

# sec news digest

Issue 79-92

May 11, 1979

---

## TRADING SUSPENSIONS

---

### TRADING SUSPENDED IN BELSCOT RETAILERS INC.

The SEC announced the single ten-day suspension of exchange and over-the-counter trading in the securities of Belscot Retailers, Inc., a Delaware corporation located in Secaucus, New Jersey, for the period beginning at 10:00 a.m. (EDT) on May 11 and terminating at midnight (EDT) on May 20, 1979. The Commission initiated the suspension of trading in the securities of Belscot because of the lack of current adequate and accurate information about its operations and financial condition in that Belscot has failed to file an Annual Report on Form 10-K for its fiscal year ended January 27, 1979. (Rel. 34-15810)

---

## CRIMINAL PROCEEDINGS

---

### JAMES W. DYER SENTENCED

The Washington Regional Office announced that on May 4 the Honorable Albert V. Bryan, Jr., Chief Judge for the U.S. District Court for the Eastern District of Virginia, Alexandria Division, sentenced James W. Dyer of McLean, Virginia, as a result of his plea of guilty on April 4, 1979, to a criminal information charging him with a violation of the securities registration provision of the Securities Act of 1933, and with conspiring to violate those provisions. Sentence on the conspiracy charge was pronounced at two years, of which Dyer must serve six months in prison. He was placed on supervised probation for the remaining 18 months. He was also sentenced to two years on the registration charge but was put on probation for that entire term, which is to run concurrently with the sentence on the conspiracy charge. The charges arose in connection with Dyer's offer and sale of the common stock of Research Homes, Inc. He was Chairman of the Board of that company from its formation in 1970 until the company filed for bankruptcy in 1977. (U.S. v. James W. Dyer, U.S.D.C., E.D.Va., Crim. No. 79-64-A). (LR-8749)

---

## CIVIL PROCEEDINGS

---

### GARY R. PARO, OTHERS ENJOINED

The New York Regional Office announced that on February 26 the Honorable Howard G. Munson, U.S. District Judge for the Northern District of New York, signed Preliminary Injunctions against Gary R. Paro, National Mail Order Consultants, Inc. (NMOC), Raymond W. Ackerman, Donald R. Haberle and Richard L. Carter, which enjoin them from violations of certain registration and antifraud provisions of the securities laws. Defendants Paro and NMOC consented to the entry of the preliminary injunction without admitting or denying the allegations in the Commission's complaint. The preliminary injunctions against defendants Ackerman, Haberle, and Carter were entered after a hearing. The preliminary injunctions further provide that, pending determination of the Commission's application for an order of disgorgement, defendants Paro, NMOC, Ackerman, and Haberle are restrained from disposing of the assets of defendants Paro and NMOC.

In a Memorandum-Decision dated March 20, Judge Munson found the Commission had shown the likelihood of successfully demonstrating that defendants Paro, NMOC, Ackerman, and Carter offered and sold securities in the form of co-op advertisements, in violation of the registration provisions of the securities laws and that, in order to secure investments in co-op advertisements, defendants Paro, NMOC, Ackerman, Haberle, and Carter made numerous material misrepresentations of fact and omitted to state material facts.

In its complaint, which was filed on February 1, the Commission requested a Temporary Restraining Order, Preliminary Injunction, Permanent Injunction, Appointment of an Escrow Agent, Order of Disgorgement, and other equitable relief. Judge Munson signed a Temporary Restraining Order against defendants Paro, NMOC, Ackerman, Haberle and Carter on February 6. (SEC v. Gary R. Paro, et al., 79 Civil 70 (HGM), NDNY). (LR-8744)

JOHN O. PITTS, JR., J. D. HODGES ENJOINED

The Fort Worth Regional Office announced that on April 18 U.S. District Judge Halbert O. Woodward for the Northern District of Texas, at Lubbock, entered Orders of Permanent Injunction against John O. Pitts, Jr., of Oklahoma City, Oklahoma, and J. D. Hodges of Woodward, Oklahoma. The defendants consented to the orders without admitting or denying the allegations in the Commission's complaint. On the same date, Judge Woodward entered an order dismissing, with prejudice, the complaint as to the remaining defendants, Word B. Sherrill, Jr., of Midland, Texas, and Henry F. Shrum of Oklahoma City, Oklahoma.

The complaint, originally filed on May 27, 1975, charged Wheatheart, Inc., Wheatheart Cattle Company, and twelve other defendants, including Pitts, Hodges, Sherrill, and Shrum, with violations of the antifraud provisions of the securities laws in connection with the offer and sale of limited partnership interests in cattle feeding funds. (SEC v. Wheatheart, Inc., et al., N.D. Tex/CA No. 5-79-004). (LR-8748)

AMENDED COMPLAINT FILED IN FUNDPACK CASE  
NAMING MORRIE SCHACTMAN

The SEC announced the filing of an amended complaint in its action captioned SEC v. The Fundpack, Inc., et al, naming as an additional defendant Morrie Schactman of Miami, Florida, formerly secretary-treasurer and president of defendants The Fundpack, Inc. (Fundpack), Holding Trust (Trust), Holdings of U.S. Government Securities, Inc. (Government), Fundpack Management, Inc., Mutual Funds Advisory, Inc. and Fundpack Securities, Inc. Schactman was also a director of Government and a trustee of Trust.

The amended complaint alleged violations of the antifraud, reporting, registration, proxy and fiduciary obligation provisions of the Federal securities laws, as more fully described in Litigation Release No. 8698, March 22, 1979.

In a related development, on May 7, the Honorable Aubrey Robinson, U.S. District Judge, dismissed for failure to state a claim upon which relief could be granted an action brought against the Commission by Fundpack, Trust, Government and their officers and directors and affiliates, each of whom is a named defendant in the action described above. (Bruce, et al. v. SEC, Civil Action No. 79-805, U.S.D.C. D.C.). The plaintiffs in the Bruce case had sought (1) to enjoin the Commission from filing the above-described action and (2) certain declaratory relief. (SEC v. The Fundpack, Inc., et al, U.S.D.C. D.C., Civil Action No. 79-0859). (LR-8750)

---

## INVESTMENT COMPANY ACT RELEASES

---

MASSMUTUAL CORPORATE INVESTORS, INC.

A notice has been issued giving interested persons until May 31 to request a hearing on an application of MassMutual Corporate Investors, Inc. (Fund), registered under the Act as a non-diversified, closed-end, management investment company, and Massachusetts Mutual Life Insurance Company (Insurance Company), the Fund's investment adviser, for an order amending a prior order pursuant to Section 17(d) of the Act and Rule 17d-1 thereunder, permitting the Insurance Company, subject to specified conditions, to invest concurrently for its general account in each issue of securities purchased by the Fund at direct placement. (Rel. IC-10688 - May 10)

---

## HOLDING COMPANY ACT RELEASES

---

CENTRAL AND SOUTH WEST CORPORATION

A supplemental order has been issued authorizing Central and South West Corporation to make a \$15 million loan to its electric utility subsidiary West Texas Utilities Company. (Rel. 35-21042 - May 9)

## MIDDLE SOUTH UTILITIES, INC.

A notice has been issued giving interested persons until June 8 to request a hearing on a proposal of Middle South Utilities, Inc. and its subsidiary company, Arkansas Power & Light Company, whereby Arkansas will issue and sell to Middle South from time to time through June 13, 1980, up to 2,400,000 shares of its authorized but unissued common stock at a price of \$12.50 per share or \$30 million in the aggregate, and whereby Arkansas will issue and sell at competitive bidding up to 1,600,000 shares of a new series of its preferred stock, cumulative, par value \$25 per share. (Rel. 35-21043 - May 9)

## CONSOLIDATED NATURAL GAS COMPANY

A notice has been issued giving interested persons until June 6 to request a hearing on proposals of Consolidated Natural Gas Company, a registered holding company, and eleven of its subsidiary companies to engage in intrasystem financing, and regarding the issuance of commercial paper and notes to banks by the holding company. (Rel. 35-21044 - May 9)

## PIEDMONT-FORREST CORPORATION

An order has been issued authorizing a proposal of Piedmont-Forrest Corporation, a wholly-owned subsidiary of Georgia Power Company, subsidiary of The Southern Company, a registered holding company, to issue an aggregate of \$4,452,426 of notes to acquire land in connection with the construction of a new office building for Georgia Power Company in downtown Atlanta, Georgia. (Rel. 35-21045 - May 9)

---

## SELF-REGULATORY ORGANIZATIONS

---

### APPROVAL OF PROPOSED RULE CHANGE

The Commission has approved a proposed rule change (SR-Phlx-78-15) filed by the Philadelphia Stock Exchange, Inc. The rule change clarifies execution parameters for market and limit orders entered into the exchange's automated communication and execution system for stocks. (Rel. 34-15808)

---

## LISTING, DELISTING AND UNLISTED TRADING ACTIONS

---

### DELISTINGS GRANTED

An order has been issued granting the application of the Honolulu Stock Exchange to strike the following securities from listing and registration thereon: Aloha Airlines, Inc. - common stock and 6% non. cum. pfd. stock; Amfac, Inc. - common stock, \$2.50 cum. conv. pfd. stock, and Series B pfd. stock; C. Brewer & Co., Ltd. - common stock; Castle & Cook, Inc. - common stock; Chrysler Corp. - common stock; Crown Corp. - common stock; Del Monte Corp. - common stock; Dillingham Corp., Inc. - common stock and \$2 cum. conv. pfd. stock; Hawaiian Airlines, Inc., common stock and 8-1/2% debentures; Hawaiian Elec. Co. Inc. - common stock, 4-1/4% series "C" pfd. stock, 5% series "D" pfd. stock, 5% series "E" pfd. stock, 5% series "I" pfd. stock, and \$1.94 series "L" cum. conv. pfd. stock; HOH Corporation - common stock; Interisland Resorts, Ltd. - common stock; Maui Land & Pineapple - common stock; Pacific Gas & Elec. Co. - common stock and 6% pfd. stock; Pacific Leisure Enterprise - common stock; Pacific Resources Inc. - common stock; San Carlos Milling Co. - common stock; and Standard Oil Co. of California - common stock. (Rel. 34-15804)

---

## MISCELLANEOUS

---

### NOTICES OF APPLICATIONS PURSUANT TO SECTION 12(h) OF THE EXCHANGE ACT

Notices have been issued giving interested persons until May 25 to request a hearing on applications by the following companies, pursuant to Section 12(h) of the Securities Exchange Act of 1934, for an order exempting them from the reporting requirements under Sections 13 and 15(d) of that Act:

R. B. Jones Corp. - On January 31 the company became a wholly owned subsidiary of Alexander and Alexander Services, Inc. and there is no trading in the company's securities. (Rel. 34-15784)

Wood Industries, Inc. - On February 9 Wood Industries became a wholly owned subsidiary of MaschinenFabrik Augsburg-Neurnberg Aktiengesellschaft North America Corporation and there is no trading in the company's securities. (Rel. 34-15785)

Metropolitan Development Corp. - Pursuant to an offer to purchase stock and subsequent short form cash merger, Metropolitan was acquired by First City Development Corporation of California, a privately-held Delaware corporation. There are no public holders of Metropolitan's common stock. (Rel. 34-15786)

Mercury General Corporation - On January 3 Mercury became a wholly-owned subsidiary of California General Management Inc. As a result of the merger California General Management Inc. is the sole stockholder of Mercury. (Rel. 34-15787)

Hyatt Corporation - On February 5 Hyatt was merged into New Hy, Inc., a Delaware corporation which is owned by the former principal stockholders of Hyatt. As a result of the merger, Hyatt no longer has any publicly traded common stock. (Rel. 34-15788)

ORDERS GRANTING APPLICATIONS PURSUANT TO  
SECTION 12(h) OF THE EXCHANGE ACT

Orders have been issued granting the applications of the following companies, pursuant to Section 12(h) of the Securities Exchange Act of 1934, for exemptions from the specified provisions of the Act:

Cinerama, Inc. - Section 15(d) - It appeared to the Commission that granting the requested exemption would not be inconsistent with the public interest or the protection of investors in view of the fact that Cinerama has become a wholly-owned subsidiary of Forkel, Inc., and there is no trading in Cinerama's securities. (Rel. 34-15789)

Applied Industries, Inc. - Sections 13 and 15(d) - It appeared to the Commission that granting the requested exemption would not be inconsistent with the public interest or the protection of investors, and that no significant benefit will accrue to either investors or the public if Applied Industries were required to file the subject reports. (Rel. 34-15790)

Pemcor, Inc. - Section 15(d) - It appeared to the Commission that granting the requested exemption would not be inconsistent with the public interest or the protection of investors, in view of the fact that Pemcor has become the wholly-owned subsidiary of Esmark, Inc. and there is no trading in Pemcor's securities. (Rel. 34-15791)

Reserve Oil, Inc. - Section 15(d) - It appeared to the Commission that the exemption is consistent with the public interest and the protection of investors, in view of the fact that the principal and interest of Reserve Oil's only class of securities held by the public is unconditionally guaranteed by Reserve Oil and Gas Company, a reporting company under the 1934 Act. (Rel. 34-15792)

Younkers, Inc. - Sections 13 and 15(d) - It appeared to the Commission that granting the requested exemption would not be inconsistent with the public interest or the protection of investors, in view of the fact that as a result of a merger, Younkers has become a wholly-owned subsidiary of Equitable of Iowa Companies. (Rel. 34-15793)

United Technologies Corp. - Sections 13 and 15(d) - The application was made for United Technologies Corporation's wholly-owned subsidiary, AMBAC Industries Incorporated. It appears to the Commission that the requested exemption is not inconsistent with the public interest or the protection of investors. (Rel. 34-15794)

Bertea Corporation - Section 15(d) - It appeared to the Commission that the granting of the requested exemption would not be inconsistent with the public interest or the protection of investors inasmuch as none of Bertea's common stock is held publicly, and there is no trading in its securities. (Rel. 34-15795)

Downe Communications, Inc. - Sections 13 and 15(d) - It appeared to the Commission that since all of Downe's outstanding common stock is owned by the Charter Company and its 6-1/2% subordinated convertible debentures, due December 1, 1988, are held by fewer than 200 persons that granting the requested exemption would not be inconsistent with the public interest or the protection of investors. (Rel. 34-15796)

Coca-Cola Bottling Company of Los Angeles - Sections 13 and 15(d) - It appeared to the Commission that the requested exemption is not inconsistent with the public interest or the protection of investors, in view of the fact that none of Coca-Cola's securities are held publicly. (Rel. 34-15797)

Austral Oil Company Incorporated - Sections 13 and 15(d) - It appeared to the Commission that the granting of the requested exemption would not be inconsistent with the public interest or the protection of investors, inasmuch as Austral Oil ceased all business activities on March 30, 1978 and its stock is no longer publicly traded. (Rel. 34-15798)

UPDW, Inc. - Sections 13 and 15(d) - The application was made by UPDW for United Piece Dye Works, Inc. It appeared to the Commission that granting the requested exemption would not be inconsistent with the public interest or the protection of investors, in view of the fact that United Piece Dye Works has no securities outstanding. (Rel. 34-15799)

Secura Corp. - Sections 13 and 15(d) - It appears to the Commission that granting the requested exemption is not inconsistent with the public interest or the protection of investors. (Rel. 34-15800)

Standard Packaging Corp. - Section 13 - It appeared to the Commission that the requested exemption is consistent with the public interest and the protection of investors. (Rel. 34-15801)

National Recreation Products, Inc. - Sections 13 and 15(d) - It appeared to the Commission that the exemption is not inconsistent with the public interest or the protection of investors, and that no significant benefit will accrue to investors or the public if National Recreation is required to file the subject reports, in view of the fact that on December 27 National Recreation became a wholly-owned subsidiary of Fuqua Industries, Inc. as the result of a merger approved by shareholders of National Recreation. (Rel. 34-15802)

American Medicorp, Inc. - Section 15(d) - It appeared to the Commission that granting the requested exemption would not be inconsistent with the public interest or the protection of investors in view of the fact that as a result of a merger American Medicorp became a wholly-owned subsidiary of Humana Inc. and was thereafter dissolved. (Rel. 34-15803)

---

## 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) NATIONAL MEDICAL CARE, INC., 200 Clarendon St., Boston, Mass. 02116 (617-742-9100) - 125,000 shares of common stock. (File 2-64401 - May 7)

(S-1) FRED. S. JAMES & CO., INC., 230 West Monroe St., Chicago, Ill. 60606 - 2,000,000 shares of common stock. The company in an international insurance brokerage firm. (File 2-64425 - May 9)

(S-8) E-SYSTEMS, INC., 6250 LBJ Freeway, P.O. Box 226030, Dallas, Tex. 75266 (214-661-1000) - 130,000 shares of common stock. (File 2-64429 - May 10)

(S-B) EUROPEAN INVESTMENT BANK, 2, Place de Metz, Luxembourg, Grand Duchy of Luxembourg (Authorized agent in the U.S. - Fernand Spaak, 2100 M St., N.W., Washington, D.C. 20037) - \$150 million of notes, due June 1, 1987 and \$100 million of bonds, due June 1, 1999. Underwriters: Merrill Lynch White Weld Capital Markets Group; Lehman Brothers Kuhn Loeb Inc.; The First Boston Corp.; and Lazard Freres & Co. (File 2-64430 - May 10)

(S-8) THE SUPERIOR OIL COMPANY, First City National Bank Bldg., Houston, Tex. 77002 (713-751-4111) - 150,000 shares of common stock. (File 2-64431 - May 10)

(S-16) PUBLIC SERVICE COMPANY OF OKLAHOMA, 212 East 6th St., Tulsa, Oklahoma 74119 (915-583-3611) - \$75 million of First Mortgage Bonds, Series 0. (File 2-64432 - May 10)

(S-16) WARNER COMMUNICATIONS INC., 75 Rockefeller Plaza, New York, N.Y. 10019 (212-484-8000) - 33,350 shares of Series C Stock. (File 2-64433 - May 10)

(S-8) STANDUN INC., 2943 East Las Hermanas St., Compton, Cal. 90221 (213-537-5230) - 153,030 shares of common stock. (File 2-64434 - May 10)

## 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 (Form 13-G) may in lieu of filing a Schedule 13D file a Form 13-G 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 May 1 - 3, 1979. 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 sent forth for each beneficial owner. \*Amended Acquisition Reports.

<u>REPORTING COMPANY OR INDIVIDUAL</u>	<u>ISSUER &amp; NUMBER OF SHARES</u>	<u>DATE FILED</u>
Richard H. Olson	Outdoor Sports Industries, Inc. (Denver, CO) Common Stock - 100,500 shs.	5-1-79
Johncamp Realty Inc. (Wholly-owned by Campeau Corp. (Canada))	Prudent Real Estate Trust (NYC) Shares of Beneficial Interest - 1,248,487 (39.7%) (Above shares were acquired pursuant to the Tender Offer.)	5-1-79
Summit Systems, Inc. (Wholly-owned subsidiary of Sharon Steel Corp.) Sharon Steel Corp. Security Management Corp. Victor Posner	UV Industries Inc. (NYC) Common Stock - 3,423,094 shs. (22.5%)	5-1-79
Anna Louise Bartlett, Individually and Executrix	Viatech, Inc. (Syosset, NY) Common Stock - 100,380 shs. (25.15%)	5-1-79
* Bechtel Wells Corp. (Wholly-owned subsidiary of Bechtel Corp.)	Welltech Inc. (Houston, TX) Class A Common Stock - 2,746,229 shs. (94.4%)	5-1-79
Curtis Samuel Steuart	Allied Capital Corp. (Washington, DC) Common Stock - 142,625 shs. (14.9%)	5-2-79
* Marco Holdings, Inc. (Wholly-owned subadiary of Marine Construction & Design Co.)	Campbell Industries Inc. (San Diego, CA) Common Stock - 721,044 shs. (95%)	5-2-79
Pennsylvania Engineering Corp. Security Management Corp. Victor Posner	National Gypsum Co. (Dallas, TX) Common Stock - 824,900 shs.	5-2-79
* Schlumberger (Delaware) Inc. (Wholly-owned subsidiary of Schlumberger Ltd. (Netherland Antilles))	Rowan Companies Inc. (Houston, TX) Common Stock - 2,077,200 shs.	5-2-79
GDV Inc. City Investing Co.	Stokely-Van Camp, Inc. (Indianapolis, IN) Common Stock - 168,400 shs.	5-2-79
* Pacific Petroleum Ltd. (Canada) (Controlled by Petro-Canada Inc. (Canada))	Westcoast Transmission Co. Ltd. (Vancouver, B.C., Canada) Common Stock - 11,116,845 shs. (33%)	5-2-79
BIWEB, Inc.	American Consumers, Inc. (Fort Oglethorpe, GA) Common Stock - 27,000 shs. Common Stock - 27,000 shs. on exercise of Option	5-3-79

ACQUISITION REPORTS, cont.

Companies and individuals making a tender offer must have on file at the time the tender offer commences a Schedule 14D-1. The following companies or individuals filed Schedule 14D-1's during the period of April 30 - May 2, 1979. \*Amended Tender Offer.

<u>OFFER TO PURCHASE BY:</u>	<u>ISSUER &amp; NUMBER OF SHARES TO BE PURCHASED</u>	<u>DATE FILED</u>
* Telco Marketing Services, Inc.	Outdoor Sports Industries Inc. (Denver, CO) Common Stock - 140,000 shs. for cash at \$11.00 net per share (The amended offer reduced the number of shares from 300,000 and the price from \$13.00 net per share.)	4-30-79
American Tidelands Life Insurance Co. (Wholly-owned subsidiary of Tidelands Capital Corp.)	Western Fidelity Corp. (Wichita, KS) Common Stock - All outstanding shares for cash at \$4.50 net per share	4-30-79
Rhone-Poulenc Inc. (Wholly-owned subsidiary of Rhone-Poulenc S.A. (France))	Anken Industries (Morristown, NJ) Common Stock - All outstanding shares for cash at \$21.00 net per share	5-1-79
Interway Corp.	Thriftway Leasing Co. (Piscataway, NJ) Common Stock - All outstanding shares for cash at \$7.875 net per share (Interway presently owns 575,033 shares (36.7%).	5-2-79

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D. C. 20549  
FIRST CLASS MAIL

POSTAGE AND FEES PAID  
U. S. SECURITIES AND  
EXCHANGE COMMISSION



*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.*

*SEC NEWS DIGEST is published daily.*

*Subscription rates: \$100.00/yr in U.S. first class mail;  
\$125.00 elsewhere.*

*SEC DOCKET is published weekly.*

*Subscription rates: \$79.00/yr in U.S. first class mail;  
\$98.75 elsewhere.*

*SEC STATISTICAL BULLETIN is published monthly.*

*Subscription rates: \$15.00/yr in U.S. first class mail;  
\$18.75 elsewhere.*

*The News Digest, the Docket, and the Statistical Bulletin are for sale by the Superintendent of Documents, Government Printing Office, Washington, D.C. 20549.*