

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

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



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SEC

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FOR RELEASE May 29, 1967

FEE SCHEDULE ADOPTED FOR NON-NASD MEMBERS. The SEC today announced the adoption of Rule 15b9-1 under the Securities Exchange Act (Release 34-8086) establishing fees, for the fiscal year ending June 30, 1967, necessary to defray the costs of additional regulatory duties required to be performed by the Commission with respect to brokers and dealers who are registered with the Commission but are not members of the National Association of Securities Dealers, Inc. Under the rule, every broker or dealer registered with the Commission for at least 45 days on June 15, 1967 and who is not a member of the NASD on that date is required to pay the following fees and to file Form SECO-4-67 (the assessment form) on or before June 30, 1967: (1) a base fee of \$100 for each nonmember broker or dealer; (2) \$5 for each associated person engaged directly or indirectly in securities activities for or on behalf of the broker or dealer at any time during the period July 1, 1966 to June 15, 1967; and (3) \$30 for each office of the broker or dealer open at any time during the fiscal year. The rule provides that in no case shall any broker or dealer be required to pay more than \$15,000 by virtue of factors (1) and (2) -- the base fee plus the fee for associated persons indicated above. The fee of \$30 for each office may not be included in the computation of the \$15,000 maximum.

Registered brokers and dealers who are members of the NASD on June 15, 1967, but who were both registered with the Commission and not members of such association for at least 45 days during the period from July 1, 1966 to June 15, 1967, will be required to pay only half these fees. Brokers and dealers who are registered with the Commission for more than 45 days and who are not members of the NASD on June 15, 1967 are required to pay only half these fees if their registration became effective on or after January 1, 1967.

AMERICAN PLAN TRADING BAN ISSUED. The SEC announced on May 26 the temporary suspension of over-the-counter trading in the common stock and all other securities of American Plan Corp. of Westbury, L. I., N. Y., for the ten-day period 4:00 p.m. EDST May 26 to 4:00 p.m. EDST June 4, 1967.

The suspension was based on information furnished by the company and ordered by the Commission to permit distribution of a report by the company to its stockholders and dissemination of the information contained therein. The report concerns a possible substantial adjustment of previously released financial information.

Under the circumstances the Commission deemed it necessary and appropriate in the public interest and for the protection of investors to suspend trading in the securities pending adequate public dissemination of all the pertinent information.

The Commission has been advised by the company that its report to stockholders will be mailed within the next few days.

TRADING BAN IN NYLO-THANE STOCK LIFTED. The SEC announced on May 26 that it would not continue its ban on trading in the common stock of Nylo-Thane Plastics Corporation of Farmingdale, New York, beyond May 27, the expiration date of the Commission's suspension order issued on May 17. Accordingly, trading would be permitted to resume on May 29.

Trading in the Nylo-Thane stock was first suspended on April 27 on the basis of information coming to the Commission's attention which raised questions as to the accuracy and adequacy of information disseminated by the company concerning a compound to accelerate the curing of rubber. On May 26 the Commission's New York Regional Office filed a complaint in the U. S. District Court in New York City seeking to enjoin Nylo-Thane and others from violating the anti-fraud provisions of the Securities Acts. Nylo-Thane and certain of the other defendants in the action consented to the entry of a judgment of permanent injunction. Additionally, on May 25, Nylo-Thane issued to its stockholders, members of the financial community, and the press a statement which clarifies the background and status of its principal product. This statement pointed out that the company's rubber processing compound has been tested by the United States Army Testing Laboratory at Natick, Mass. and by a number of rubber companies. Some test results indicate that the compound had beneficial qualities when tested under laboratory conditions. Although only half of the production tests have been completed as of this date, those that have been completed have not shown that the compound would be commercially useful in the manufacture of rubber products. Nylo-Thane accordingly stated that the commercial potential for its rubber processing compound must still be considered highly speculative since there is at the present time no assurance that any rubber company will use the compound to any significant extent. The SEC announcement stated that, although trading in the Nylo-Thane stock was to be resumed, investors should consider carefully information made available by the company concerning its product and information made available in connection with the Commission's injunctive action before effecting transactions in the stock.

AMERICAN STEEL & PUMP TRADING BAN TO BE LIFTED. The SEC today announced a further temporary suspension of trading in securities of American Steel & Pump Corp. of New York City, on the American Stock Exchange and in the over-the-counter market for the 3-day period May 31, 1967 to June 2, 1967, inclusive. The suspension applies to the company's 4% Income Bonds, Series A, which are listed and registered on the American Stock Exchange, and its common stock which is traded over-the-counter.

This action has been taken to permit the company to issue a statement and to permit adequate time for that statement's dissemination.

OVER

TWO DENVER FIRMS CITED. The SEC has ordered administrative proceedings under the Securities Exchange Act involving the broker-dealer firms of Western Guaranty Management Corporation and Investors Associates, Inc., both of Denver, Colo. Also named as respondents in the proceedings are Fred M. Frazier, president, director, and controlling stockholder of the two firms, and E. A. Buz Allen, vice-president, secretary-treasurer, and a director of the two firms from about April 28, 1966, to about November 11, 1966. Western Guaranty Management Corporation has been registered with the Commission as a broker-dealer since April 7, 1965, and Investors Associates, Inc. has been registered since June 6, 1961.

The proceedings are based upon staff charges that since on or about October 25, 1965, the two firms and the two individual respondents, in connection with the purchase, offer and sale of portfolio securities and shares of National Western Fund, Inc. (Fund), and interests in National Western Investment Plans (Plans), engaged in activities which violated the anti-fraud provisions of the federal securities laws. Fund and Plans have been registered with the Commission as investment companies since 1961. Western Guaranty Management Corporation is the investment adviser and principal underwriter for Fund. Investors Associates, Inc., is the sponsor of Plans and engages in sales of interests therein. Frazier is president and a director of Fund, and Allen was vice-president and a director of Fund from about April 28, 1966, to about November 11, 1966.

A hearing will be held pursuant to further order to take evidence on the staff charges and afford the respondents an opportunity to offer any defenses thereto, for the purpose of determining whether the alleged violations in fact occurred and, if so, whether any administrative action of a remedial nature is appropriate in the public interest.

SEC COMPLAINT NAMES R. C. WILLIAMS & CO., OTHERS. The SEC announced May 22 (LR-3726) the filing of a Federal court action (USDC, Wash., D.C.) to compel the filing with the Commission of proper and timely reports under the Securities Exchange Act by R. C. Williams & Company, Inc., Midland, Texas. In its complaint, which names as defendants together with the corporation, James P. McHargue, Jr., president, and Milton Wolfsohn, secretary and treasurer, the Commission seeks a court order directing the filing of Williams' annual report for the fiscal year ended April 30, 1966, a semi-annual report for the six-month period ended October 31, 1966, and amendments to current reports filed by the company for the months May and June 1965. The Commission also seeks a permanent injunction enjoining the defendants from future violations of the reporting requirements.

ETHERTON AND LIVENGOOD INDICTED. The SEC Seattle Regional Office announced May 23 (LR-3727) the return of an 18-count indictment (USDC, Spokane, Wash.) charging Donald D. Etherton of Tacoma, Wash., and Robert W. Livengood of Walla Walla, Wash., with violations of Securities Act anti-fraud provisions and the Mail Fraud and Conspiracy Statutes in the offer and sale of debentures of Producers Livestock and Loan Company, Inc. Additionally, the defendants were charged with making false statements and representations to a Federal officer.

PITTSBURGH COKE & CHEMICAL WITHDRAWS APPLICATION. The SEC has issued an order under the Investment Company Act (Release IC-4967) granting the request of Pittsburgh Coke & Chemical Company to withdraw its application for an order of the Commission declaring the company not to be an investment company. On May 2 the company filed a notification of registration under the Act.

OHIO EDISON RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-15751) authorizing Pennsylvania Power Company to sell 50,000 additional shares of common stock to its parent, Ohio Edison Company, for \$1,500,000. The proceeds are to be used by the subsidiary in connection with its construction program, estimated at \$6,965,000 for 1967.

DELMARVA POWER RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-15752) authorizing Delmarva Power & Light Company of Maryland, a subsidiary of Delmarva Power & Light Company, to issue \$5,500,000 of notes to its parent. The subsidiary will use the funds to reimburse its treasury for construction expenditures and to provide funds for future construction. Its property and plant additions are estimated at \$4,612,169 for 1967, \$7,574,712 for 1968 and \$3,516,000 for 1969.

AMERICAN-CANADIAN BEAVER PROPOSES OFFERING. American-Canadian Beaver Company, Inc., 49 South Bridge St., St. Anthony, Idaho 83445, filed a registration statement (File 2-26630) with the SEC on May 25 seeking registration of \$300,000 of beaver investment contracts, to be offered for sale through company officials.

The company is engaged in selling, breeding, buying, importing, exporting, and ranching domestic beaver. Net proceeds of the contract sale will be added to working capital and used primarily for the development and expansion of the present domestic beaver herds and services. In addition to indebtedness, the company has outstanding 10,000 common shares, all of which are owned by members of the Weaver family (including 20% owned by Van Weaver, president).

MOVIELAB, INC. FILES FOR SECONDARY. Movielab, Inc., 619 West 54th St., New York 10019, filed a registration statement (File 2-26632) with the SEC on May 25 seeking registration of 200,000 outstanding shares of common stock. The present holders thereof propose to offer the stock for public sale through underwriters headed by Hallgarten & Co., 44 Wall St., New York 10005. The public offering price (\$20 per share maximum*) and underwriting terms are to be supplied by amendment.

The company develops and prints motion picture film for theatrical, television, and other uses. In addition to indebtedness, the company has outstanding 1,007,470 common shares, of which management officials own 66.5%. The selling stockholders are Saul Jeffee, president and board chairman, who proposes to sell 155,783 of his holdings of 607,930 shares, and Beatrice Jeffee, his wife, acting for herself and a joint tenant and as fiduciary, who proposes to sell all of her holdings of 44,217 shares.

CONTINUED

PANELGRAPHIC CORP. PROPOSES OFFERING. Panelgraphic Corporation, 12 Kulick Road, Fairfield, N. J., filed a registration statement (File 2-26633) with the SEC on May 25 seeking registration of 110,000 shares of common stock, to be offered for public sale through underwriters headed by Milton D. Blauner & Co., Inc., 115 Broadway, New York 10006. The public offering price (\$3 per share maximum*) and underwriting terms are to be supplied by amendment. The company has agreed to sell to the principal underwriter and to Magnus & Co., Inc., for \$110, 5-year warrants to purchase an aggregate of 11,000 shares of common stock at \$3 a share.

The company is engaged in the business of engineering, manufacturing and selling precision instrument and console panels, nameplates, dials (flat, conical and cylindrical), tapes and schematics. The net proceeds from the stock sale will be used to pay outstanding indebtedness, to purchase new machinery and equipment, and to increase working capital. In addition to indebtedness, the company has outstanding 320,000 common shares, of which management officials own 77.1%, including 41.0% owned by Edward E. Finney, president and chairman.

KOEHRING SHARES IN REGISTRATION. Koehring Company, 1701 West Wisconsin Ave., Milwaukee, Wisc. 53233, filed a registration statement (File 2-26636) with the SEC on May 26 seeking registration of 143,849 shares of common stock, 106,030 shares of Series H preferred stock, and 73,384 shares of Series E preferred stock. The prospectus states that, pursuant to a plan of reorganization, Master Consolidated, Inc., proposes to transfer all of its assets to Koehring in exchange for 116,886 shares of Koehring common shares and 133,250 Series H preferred shares and that in 1965 Prodex Corp. transferred all of its assets to Koehring in exchange for 65,574 common shares and 95,508 Series E preferred shares. The registration statement relates to a portion of the issued stock and stock to be issued in connection with the acquisition of said two companies. The recipients of such stock and present holders thereof may dispose of the stock on the New York Stock Exchange, in the case of the common stock, or in the over-the-counter market, in the case of the preferred stock, or, in either case, by negotiated sales, at prices current at the time of sale (\$36 per common share, and \$50 and \$30.50, respectively, per Series H and E preferred share maximum*).

The company is a manufacturer of construction equipment and industrial machinery. In addition to indebtedness and preferred stock, it has outstanding 2,196,984 common shares, of which management officials as a group own 3.4%. Julien R. Steelman is board chairman and Orville R. Mertz is president. The prospectus lists 32 prospective selling stockholders who are shareholders of Master Consolidated and 9 selling stockholders who were shareholders of Prodex.

BRITISH COLUMBIA HYDRO OFFERING. British Columbia Hydro and Power Authority, Province of British Columbia, Canada, filed a registration statement (File 2-26637) with the SEC on May 26 seeking registration of \$50,000,000 of bonds, due 1992, to be offered through a group of underwriters headed by Halsey, Stuart & Co. Inc., 123 South La Salle St., Chicago, Ill. 60690. The debentures are to be guaranteed by the Province of British Columbia. The interest rate, public offering price, and underwriting terms are to be supplied by amendment.

The Authority operates public utility services within the Province. Net proceeds of the bond sale will be applied toward the cost of the Authority's capital expenditure program, estimated at \$1,316 million for the five-year period ending March 31, 1972.

THORP FINANCE PROPOSES OFFERING. Thorp Finance Corporation, Thorp, Wisc., filed a registration statement (File 2-26638) with the SEC on May 26 seeking registration of 120,000 shares of convertible preference stock, to be offered for public sale through underwriters headed by Robert W. Baird & Co., 731 North Water St., Milwaukee, Wisc. 53201 and Piper, Jaffray & Hopwood, 115 S. 7th St., Minneapolis, Minn. 55402. The dividend rate, public offering price (\$25 per share maximum*) and underwriting terms are to be supplied by amendment.

The company engages primarily in the direct instalment loan business and the sale of insurance in connection with such lending. Net proceeds of the stock sale will be applied to the reduction of short-term debt. In addition to indebtedness and preferred stock, the company has outstanding 1,839,550 common shares, of which management officials own 22.5%. Francis J. Conway is board chairman and Emil E. Kostner is president.

FAMILY FINANCE PROPOSES OFFERING. Family Finance Corporation, 201 West 14th St., Wilmington, Del. 19899, filed a registration statement (File 2-26641) with the SEC on May 26 seeking registration of \$25,000,000 of debentures, due 1987, to be offered for public sale through underwriters headed by Goldman, Sachs & Co., 20 Broad St., New York 10005. The interest rate, public offering price, and underwriting terms are to be supplied by amendment.

Family Finance is a holding company, the subsidiaries of which are engaged primarily in the direct consumer loan business and related activities. Net proceeds from the debenture sale will be added to working capital. In addition to indebtedness and preference stock, the company has outstanding 4,388,338 common shares, of which The Citizens and Southern National Bank holds 17.4% and company management officials own 1.7%. William B. Paul, Jr. is board chairman and Joseph H. Louis is president.

STOCK PLANS FILED. Form S-8 registration statements have been filed with the SEC proposing the offering of securities under employee savings, stock option and other plans, as follows:

McCall Corporation, New York 10017 (File 2-26635) - 159,631 shares

The Bendix Corporation, Detroit, Mich. 48202 (File 2-26640) - 75,000 shares

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's "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 May 2 News Digest.

Torginol Industries, Inc. Apr67 (2) 0-1977-2
 Tower Industries, Inc. Apr67 (2,12) 2-18746-2
 Uncle John's Restaurants, Inc. Apr67 (12) 0-2201-2
 Underwriters National Assurance Co. Apr67 (11,13) 2-21929-2
 The Warner Brothers Co. Apr67 (11) 1-4715-2
 W.T. Grant Co. Apr67 (12,13) 1-3000

Amendments to 8 K

Hardee's Food Systems, Inc. Amd.1# Feb67 (13)
 0-2399-2

American Smelting & Refining Co. Apr67 (11,13)
 1-164-2

Bacardi Corp. Apr67 (7,10,11,13) 2-19912-2
 The Boston Company, Inc. Apr67 (11) 0-1527-2
 Braniff, Airways Inc. Apr67 (11,13) 1-5291-2
 Brown Fintube Company Apr67 (11) 0-1136-2
 Brown & Sharpe MFG. Co. Apr67 (4) 1-5106-2
 Butler Manufacturing Company Apr67 (11) 0-603-2
 Celanese Corp. Apr67 (13) 1-1308-2
 Central Charge Service, Inc. Apr67 (12) 1-4755-2
 Crowell Collier & Macmillan, Inc. Apr67 (7)
 1-3911-2

C & U Communications Corp. Apr67 (8,11,12,13)
 1-4948-2

Equitable Leasing Corporation Apr67 (11,13)
 2-25208-2

Fuqua Industries, Inc. Apr67 (2,7,11,12) 1-2767-2
 General Signal Corporation Apr67 (7,11,12,13)
 1-996-2

Great American Insurance Co. Apr67 (11) 1-5065-2
 Helme Products, Inc. Apr67 (11) 1-70-2
 Metropolitan Development Corp. Jan67 (3,6,) 0-1206-2
 Apr67 (3,6,13) 0-1206-2
 New England Electric System Apr67 (11,13) 1-3446-2
 Ozark Air Lines, Inc. Apr67 (7) 1-5362-2
 Philips Industries Inc. (Ohio) Apr67 (9,13) 1-5146-2
 Southwestern Public Service Co. Mar67 (7,12,13) 1-3789-2
 Valley Metallurgical Processing Co., Inc. Sept67 (11)
 1-5133-2
 Western Air lines, Inc. Apr67 (9,11) 1-1521-2

Amendments to 8 K

Richmond Life Insurance Co. Amd#1 Apr67 (11)
 2-22461-2

Abbot Laboratories, Apr67 (4,11,13) 1-2189-2
 Aeronca, Inc. Apr67 (4,7,11,13) 1-4005-2
 Agway, Inc. Apr67 (7) 0-2011-2
 Aluminum Co. Of Canada LTD. Apr67 (7,11,13) 1-3677-2
 American MFG CO INC. Apr67 (8,13) 0-283-2
 American Nuclear Corp. Apr67 (3,13) 0-1764-2
 American Radiator & STD Sanitary Corp. Apr67 (3,11)
 1-470-2

Ametek, Inc. Apr67 (7) 1-168-2
 Automation Ind., Inc. Mar67 (7) 0-804-2
 Apr67 (11) 0-804-2
 Big Three Industrial Gas And Equipment Co. Apr67 (11
 12,13) 1-5357-2

Bliss & Laughlin Industries Inc. Apr67 (7) 1-2321-2
 Brown Co. Apr67 (11,13) 1-5077-2
 The Budd Company Apr67 (4,11,13) 1-2127-2
 Butler's Shoe Corp. Apr67 (12) 1-4382-2
 Calgon Corp. Apr67 (11) 1-4897-2
 Capital Finance Corp. Apr67 (7,8) 0-813-2
 Central Of Georgia RY Co. Apr67 (11) 1-3481-2
 Clavier Corp. Apr67 (12) 0-1780-2
 Cleveland Trencher Co. Apr67 (11) 2-8952-2
 Colgate-Palmolive Company Apr67 (11,12,13) 1-644-2
 Commercial Solvents Corp. Apr67 (11) 1-55-2
 Commonwealth Edison Company Apr67 (7,13) 1-1839-2
 Del Laboratories, Inc. Apr67 (7,8,11) 0-1260-2
 De Vilbiss Co. May67 (12) 1-3351-3
 Dome Petroleum Ltd Apr67 (7,11,12) 1-3694-2
 Dravo Corp. Apr67 (11,13) 0-989-2
 Elastic Stop Nut Corp Of America Apr67 (7,11,13)
 1-3217-2

Electrographic Corp. Apr67 (11) 1-2544-2
 Elk Horn Coal Corp. Apr67 (11,13) 0-1303-2
 Emery Industries, Inc. Apr67 (11,13) 1-5293-2
 Financial Corp Of Santa Barbara Apr67 (7,11) 0-1049-2
 First National Life Insurance Co. Apr67 (11) 2-13503
 Fleming Co Incorporated Mar67 (13) 0-444-2
 Foster Wheeler Corp. Apr67 (12,13) 1-286-2
 General Portland Cement Co. Apr67 (13) 1-3438-2
 General Time Corp. May67 (11,13) 1-2591-2
 Gorham Corp. Apr67 (11,13) 1-5120-2
 Gyrodyne Co. Of America, Inc. Apr67 (8) 0-1684-2
 Home Oil Company Limited Apr67 (11) 1-3927-2
 Interstate Hosts, Inc. Apr67 (11) 0-1071-2
 Kaiser Cement & Gypsum Corp. Apr67 (11) 1-4598-2
 Kelly Services, Inc. Apr67 (4,11,12,13) 0-1088-2

CORRECTIONS RE COMMONWEALTH OF AUSTRALIA AND CONTINENTAL OIL (RIGHTS OFFERING). The SEC News Digest of May 22 reported incorrectly the file numbers of the registration statements filed on May 19 by Commonwealth of Australia and Continental Oil Company (Rights Offering). The correct file numbers are 2-26598 and 2-26593, respectively.

SECURITIES ACT REGISTRATIONS. Effective May 24: Genegantslet Gas and Oil Co., Inc., 2-26235 (Aug 22).
Effective May 26: APL Corp., 2-26246 (July 6); Consolidated Electronics Industries Corp., 2-26499 (July 6);
 Continental Oil Co., 2-26596; Interco Inc., 2-25992; Lone Star Gas Co., 2-26482; Ronson Corp., 2-26475
 (July 7); Safe Flight Instrument Corp., 2-26392.
Effective May 29: Airlift International, Inc., 2-26214 (40 days); The Americanada Teleferry Co., 2-25331
 (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.