

- (S-11) ARBY'S LEASE PARTNERS 1980-A, 111 West Monroe, Suite 1212, Phoenix, Ariz. 85003 - 50,000 limited partnership units. (File 2-68910 - Aug. 21) (Br. 5) (New Issue)
- (S-7) SOUTHEASTERN MICHIGAN GAS ENTERPRISES, INC., 405 Water St., Port Huron, Mich. 48060 (313) 987-7900 - 150,000 shares of common stock. (File 2-68912 - Aug. 21) (Br. 8)
- (S-16) VIRGINIA ELECTRIC AND POWER COMPANY, One James River Plaza, Richmond, Va. 23261 (804) 771-3225 - 5,000,000 shares of common stock. Underwriter: Morgan Stanley & Co. Incorporated, Merrill Lynch White Weld Capital Markets Group and Wheat, First Securities, Inc. The company is engaged in the generation, purchase, transmission, distribution and sale of electric energy. (File 2-68913 - Aug. 22) (Br. 7)
- (S-8) TEXAS GAS TRANSMISSION CORPORATION, 3800 Frederica St., Owensboro, Ky. 42301 - 500,000 shares of common stock. (File 2-68914 - Aug. 22) (Br. 7)
- (S-16) SOUTHERN BANCORPORATION, INC., 304 East North St., Greenville, S.C. 29602 (803) 298-0296 - 200,000 shares of common stock. The company engages in banking and other closely related activities. (File 2-68915 - Aug. 22) (Br. 2)
- (S-11) RUCKER CAPITAL GROWTH PROPERTIES-80, Suite 602, 1515 North Court House Rd., Arlington, Va. 22201 - 11,000 units of limited partnership. (File 2-68919 - Aug. 22) (Br. 6) (New Issue)
- (S-6) THE CORPORATE INCOME FUND, SIXTY-SEVENTH SHORT TERM SERIES, One Liberty Plaza, 165 Broadway, New York, N.Y. 10080 - an indefinite number of units of beneficial interest. Depositors: Merrill Lynch, Pierce, Fenner & Smith Incorporated, One Liberty Plaza, 165 Broadway, New York, N.Y. 10080, Bache Halsey Stuart Shields Incorporated, Dean Witter Reynolds Inc. and Shearson Loeb Rhoades Inc. (File 2-68921 - Aug. 22) (Br. 18) (New Issue)

REGISTRATIONS EFFECTIVE

- Aug. 20: Federal Mogul Corp., 2-68766.
 Aug. 21: MFA Security Service Co., 2-68278.

REGISTRATION WITHDRAWN

- Aug. 13: Great Lakes Financial Corp., 2-67080.

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 (Schedule 13G) may in lieu of filing a Schedule 13D file a Schedule 13G within forty-five days after the end of the calendar year in which the person became subject to Section 13(d)(1). The following companies or individuals filed Schedule 13D's during the period August 1 - 8, 1980. 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 set forth for each beneficial owner. *Amended Acquisition Reports.

<u>REPORTING COMPANY OR INDIVIDUAL</u>	<u>ISSUER & NUMBER OF SHARES</u>	<u>DATE FILED</u>
* Renfield Corporation	Sonoma Vineyards (Windsor, CA) Common Stock - 1,334,647 shs. (52.7%) Common Stock - 760,000 shs. on exercise of options	8-1-80
* Justin S. Colin Abraham S, Kaplan, Trustee Evelyn Green Davis, Trustee Cynthia Colin, Trustee, et al	Starrett Housing Corp. (NYC) Common Stock - 1,209,270 shs. (37.08%)	8-1-80
TRW Inc.	Wiltek, Inc. (Norwalk, CT) Common Stock - 500,000 shs. (13%) on exercise of warrants	8-1-80

ACQUISITION REPORTS CONT.

Allen & Company Inc. Allen & Company American Diversified Enterprises, Inc. Bruce Allen, et al	Jamaica Water Properties, Inc. (Lake Success, NY) Common Stock - 36,244 shs. Common Stock - 60,000 shs. on exercise of warrants	8-4-80
Charles M. Dodd III	Nugget Oil Corporation (Bloomington, MN) Common Stock - 1,596,934 shs. (22.62%)	8-4-80
Warren A. Rees	Nugget Oil Corporation (Bloomington, MN) Common Stock - 1,596,934 shs. (22.62%)	8-4-80
Alan Clore (Switzerland)	Pullman Incorporated (Chicago, IL) Common Stock - 655,000 shs.	8-4-80
Daniel Cowin Neponsit Investment Co. Joyce B. Cowin	Rix Corporation (Auburndale, MA) Common Stock - 60,000 shs.	8-4-80
Robert M. Hearin Lamar Life Corporation VGS Corporation	School Pictures, Inc. (Jackson, MS) Common Stock - 290,630 shs. (21%)	8-4-80
Frank R. Jackson, Individually and Trustee	Southwest Marketing Corp. (Imperial, CA) Common Stock - 38,731 shs.	8-4-80
* Saul S. Schiffman Frank Gardner Barnett Gerstein, et al	Tenney Engineering, Inc. (Union, NJ) Common Stock - 294,066 shs. (23.5%)	8-4-80
* Hamilton F. Richardson	Texas American Resources, Inc. (Dallas, TX) Common Stock - 304,497 shs. (39.5%)	8-4-80
* Ampco-Pittsburgh Corporation Ampco-Pittsburgh Securities Corporation (Wholly-owned subsidiary of Ampco-Pittsburgh Corp.)	Belden Corporation (Geneva, IL) Common Stock - 176,180 shs. Common Stock - 70,380 shs. on conversion of Debentures	8-5-80
* Ann I. Wolfe, Individually and Custodian Richard A. Isaly, Jr., Individually and Custodian Rita D. Isaly Central Carolina Bank & Trust Co., Trustee, et al	Beverage Management, Inc. (Columbus, OH) Common Stock - 1,020,598 shs. (26.7%)	8-5-80
* NVF Company Security Management Corp. Victor Posner	Coachmen Industries, Inc. (Middlebury, IN) Common Stock - 453,400 shs. (12.7%)	8-5-80
* Philip Dezwirek (Canada)	Fifth Avenue Card Shops, Inc. (NYC) Common Stock - 97,649 shs.	8-5-80
Robert D. Flori Anita H. Flori Flori Two, Inc.	Flori Corporation (Phoenix, AZ) Common Stock - 626,719 shs. (22.1%) (In addition, Group has acquired options to purchase 734,050 shares of Common Stock.)	8-5-80
* Edwin Morgens Bruce Waterfall	Great American Management & Investment, Inc. (Atlanta, GA) Common Stock - 1,392,716 shs. (18.9%)	8-5-80
* Michael S. Annan	Greenwich Pharmaceuticals Inc. (Greenwich, CT) Common Stock - 842,331 shs.	8-5-80
* W. D. Child, Jr. Herman E. Mulder Wai Mun Chung G. William Paulson, et al	InterIsland Resorts, Inc. (Honolulu, HI) Common Stock - 634,177 shs. (33.8%)	8-5-80

ACQUISITION REPORTS CONT.

* Mitsubishi Chemical Industries Limited (Japan)	Key Pharmaceuticals, Inc. (Miami, FL) Common Stock - 660,000 shs. (11.5%)	8-5-80
* Daig Corporation	Medcor, Inc. (Hollywood, FL) Common Stock - 3,200,000 shs. (77.3%)	8-5-80
Food Investment Group, Inc.	Minute Man of America, Inc. (Little Rock, AR) Common Stock - 325,000 shs. (50.19%)	8-5-80
* NQA, Inc. Valhi, Inc. Dixie Rice Agricultural Corp. Inc. Contran Corp. Contran Holding Co. Harold C. Simmons	National City Lines, Inc. (Denver, CO) Common Stock - 327,800 shs. (16.9%)	8-5-80
* Woodland Venture Fund Northern Union Club Seneca Ventures Rama Investment Co., et al	Safeguard Industries, Inc. (King of Prussia, PA) Common Stock - 309,020 shs.	8-5-80
Nicor Inc.	Trans-Western Exploration, Inc. (Dallas, TX) Common Stock - 1,925,500 shs. (43.2%) Common Stock - 77,760 shs. on conversion of Note	8-5-80
Transamerica Corporation Transamerica Film Service Corp. (Wholly-owned subsidiary of Transamerica Corp.)	Berkey Photo, Inc. (NYC) Common Stock - 339,010 shs.	8-6-80
* Jeffrey Schultz	California Life Corporation (Los Angeles, CA) Series B Preferred Stock - 6,850 shs. Series C Preferred Stock - 27,687 shs.	8-6-80
* Transco Realty Trust	Hospital Mortgage Group (No. Miami, FL) Shares of Beneficial Interest - 339,150	8-6-80
* Syntek Corporation	Southmark Properties (Norcross, GA) Shares of Beneficial Interest - 218,600 Shares of Beneficial Interest - 118,487 on exercise of warrants	8-6-80
Bernard Goldberg Industrial Casualty Insurance Co. Industrial Fire & Casualty Insurance Co. Perez Epstein, et al	American Distilling Company (NYC) Common Stock - 368,036 shs. (39.8%)	8-7-80
Kabushiki Kaisha Okazaki Seisakusho (Japan)	ARI Industries, Inc. (Franklin Park, IL) Common Stock - 206,800 shs. (49.6%) on exercise of option	8-7-80
* Orion Capital Corporation Bankers National Life Insurance Co. Security Insurance Co. of Hartford	CrediThrift Financial, Inc. (Evansville, IN) Common Stock - 943,400 shs.	8-7-80
* Southwestern Public Service Co. DWG Corporation Security Management Corp. Victor Posner, Parent	Dynamics Corporation of America (Greenwich, CT) Common Stock - 659,300 shs. (12%)	8-7-80
* Corning Glass Works	Gilford Instrument Laboratories, Inc. (Oberlin, OH) Common Stock - 584,570 shs. (34.8%) (Corning has agreed to purchase above shares pursuant to agreements.)	8-7-80

* Allegheny Beverage Corporation	Macke Company (Cheverly, MD) Common Stock - 1,048,700 shs. (34.5%)	8-7-80
Raymond F. Bentele, Individually and Trustee	Mallinckrodt, Inc. (St. Louis, MO) Common Stock - 1,862,724 shs. Common Stock - 8,666 shs. on exercise of option	8-7-80
Charles J. Kushell, Jr., Trustee	Prudential Group, Inc. (NYC) Common Stock - 60,000 shs.	8-7-80
* Princeton/Newport Partners, L.P. GT Associates Sutton Associates	American General Convertible Securities, Inc. (Houston, TX) Common Stock - 405,600 shs. (13.01%)	8-8-80
* Bernard Briskin, Individually, Custodian and Trustee	Arden Group, Inc. (City of Commerce, CA) Common Stock - 406,764 shs. Common Stock - 26,250 shs. on exercise of option	8-8-80
GEICO Corporation	AVEMCO Corporation (Bethesda, MD) Common Stock - 111,100 shs. (In addition, GEICO has entered into agreements to acquire 435,000 shares.)	8-8-80
* Julia Bird, Co-Trustee and Co-Executor	Bird & Son, Inc. (Walpole, MA) Common Stock - 832,800 shs. (20.1%)	8-8-80
Gardner Cushman, Co-Executor and Trustee	Bird & Son, Inc. (Walpole, MA) Common Stock - 472,288 shs. (11.4%)	8-8-80
Marshall Cogan, Individually and Custodian Stephen Swid	Cameron-Brown Investment Group (Raleigh, NC) Common Stock - 103,600 shs.	8-8-80
David Donahue	Cameron-Brown Investment Group (Raleigh, NC) Common Stock - 5,000 shs. (Mr. Donahue is considered a member of a group with Messrs. Cogan & Swid.)	8-8-80
* Baldwin-United Corp. United Corporation (Wholly-owned subsidiary of Baldwin-United)	Cincinnati Equitable Insurance Co. (Cincinnati, OH) Common Stock - 46,605 shs.	8-8-80
* Concord Investment Company Employees Retirement Plan of Consolidated Electrical Distributors, Inc.	Duccommon Inc. (Los Angeles, CA) Common Stock - 280,741 shs. (19.79%)	8-8-80
Franklin A. Jacobs	Falcon Products, Inc. (St. Louis, MO) Common Stock - 1,122,888 shs. (71.1%)	8-8-80
* Robert C. Wetenhall David H. McConnell McConnell & Wetenhall & Co., Inc.	Flamemaster Corp. (Sun Valley, CA) Common Stock - 248,083.5 shs. (35.2%)	8-8-80
Wheelabrator-Frye Inc.	Huyck Corporation (Wake Forest, NC) Common Stock - 612,500 shs. (10.7%) (Above shares were acquired pursuant to a Stock Purchase Agreement.)	8-8-80
Commodore Perry Company	Ohio Citizens Bancorp, Inc. (Toledo, OH) Common Stock - 208,210 shs. (19.5%)	8-8-80
Stone Mountain Acceptance Corp. Contran Corporation Contran Holding Company Harold C. Simmons	Ozark Air Lines, Inc. (St. Louis, MO) Common Stock - 459,300 shs.	8-8-80



NOTICE

Many requests for copies of documents referred to in the SEC News Digest have erroneously been directed to the Government Printing Office. Copies of such documents and of registration statements may be ordered from the Public Reference Section, Securities and Exchange Commission, Washington, D.C. 20549. When you are ordering more than one, we prefer that the documents be listed in alphabetical order to expedite service. The reproduction cost is 10c per page plus postage (\$3.50 minimum); 20c per page plus postage for expedited service (\$5.00 minimum) and 30c per page plus postage for priority service (\$5.00 minimum). Cost estimates are given or request. All other reference material is available in the SEC Docket.

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