

sec news digest

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June 27, 1973

DECISIONS IN ADMINISTRATIVE PROCEEDING

MAXEL AND VERNON GRAY BARRED. The SEC has issued an order barring Maxel Gray and Vernon Leroy Gray, both of Midland, Michigan, from association with any broker or dealer. After six months Maxel Gray, who previously was associated with a registered broker-dealer, may apply for permission to become associated in a supervised capacity. After a period of three months, Vernon Gray, who previously was an applicant for broker-dealer registration, may likewise apply for permission for supervised association.

The order contained findings that during 1971 the respondents violated the anti-fraud provisions of the securities laws in connection with the offer and sale of subordination agreements whereby lenders of securities subordinated their loans to other indebtedness of Vernon Gray. It was found that respondents made untrue and misleading statements regarding, among other things, the reasons why Vernon Gray had applied for broker-dealer registration and had purchased the assets of a revoked broker-dealer, that Maxel Gray had been barred from association with any broker-dealer, the necessity for such subordinated loans in order for Vernon Gray to attain a satisfactory net capital position and the risk involved and the usual interest rate paid in connection with such agreements.

The Commission's order was issued pursuant to an offer of settlement in which respondents consented to the findings and sanctions without admitting or denying the allegations contained in the order for proceedings. (Rel. 34-10230).

DECISION REVOKING WALL STREET CORP. OF AMERICA AND BARRING PRESIDENT FINAL. The SEC announced that the decision of an administrative law judge revoking the broker-dealer registration of Wall Street Corporation of America, Inc., of Miami, and barring its president, Marie A. Peterson, from association with any broker or dealer, has become final. After two years, Peterson may become associated with a broker-dealer in a non-supervisory capacity upon an appropriate showing to the Commission's staff that she will be adequately supervised.

According to the decision, the firm and Peterson prepared false trial balances and false computations of net capital, intentionally transacted business while in violation of the Commission's net capital rule, and furnished false and misleading information in reports filed with the Commission. It was also found that the firm, aided and abetted by Peterson, failed to file a report of financial condition for 1971 which complied with applicable requirements. (Rel. 34-10231)

COMMISSION ANNOUNCEMENTS

TRADING SUSPENDED IN THREE COMPANIES. The SEC announced the suspension of over-the-counter trading in the securities of Securities of America, Inc. located in Orinda, Calif; Comprehensive Health Systems, Inc. located in Los Angeles, Calif; & International Development Corporation located in Newport Beach, California for a ten-day period commencing on June 26 and terminating at midnight (EDT) on July 5, 1973.

The Commission initiated the subject suspensions because the subject issuers failed to comply with the reporting provisions of the Exchange Act resulting in the lack of current and accurate information available to the public. (Rel. 34-10240)

TRADING SUSPENDED IN HORIZON INDUSTRIES SECURITIES. The SEC announced the suspension of over-the-counter trading in the securities of Horizon Industries Ltd., located in Bronx, New York for a ten-day period commencing on June 26 and terminating at midnight (EDT) on July 5, 1973.

The Commission initiated the subject suspension because the subject issuer failed to comply with the reporting provisions of the Exchange Act resulting in the lack of current and accurate information available to the public. (Rel. 34-10241)

SEC CITES M. BERNSTEIN SECURITIES, OTHERS. The SEC has ordered public administrative proceedings under the Securities Exchange Act of 1934 involving M. Bernstein Securities, Inc., a registered broker-dealer located at 1 Exchange Place, Jersey City, New Jersey. Also named were Marvin A. Bernstein, the president of Registrant, Thomas F. Brennan III, vice-president of Registrant and Jack R. Wagenti, vice-president of Registrant.

The proceedings are based upon allegations of the Commission's staff that Bernstein Securities aided and abetted by Bernstein, Brennan and Wagenti, violated the net capital, bookkeeping and financial reporting provisions of the Federal securities laws.

A hearing will be scheduled by further order to take evidence on the staff allegations and to afford the respondents an opportunity to offer any defenses thereto, for the purpose of determining whether the allegations are true and, if so, whether any action of a remedial nature should be ordered by the Commission. (Rel. 34-10242)

COURT ENFORCEMENT ACTIONS

DATA TRENDS, INC. ENJOINED. The SEC announced that the Federal court in New York has permanently enjoined Data Trends, Inc., a New Jersey based company, whose stock is traded in the over-the-counter market, from violations of the antifraud provisions of the Federal securities laws in connection with the public issuance or filing with the Commission of registration statements or interim, periodic and current financial reports. The company consented to the court order without admitting or denying the allegations. (LR-5948)

SECURITIES ACT REGISTRATIONS FILED

(Note: "Per share maximum" prices referred to in the following summaries of registration statements are prices estimated for the purpose of computing the registration fee and are not necessarily prices at which the securities will be sold.)

ADRS FOR ZAMBIAN ANGLO AMERICAN LIMITED FILED. First National City Bank, 111 Wall St., New York, N.Y. 10015 filed a registration statement seeking registration of 100,000 American Depositary Receipts for ordinary shares of Zambian Anglo American Limited, a Bermuda corporation. (File 2-48119 - May 23)

GRUBB AND ELLIS RESORTS, INC., 1939 Harrison St., Oakland, California 94612 - \$12,080,710 of townhouses and condominium apartments to be constructed on south Lake Tahoe, Calif. (with an opportunity to join a limited partnership rental pool). The offering is to be made at an average price of \$73,663 per townhouse, and \$36,517 per condominium apartment by Grubb and Ellis Securities Corp., 1939 Harrison St., Oakland, Calif. and selected NASD members. (File 2-48095 - May 18)

BAYROCK GROWTH FUND, INC., Pan Am Bldg., 200 Park Ave., New York, N. Y. 10017 - 400,000 shares of common stock. It is proposed to offer these shares in exchange for substantially all of the assets of Centurion Fund, Inc. The Bayrock shares would then be distributed to Centurion shareholders and Centurion dissolved. Bayrock is a mutual fund whose objective is capital growth through investment in common stocks. (File 2-48122 - May 23)

OHIO EDISON COMPANY, 47 North Main St., Akron, Ohio 44308 - 3,000,000 shares of common stock, to be offered for sale at competitive bidding. Net proceeds will be used for construction purposes and to repay short-term loans (estimated at \$30 million) incurred for such purposes. Construction expenditures are estimated at \$225,687,000 for 1973. (File 2-48124 - May 24)

HOWARD JOHNSON COMPANY, One Howard Johnson Plaza, Boston (Dorchester), Mass. 02125 - 450,000 shares of common stock, to be offered for sale by Tower Grill of Pennsylvania, Inc (selling stockholder, whose outstanding capital stock is owned in equal shares by Howard B. Johnson, president and board chairman of Howard Johnson Company, and his sister, Dorothy J. Weeks). The offering is to be made (at \$20 per share maximum) through underwriters headed by Blyth Eastman Dillon & Co., 1 Chase Manhattan Plaza, N. Y. The company operates, licenses and supplies food and lodging service chains. (File 2-48125 - May 24)

XEROX CORPORATION, Stamford, Conn. 06904 - 45,768 shares of common stock, which may be offered for sale from time to time by certain shareholders at prices prevailing at the time of sale (\$140 per share maximum) or at negotiated prices. (File 2-48125 - May 24)

ERE INDUSTRIES, INC., 93 Mystic Ave., Medford, Mass. 02155 - 150,000 shares of common stock, to be offered for sale (at \$4 per share maximum) by Woolf & Co., 340 Main St., Worcester, Mass. 01608. The company produces, markets and distributes specialty food products for the institutional and retail markets. Of the net proceeds, \$200,000 will be used to repay long-term bank debt and the balance for working capital and other corporate purposes. (File 2-48128 - May 24)

STOCK PLANS FILED. The following have filed Form S-8 registration statements with the SEC seeking registration of securities to be offered pursuant to employee stock and related plans:

Transamerica Corp., San Francisco, Calif. (File 2-48117) - 860,215 shares
 A. L. Garber Company, Inc., Pepper Pike, Ohio (File 2-48120) - 33,250 shares
 Monitor Labs, Incorporated, San Diego, Calif. (File 2-48121) - 90,000 shares
 LCA Corp., Bala Cynwyd, Pa. (File 2-48123) - 8,647 shares

MISCELLANEOUS

UNLISTED TRADING. The SEC has issued orders under the Securities Exchange Act of 1934 granting the requests of the following exchanges for withdrawal of applications for unlisted trading privileges in the common stock or specified securities of the named companies (a) Boston Stock Exchange: Great Western United Corporation common and cumulative preferred stock (\$1.88 par) (b) PBW Stock Exchange, Inc.: Memorex Corporation 5-1/4% convertible subordinated debentures; Great Western United Corporation. (Rel. 34-10243)

OVER-THE-COUNTER 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
7070	Beck/Arnley Corp. **	Melville, NY
7047	Brass Craft Manufacturing Co. **	Detroit, MI
7052	Computer Design Corp.**	Los Angeles, CA
7061	Data Disc, Inc. **	Sunnyvale, CA
7041	Digital Communications, Inc. **	St. Petersburg, FL
7060	General Ohio Savings & Loan Corp.**	Findlay, OH
7050	Heritage Communications, Inc. **	Des Moines, IA
7069	Imodco, Inc.**	Los Angeles, CA
7051	Indiana Group, Inc.**	Indianapolis, IN
7059	International Research & Development Corp.**	Mattawan, MI
7054	J. B. Lippincott Co. **	Philadelphia, PA
7046	Mid-America Industries, Inc. **	Fort Smith, AR
7039	Needham, Harper & Steers, Inc.**	New York, NY
7062	Noble Affiliates, Inc. **	Ardmore, OK
7055	Pacific American Real Estate Fund 1972 **	Santa Barbara, CA
7036	Pacific Properties Ltd.**	Walnut Creek, CA
7057	Palmer Bank Corp.**	Sarasota, FL
7066	Pennzoil Louisiana and Texas Offshore, Inc. **	Houston, TX
7165	Power Conversion, Inc. **	Mt. Vernon, NY
7073	Recreama, Inc. **	Framingham, MA
7067	Royal Scotsman Inns Corp. **	Greenville, SC
7042	South Carolina National Corp.**	Columbia, SC
7058	Southern Union Production Co. **	Dallas, TX
7048	Speed Equipment Worlds of America, Inc. **	Dallas, TX

OVER-THE-COUNTER REG. CONT.

7071	Tejon Agricultural Partners **	Lebec, CA
7038	Telco Marketing Services, Inc.**	Chicago, IL
7037	Tem-Ark Furniture World Corp.**	New York, NY
7063	Union Special Machine Co.**	Chicago, IL
7068	Universal Gas & Oil Co., Inc. **	New York, NY
7072	Velo-Bind Inc. **	Sunnyvale, CA
7056	Waste Resources Corp. **	Philadelphia, PA

TRADING SUSPENSIONS CONTINUED. The SEC has ordered the suspensions of exchange and over-the-counter trading in the securities of Goodway, Inc. and over-the-counter trading in the securities of Aaden Corp. for the further ten-day period June 27 through July 6, inclusive, and the over-the-counter trading in the securities of Logos Development Corp. for the further ten day period June 24 through July 3, inclusive.

SECURITIES ACT REGISTRATIONS. Effective June 26: Dow Chemical Company, 2-48318; Foster Wheeler Corp., 2-48426; Gardner-Denver Co., 2-48092; Heublein, Inc., 2-48350; Hoffman Electronics Corp., 2-47643; Imperial Industries, Inc., 2-48248; Keene Corporation, 2-48223.

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