

sec news digest

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Issue 73-132

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July 10, 1973

COMMISSION ANNOUNCEMENTS

SEC CITES HALE SECURITIES CORP., OTHERS. TERMINATES TRADING SUSPENSION FOR PROOF LOCK.

The SEC has issued an order for administrative proceedings under the Securities Exchange Act of 1934 against Hale Securities Corp., William Hyman, Joseph Elkind, Richard Greenberg, Edward Curtin, Louis Mancuso, Laurens Tartasky, Alan Gompers, Associated Investors, Jay Polansky, and Jeffrey Schnipper. The proceedings are based on allegations that from on or about November 1, 1972 to the present the respondents violated the antifraud provisions of the Exchange Act in that, among other things, they maintained, dominated, controlled and manipulated the market in the common stock of Proof Lock International, Inc., induced customers to purchase securities at prices which were excessive and unreasonable and failed to disclose material facts to investors relating to the aforementioned manipulation, business condition of Proof Lock and the speculative nature of these securities. Also, the order alleges that Hale Securities and other respondents sold Proof Lock securities short to its customers while recommending the purchase of such stock and then covered at lower prices. The order further alleges that Hale and Associated Investors violated the Exchange Act effecting transactions in Proof Lock stock while that security was suspended from trading by the Commission. The order alleges also that Hale Securities and other respondents violated the record keeping, extension of credit, and supervision provisions under the Exchange Act. Information leading to these proceedings were developed by the Joint SEC-NASD Task Force investigating abuses in the over-the-counter market.

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.

In a related action the Commission terminated the trading suspension for the securities of Proof Lock effective midnight July 12, 1973. (Rel. 34-10273)

DECISIONS IN ADMINISTRATIVE PROCEEDING

NASD ACTION AGAINST L. C. FISHER COMPANY AND PRESIDENT AFFIRMED. The SEC has issued a decision affirming the action of the National Association of Securities Dealers expelling L. C. Fisher Company, Inc., a Sheffield, Alabama broker-dealer, from membership, barring the firm's president, L. C. Fisher, from association with any NASD member in a principal or supervisory capacity, and imposing censure.

The Commission found, as had the NASD, that the firm and Fisher had violated the NASD's Rules of Fair Practice in that the firm failed to comply with net capital and record-keeping requirements, to maintain written supervisory procedures and to send certain confirmations. (Rel. 34-10259)

COURT ENFORCEMENT ACTIONS

SCOTCH WHISKY RECEIPTS RULES SECURITIES. The SEC Boston Regional Office announced that on July 2 the Federal court in Rhode Island preliminarily enjoined Scotch Whisky Ltd. and Maurice A. Lundy from violations of the registration and antifraud provisions of the Federal securities laws in connection with the offer and sale of Scotch Whisky warehouse receipts. In so doing, the court ruled for the first time that Scotch Whisky receipts were securities within the meaning of Section 2(1) of the Securities Act of 1933.

The court also preliminarily enjoined M. A. Lundy Associates, a Rhode Island broker-dealer, Lundy and Kathryn A. Allard, an employee of Lundy Associates, from violating the registration and antifraud provisions of the Federal securities laws in the offer and sale of trust receipts in four Rhode Island trusts. The court in ruling on the trust receipts question found that the short-term note exemption from registration contained in Section 3(a)(3) of the Securities Act was not available to the defendants. (LR-5963)

COMPLAINT NAMES WILLIAM A. REYNER. The SEC Chicago Regional Office announced that on July 3 a complaint was filed in the Federal court at Detroit, Michigan, seeking to enjoin William A. Reyner, of Ypsilanti, Michigan individually and doing business as Apex Oil Company, from further violations of the registration and antifraud provisions of the Federal securities laws, in the offer and sale of fractional interests in oil and gas leaseholds. (LR-5964)

INVESTMENT COMPANY ACT RELEASES

INDUSTRIES EXCHANGE FUND. The SEC has issued a notice giving interested persons until August 3 to request a hearing on an application filed by Industries Exchange Fund, Inc. for an order declaring that it has ceased to be an investment company. (Rel. IC-7891)

WISCONSIN LIFE FUND. The SEC has issued a notice giving interested persons until August 6 to request a hearing on an application of Wisconsin Life Fund, Inc., Madison, Wisconsin diversified mutual fund, for an order declaring that applicant has ceased to be an investment company. (Rel. IC-7892)

DREXEL HEDGE FUND. The SEC has issued a notice giving interested persons until August 6 to request a hearing on an application of Drexel Hedge Fund, Inc., of Philadelphia, Pennsylvania for an order declaring that the Fund has ceased to be an investment company. (Rel. IC-7893)

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.)

HOLSONICS, INC., 2950 George Washington Way, Richland, Wash. 99352 - 294,000 shares of common stock, to be offered for sale (at \$12.50 per share maximum) through underwriters headed by Piper, Jaffray & Hopwood Incorporated, 115 South Seventh St., Minneapolis, Minn. 55402. The company sells geological exploration services utilizing high frequency sound waves. Net proceeds will be applied to payment of existing bank notes (\$910,000), purchase of capital equipment (\$200,000) and working capital purposes. (File 2-48166 - May 29)

WILLIAM B. TANNER COMPANY, INC., 2076 Union Ave., Memphis, Tenn. 38104 - 275,000 shares of common stock, of which 250,000 are to be offered for sale by the company and 25,000 by William B. Tanner, board chairman and president (the selling stockholder). The offering is to be made (at \$14 per share maximum) through underwriters headed by Wheat, First Securities Inc., 801 East Main St., Richmond, Va. 20211. The company is engaged in the acquisition and sale of advertising spot announcement time on radio and television stations and in related activities. Of the net proceeds, \$2,250,000 will be used to redeem 2,250,000 shares of the company's preferred stock owned by The First National Bank of Memphis, as trustee, and the balance will be applied to reduction of short-term borrowings. (File 2-48169 - May 29)

GLASFLEX CORPORATION, Stirling Rd., Stirling, N. J. - 200,000 shares of common stock, of which 100,000 are to be offered for sale by the company and 100,000 by certain shareholders. The offering is to be made (at \$6 per share maximum) through underwriters headed by F. L. Putnam & Co., Inc., 50 Congress St., Boston, Mass. 02109. The company manufactures and sells a wide range of quality acrylic plastic products. Of the net proceeds, \$200,000 will be used for expansion of facilities and the balance for working capital and other corporate purposes. (File 2-48174 - May 29)

VWR UNITED CORPORATION, 1600 Norton Bldg., Seattle, Wash. 98104 - 77,238 shares of Series B cumulative convertible preferred stock. It is proposed to offer these shares in exchange for the outstanding common stock of Lyon Chemicals, Inc., at the rate of 18 shares for each Lyon share. VWR distributes scientific equipment, laboratory supplies, industrial and agricultural chemicals and upholstery fabrics and supplies and manufactures certain corn products. Lyon sells and distributes chemicals supplied by others. (File 2-48184 - May 29)

SQUIBB CORPORATION, 40 West 57th St., New York, N. Y. 10019 - 8,403 shares of common stock, which may be offered for sale by certain stockholders (at \$102.50 per share maximum). (File 2-48170 - May 29)

FIRST NATIONAL CITY BANK, 111 Wall St., New York, New York 10015 - 100,000 American Depositary Receipts for ordinary shares of St. Helena Gold Mines Limited, a South African corporation. (File 2-48172 - May 29)

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:

Tymshare, Inc., Cupertino, California (File 2-48158) - 150,000 shares
 Western Company of North America, Fort Worth, Texas (File 2-48168) - 226,967 shares
 Dow Jones & Company, Inc., New York, N. Y. (File 2-48171) - 300,000 shares
 Interdata, Inc., Oceanport, New Jersey (File 2-48173) - 72,815 shares

MISCELLANEOUS

RECENT FORM 8-K 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 |
|------------------------------------|----------|-------|
| UNAGUSTA CORP | 3,7,13 | 05/73 |
| UNION TANK CAR CO | 7 | 05/73 |
| UNIONAMERICA INC | 3,11,14 | 05/73 |
| UNITED MCGILL CORP | 11 | 05/73 |
| UNITED SECURITY LIFE CO | 11,13,14 | 05/73 |
| UNIVERSAL CONTAINER CORP | 7,14 | 05/73 |
| USP REAL ESTATE INVESTMENT TRUST | 7 | 05/73 |
| VANSCHAACK & CO | 11,14 | 05/73 |
| VEEDER INDUSTRIES INC | 7 | 02/73 |
| VISUAL SCIENCES INC | 13 | 05/73 |
| VTR INC | 3,14 | 05/73 |
| VWR UNITED CORP | 3 | 05/73 |
| WIKER SCOTT CORP | 3 | 05/73 |
| EASTERN MORTGAGE INVESTORS | 13 | 12/72 |
| WALDE GROUP INC | 11,14 | 04/73 |
| WISCONSIN TELEPHONE CO | 3 | 05/73 |
| WABITIBI ASBESTOS MINING CO LTD | 13,14 | 05/73 |
| WFOUA | 3,13 | 05/73 |
| ALL AMERICAN LIFE & FINANCIAL CORP | 11,13,14 | 05/73 |
| ALLEGHENY AIRLINES INC | 11,14 | 05/73 |
| ALLIED CHEMICAL CORP | 3,10,14 | 05/73 |
| AMERICAN BOOK STRATFORD PRESS INC | 3,6,14 | 06/73 |
| AMERICAN REALTY TRUST | 2 | 06/73 |
| AMERICAN REALTY TRUST | 2 | 06/73 |

8K REPORTS CONT.

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|--|-------------|-------|
| AMERICAN URBAN DEVELOPMENT CORP | 11,13,14 | 05/73 |
| ANACONDA CO | 7,11,14 | 05/73 |
| APECO CORP | 2,13 | 05/73 |
| ARTCO BELL CORP | 12,14 | 05/73 |
| ASSOCIATED DRY GOODS CORP | 11,14 | 05/73 |
| BANCO NACIONAL DE OBRAS Y SERVICIOS PUBL | 13 | 06/73 |
| BRANCH INDUSTRIES INC | 11,13,14 | 05/73 |
| CAPITAL PLANNING RESOURCES | 3 | 05/73 |
| CHICAGO MUSICAL INSTRUMENT CO | 2,14 | 05/73 |
| CLINTON OIL CO | 3,7,13,14 | 05/73 |
| COAST CATAMARAN CORP | 1,14 | 05/73 |
| COMPREHENSIVE DESIGNERS INC | 3,7,8 | 05/73 |
| COMPUSAMP INC | 3,11,13,14 | 05/73 |
| COMPUTER MICROTECHNOLOGY INC | 2,14 | 05/73 |
| CUMTEN INC | 11,14 | 06/73 |
| CONTROL RESEARCH PRODUCTS INC | 3 | 05/73 |
| CYBERMARK SYSTEMS INC | 12 | 03/73 |
| DATA DYNAMICS INC | 9 | 02/73 |
| DATA RECOGNITION CORP | 7 | 05/73 |
| DEJUK AMSCO CORP | 8 | 05/73 |
| DIVERSIFIED INDUSTRIES INC | 2,3,10,14 | 05/73 |
| DUCUMMON INC | 8 | 05/73 |
| EDU ELECTRICAL MANUFACTURING CORP | 12,14 | 05/73 |
| EDGECOMB STEEL OF NEW ENGLAND INC | 1 | 05/73 |
| ERNST E C INC | 13 | 05/73 |
| FABRICS NATIONAL INC | 13 | 05/73 |
| FAIRFIELD GENERAL CORP | 3 | 05/73 |
| FILIGREE FOODS INC | 4,7,14 | 04/73 |
| FILIGREE FOODS INC | 3 | 05/73 |
| FIRST BANCSHARES OF FLORIDA INC | 13 | 05/73 |
| FIRST NATIONAL STORES INC | 10 | 05/73 |
| FIRST PENNSYLVANIA MORTGAGE TRUST | 7 | 05/73 |
| FISCHBACH & MOORE INC | 11,14 | 02/73 |
| GAF CORP | 7,14 | 05/73 |
| GALAXY GROUP INC | 2,11,13 | 05/73 |
| GENERAL TELEPHONE CO OF FLORIDA | 4,11 | 06/73 |
| GLM INDUSTRIES INC | 13 | 05/73 |
| GOLDBERG PLASTICS INC | 11,14 | 05/73 |
| HEILEMAN G BREWING CO INC | 7 | 05/73 |
| HEKSFBERGER ENTERPRISES INC | 7 | 05/73 |
| HOME INVESTORS TRUST | 3 | 05/73 |
| HOUSE OF KNITTING INC | 13,14 | 05/73 |
| HUBBELL HARVEY INC | 11,14 | 05/73 |
| ILLINOIS CENTRAL INDUSTRIES INC | 11 | 05/73 |
| INTEK CONTINENTAL COMPUTING INC | 2,7,9,13,14 | 05/73 |
| INTERMOUNTAIN GAS CO | 7 | 05/73 |
| INTERNATIONAL HARVESTER CREDIT CORP | 7 | 05/73 |

SECURITIES ACT REGISTRATIONS. Effective July 9: American General Bond Fund, Inc., 2-48154; Borg-Warner Corp., 2-48342 and 2-48341; Centennial Corp., 2-48226; Duke Power Co., 2-48368; General Tire & Rubber Co., 2-48399; Great Southern Corp., 2-48233 and 2-48229; Kuhlman Corp., 2-48074; Napco Industries, Inc., 2-48100; Pannational Group Inc., 2-47419 and 2-47418 (90 days).

NOTE TO DEALERS. The period of time dealers are required to use the prospectus in trading transactions is shown in parentheses after the name of the issuer.

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Copies of registration statements may be ordered from the Commission's Public Reference Section. All other referenced material is available in the issue of the SEC Docket indicated in parentheses below the News Digest Issue No. Both the News Digest (\$33.00 a year, first class mail, \$8.25 additional for foreign mailing, \$25.00 additional for air mail) and the SEC Docket (\$17.00 a year, first class mail, \$4.25 additional for foreign mailing) are for sale by the Superintendent of Documents, Government Printing Office, Washington, D. C. 20402.