

sec news digest

Issue 74-226
(SEC Docket, Vol. 5, No. 15 - Dec. 3)

U.S. SECURITIES & EXCHANGE COMMISSION

RECEIVED

November 21, 1974

RULES AND RELATED MATTERS

NOV 22 1974

COMMISSION ISSUES RELEASE REQUIRING
IMPROVED DISCLOSURE OF DEFENSE AND
OTHER LONG-TERM CONTRACT ACTIVITIES

LIBRARY

The Commission has issued an Accounting Series Release which amends Rules 5-02.3 and 5-02.6 of Regulation S-X. These amendments have been adopted to elicit improved disclosure of the different risk and liquidity characteristics associated with certain amounts included as part of accounts receivable and inventories by long-term contractors. In particular, improved information is required concerning the nature of costs accumulated in inventories, the effect of cost accumulation policies on cost of sales, the effect of revenue recognition practices on receivables and inventories, and the amount of claims or other similar items subject to uncertainty concerning determination of the amount or final realization. An exhibit is attached to the release to provide examples of disclosures envisioned under these new requirements. The new requirements are effective for financial statements for periods ending on or after December 20, 1974. (ASR-164)

COMMISSION PROPOSES TO AMEND ITS
REQUIREMENTS FOR ACCOUNTING FOR
RESEARCH AND DEVELOPMENT COSTS

Amendments to Regulation S-X have been proposed to require that research and development costs be expensed as incurred, in conformity with requirements in the Statement of Financial Accounting Standards No. 2, "Accounting for Research and Development Costs," of the Financial Accounting Standards Board. Comments are due by December 20. All comments should be addressed to the Secretary, Securities and Exchange Commission, Washington, D.C. 20549, and should be referenced to File No. S7-538. (Rel. 33-5541)

TRADING SUSPENSIONS

AT&T TRADING SUSPENDED

The SEC announced the temporary suspension of exchange and over-the-counter trading in all securities of American Telephone & Telegraph Co. (AT&T), a New York corporation located in New York, beginning at 3:00 p.m. (EST) on November 20 and terminating at 10:00 a.m. (EST) on November 21, 1974.

The suspension of AT&T was initiated pending an announcement.

INVESTMENT COMPANY ACT RELEASES

HARTFORD VARIABLE ANNUITY LIFE
INSURANCE COMPANY

A notice has been issued giving interested persons until December 13 to request a hearing on an application of Hartford Variable Annuity Life Insurance Company, Hartford Variable Annuity Life Insurance Company Separate Account and Hartford Equity Sales Company, Inc., all of Hartford, Connecticut, to exempt from certain provisions of the Act the proposed restructuring of sales and administrative charges imposed in connection with the sale of variable annuity contracts. (Rel. IC-8589 - Nov. 20)

NATIONWIDE LIFE INSURANCE COMPANY AND
NATIONWIDE DC VARIABLE ACCOUNT

A notice has been issued giving interested persons until December 16 to request a hearing on an application of Nationwide Life Insurance Company and Nationwide DC Variable Account, a unit investment trust, for an order to permit certain offers of exchange and for exemptions from certain provisions of the Act. (Rel. IC-8590 - Nov. 21)

HOLDING COMPANY ACT RELEASES

DELMARVA POWER & LIGHT COMPANY

An order has been issued authorizing Delmarva Power & Light Company, a registered holding company, to issue and sell up to 200,000 shares of common stock through a dividend reinvestment and common stock purchase plan. (Rel. 35-18665 - Nov. 19)

GENERAL PUBLIC UTILITIES CORPORATION

A supplemental order has been issued authorizing three subsidiaries of General Public Utilities Corporation, to extend the period within which they may engage in certain intrasystem transactions until December 31, 1978. (Rel. 35-18666 - Nov. 20)

SECURITIES ACT REGISTRATIONS

(S-16) WALLACE BUSINESS FORMS, INC.

4600 West Roosevelt Rd., Hillside, Ill. 60162 - 34,952 shares of common stock, which may be offered for sale by certain selling stockholders from time to time in negotiated transactions or otherwise at market prices prevailing at the time of sale or at negotiated prices. Wallace manufactures and sells continuous business forms for computer and other business machine applications. Wallace also manufactures and sells unit-set business forms, tax forms, and in addition prints industrial catalogs, manuals and educational materials. (File 2-52356 - Nov. 19)

(S-7) THE B. F. GOODRICH COMPANY

500 South Main St., Akron, Ohio 44318 - \$100 million of notes, due 1982, to be offered for sale by an underwriting group headed by Goldman, Sachs & Co., 55 Broad St., New York, N.Y. 10004. B. F. Goodrich manufactures and sells a broad line of materials and products, principally rubber, plastic and chemical materials and products. (File 2-52358 - Nov. 19)

(S-7) THE FIRESTONE TIRE & RUBBER COMPANY

1200 Firestone Parkway, Akron, Ohio 44317 - \$150 million of debentures, due 2004. The offering will be made through underwriters managed by Drexel Burnham & Co. Incorporated, 60 Broad St., New York, N.Y. 10004. Firestone is a leading producer of tires and other rubber products, synthetic rubber, natural rubber, plastics, rims and wheels for vehicles other than passenger cars, and automotive seat belts and shoulder harnesses. (File 2-52360 - Nov. 19)

(S-11) IDS REALTY TRUST

IDS Tower, Minneapolis, Minn. 55402 - \$50 million of variable yield series F subordinated debentures, due 1994, to be offered for sale at par through Investors Diversified Services, Inc., IDS Tower, Minneapolis, Minn. 55402. IDS is a real estate investment trust. (File 2-52361 - Nov. 19)

(S-7) GENERAL TELEPHONE & ELECTRONICS CORPORATION (GTE)

One Stamford Forum, Stamford, Conn. 06904 - 6,000,000 shares of common stock, to be offered for sale through underwriters headed by Paine, Webber, Jackson & Curtis Incorporated and Dean Witter & Co. Incorporated. GTE is the parent company of more than 60 communications, manufacturing, research and service subsidiaries with operations in 40 states and 18 countries abroad. (File 2-52362 - Nov. 19)

(S-7) FIRST INTERNATIONAL BANCSHARES, INC.

First National Bank Bldg., 1401 Elm St., Dallas, Tex. 75202 - \$50 million of sinking fund debentures, due 1999, and \$50 million of notes, due 1983, to be offered for sale through underwriters headed by Goldman, Sachs & Co., 55 Broad St., New York, N.Y. 10004 and Merrill Lynch, Pierce, Fenner & Smith Incorporated, One Liberty Plaza, 165 Broadway, New York, N.Y. 10006. Bancshares, a registered bank holding company, presently owns all of the capital stock of eighteen Texas banks, a merchant bank in London, England, and a number of banking-related subsidiaries. (File 2-52365 - Nov. 19)

(S-14) KATY INDUSTRIES, INC.

853 Dundee Ave., Elgin, Ill. 60120 - 436,472 shares of Class B convertible preferred stock. Such shares are to be issued upon the merger of Bush Universal, Inc., 77 Water St., New York, N.Y. 10005 into a wholly-owned subsidiary of Katy Industries, Inc. on the basis of the issuance of one Katy share for two Bush shares. Katy is a holding company, which through subsidiaries operates primarily in the field of industrial equipment manufacturing, shrimp fishing, oil field services, and in railroad transportation. (File 2-52366 - Nov. 19)

REGISTRATIONS EFFECTIVE

Nov. 19: Aztec Manufacturing Co., 2-51935.

Nov. 20: Atlanta Gas Light Co., 2-52185; Canadian Pacific Ltd., 2-52225; Continental Telephone Corp., 2-52259; The Corporate Income Fund, Eighth Short Term Series, 2-52189; Club Panorama Ltd., 2-52314; Emery Industries, Inc., 2-52282; Equitable Petroleum Corporation and Gradvantage, Inc., 2-51654; General Electric Credit Corp., 2-52289; Kansas City Power & Light Co., 2-52094; Northern States Power Co., 2-52174; Seatrain Lines, Inc., 2-51085; Union Electric Co., 2-52184; United Telephone Co. of Florida, 2-52224.

REGISTRATIONS WITHDRAWN

Nov. 15: DND Teletronics, Inc. (Abandoned), 2-49201; Universal Major Industries Corp. (Abandoned), 2-39725.

RECENT 8K FILINGS

Form 8K is a report which must be filed with the SEC by the 10th of the month after any of the following important events or changes: changes in control of the registrant; acquisition or disposition of assets; legal proceedings; changes in securities (i.e., collateral for registered securities); defaults upon senior securities; increase or decrease in the amount of securities outstanding; options to purchase securities; revaluation of assets; submission of matters to a vote of security holders.

The companies listed below have filed Form 8-K reports for the month indicated, responding to the item of the form specified. Photocopies may be purchased from the Commission's Public Reference Section (in ordering, please give month and year of report). An index of the captions of the items of the form was included in Monday's News Digest.

COMPANY	ITEM NO.	MONTH
DAYTON POWER & LIGHT CO	7,13	10/74
DELTONA CORP	3,7,13	10/74
DIAL FINANCIAL CORP	7	10/74
DILLINGHAM SYSTECH REALTY FUND ONE	2,14	10/74
DIVERSIFIED INDUSTRIES INC	3	10/74
DIVERSIFIED MORTGAGE INVESTORS	3,13,14	10/74
DUPONT E I DENEMOURS & CO	3	10/74
EARTH ENERGY INC	12	09/74
EDS NUCLEAR INC	1	10/74
EMERSONS LTD	7,8	10/74
EQUITABLE BANCORPORATION	13	10/74
EXECUTIVE HOUSE INC	2,10	10/74
FIDELITY MORTGAGE INVESTORS	13,14	10/74
FIRST NATIONAL STORES INC	8	10/74
FLORIDA POWER & LIGHT CO	3,11,13,14	10/74
FREEPORT MINERALS CO	3	10/74
GENERAL MOTORS ACCEPTANCE CORP	7,14	10/74
GEON INDUSTRIES INC	13,14	10/74
GRANT W T CO	2,4,13,14	10/74
HUMANA INC	7,10	10/74
INDUSTRIAL FUELS CORP	14	10/74
IU INTERNATIONAL CORP	4,14	10/74
KORACORP INDUSTRIES INC	7,8,14	10/74
LIBERTY CIRCLE CORP	13	10/74
MVC INDUSTRIES INC	2,7,11,14	10/74
NACHMAN CORP	12	10/74
NATIONAL AVIATION UNDERWRITERS INC	12,14	10/74
NATIONAL FUEL GAS CO	7,13,14	10/74

RECENT 8K FILINGS CONT.

NATIONAL PRESTO INDUSTRIES INC	13,14	10/74
NORCO OIL CORP	2,6,14	10/74
NORTH AMERICAN CAR CORP	7,14	10/74
NORTHWEST INDUSTRIES INC	7,8,10,14	10/74
OHIO SEALY MATTRESS MANUFACTURING CO	13	10/74
ORIGINALA INC	13,14	10/74
PACIFIC AMERICAN REAL ESTATE FUND 1971	8,14	10/74
PENNZOIL CO	3,7,14	10/74
PENNZOIL LOUISIANA & TEXAS OFFSHORE INC	7,14	10/74
PERTEC CORP	11	10/74
PLAZA GROUP INC	3	10/74
POLAROID CORP	3	10/74
PORTLAND GENERAL ELECTRIC CO	7	10/74
QUAKER OATS CO	7,14	10/74
RESEARCH COTTRELL INC	13,14	10/74
ROBERTSON DISTRIBUTION SYSTEMS INC	7,9,13	10/74
SAUL B F REAL ESTATE INVESTMENT TRUST	8	10/74
SAVIN BUSINESS MACHINES CORP	13,14	10/74
SIMPLEX DEVELOPMENT CORP	13,14	10/74
SKELLY OIL CO	13	10/74
SOUTHERN PACIFIC CO	3	10/74
SOUTHERN PACIFIC TRANSPORTATION CO	3	10/74
THIRD NATIONAL CORP	7	09/74
TWIN CITY BARGE & TOWING CO	3,7,9,14	10/74
ULTRA DYNAMICS CORP	3	10/74
AIR KING CORP	10	10/74
AIR PRODUCTS & CHEMICALS INC	7,8	10/74
ALCAN ALUMINIUM LTD	NO ITEMS	09/74
ALICO INC	13,14	10/74
ALL AMERICAN REALTY CO INC	13	10/74
ALLEN GROUP INC	7,8	10/74
AMCOURT SYSTEMS INC	7	10/74
AMERICAN APPRAISAL ASSOCIATES INC	10	10/74
AMERICAN MEDICAL BUILDING GUILD INC	1,8	10/74
AMERON INC	14	10/74
AMETEK INC	3,13	10/74
AMMEST GROUP INC	1	10/74
ARKANSAS LOUISIANA GAS CO	4,7,8,13,14	10/74
ARNOLD CONSTABLE CORP	3,7	10/74
ARTS WAY MANUFACTURING CO INC	11,13	10/74
ASHLAND OIL INC	3,7,14	10/74
ATCHISON TOPEKA & SANTA FE RAILWAY CO	3,7	10/74
ATHLONE INDUSTRIES INC	3,13	10/74
ATLANTIC AMERICAN CORP	12,14	10/74
ATLANTIC STEEL CO	13,14	10/74
ATLAS HOTELS INC	13	10/74
AUTHENTICOLOR INC	11	10/74
AVIS INC	3,13	10/74
AVNET INC	8	10/74
BANCAL TRI STATE CORP	7,10,14	10/74
BETHLEHEM STEEL CORP	3,14	10/74
BLACKSTONE VALLEY ELECTRIC CO	2,14	10/74
BLOUNT INC	7,14	10/74

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. 20519. The reproduction cost is 15¢ per page plus postage (\$2 minimum) and 30¢ per page plus postage for expedited handling (\$5 minimum). Cost estimates are given on request. All other referenced material is available in the SEC Docket.

SEC NEWS DIGEST is published daily. Subscription rates: \$35.45/yr in U.S. first class mail; \$44.35 elsewhere.

SEC DOCKET is published weekly. Subscription rates: \$21.35/yr in U.S. first class mail, \$26.70 elsewhere. The News Digest and the Docket are for sale by the Superintendent of Documents, Government Printing Office, Washington, D.C. 20402.