

SEC NEWS DIGEST

Issue 98-43

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COMMISSION ANNOUNCEMENTS

CHAIRMAN LEVITT TO ADDRESS FINANCIAL SERVICES AND TECHNOLOGY CONFERENCE

On Friday, March 6 at 12:30 p.m. MST, Chairman Levitt will speak in Salt Lake City, Utah on the topic of "Investor Protection in the Age of Technology." The forum is the Third Annual Financial Services & Technology Conference, which is exploring the concept of "implementing international commerce."

ENFORCEMENT PROCEEDINGS

PAUL NIETO BARRED IN SETTLED ADMINISTRATIVE PROCEEDING

On March 4, the Commission instituted public administrative proceedings under the Securities Exchange Act of 1934 against Paul L. Nieto, formerly a registered representative of Kinlaw Securities Corporation, a now defunct broker-dealer firm. Simultaneously, the Commission accepted Nieto's Offer of Settlement. The Commission found that on February 24, 1998, Nieto was permanently enjoined by the United States District Court for the Northern District of Texas [SEC v. Kinlaw Securities Corporation, et al., 3:93CV2010-T]. Nieto consented to the entry of the permanent injunction without admitting or denying the allegations in the Commission's First Amended Complaint.

The First Amended Complaint alleged that the defendants, including Nieto, engaged in the offer, purchase and sale of securities in the form of investment contracts involving interests in oil and gas drilling ventures in violation of the registration and antifraud provisions of the federal securities laws. The First Amended Complaint further alleged that in connection with the offer, purchase and sale of these securities, the defendants made material misrepresentations and omissions of material fact concerning, among other things, the risks and expected returns associated with the oil and gas investments, the costs to drill and complete oil and gas wells, and the success of prior oil and gas wells.

The Order provides that Nieto be barred from association with any broker, dealer, municipal securities dealer, investment adviser or investment company. (Rel. 34-39714; File No. 3-9552)

ROGER BYRD BARRED IN SETTLED ADMINISTRATIVE PROCEEDING

On March 4, the Commission instituted public administrative proceedings under the Securities Exchange Act of 1934 against Roger D. Byrd, formerly a registered representative of Kinlaw Securities Corporation, a now defunct broker-dealer firm. Simultaneously, the Commission accepted Byrd's Offer of Settlement. The Commission found that on February 24, 1998, Byrd was permanently enjoined by the United States District Court for the Northern District of Texas [SEC v. Kinlaw Securities Corporation, et al., 3:93CV2010-T]. Byrd consented to the entry of the permanent injunction without admitting or denying the allegations in the Commission's First Amended Complaint.

The First Amended Complaint alleged that the defendants, including Byrd, engaged in the offer, purchase and sale of securities in the form of investment contracts involving interests in oil and gas drilling ventures in violation of the registration and antifraud provisions of the federal securities laws. The First Amended Complaint further alleged that in connection with the offer, purchase and sale of these securities, the defendants made material misrepresentations and omissions of material fact concerning, among other things, the risks and expected returns associated with the oil and gas investments, the costs to drill and complete oil and gas wells, and the success of prior oil and gas wells.

The Order provides that Byrd be barred from association with any broker, dealer, municipal securities dealer, investment adviser or investment company. (Rel. 34-39715; 3-9553)

PERMANENT INJUNCTIONS ENTERED AGAINST FORMER KINLAW SECURITIES CORP. SALESMEN

The Commission announced that Final Judgments of Permanent Injunction and Other Equitable Relief were entered in United States District Court in Dallas, Texas, against Paul L. Nieto and Roger D. Byrd on February 24, 1998. The defendants consented to the entry of the final judgments without admitting or denying the allegations contained in the Commission's First Amended Complaint. Both defendants are former sales representatives of the now defunct Kinlaw Securities Corporation, a broker dealer formerly registered with the Commission which offered and sold securities in the form of investment contracts involving interests in oil and gas drilling ventures.

The Commission's First Amended Complaint alleged that in the offer and sale of the oil and gas drilling ventures, the defendants made material misrepresentations and omissions of material fact concerning, among other things, the risks and expected returns associated with the oil and gas investments, the costs to drill and

complete oil and gas wells, and the success of prior oil and gas wells, all in violation of the registration and antifraud provisions of the federal securities laws. [SEC v. Kinlaw Securities Corp., et al., 3:93-CV-2010-T, USDC, ND/TX, Dallas Division] (LR-15659)

SUMMARY JUDGMENT GRANTED IN PONZI SCHEME CASE

On February 27, 1998, Judge Thomas F. Hogan of the U.S. District Court for the District of Columbia granted the Commission's motion for summary judgment on all of its claims against defendants Robert N. Taylor and the Better Life Club of America, Inc. In a 34-page decision, Judge Hogan held that from January 1993 through August 1995, the defendants engaged in securities fraud and the unlawful sale of unregistered securities by perpetrating a massive Ponzi scheme called the Better Life Club "Advertising Pool," which promised to double investors' money in 60 or 90 days by using it to promote the Club's 900 telephone lines and other supposedly lucrative Club ventures. Investors lost more than \$25 million. The court entered a permanent injunction against Taylor and the Better Life Club and ordered them to pay approximately \$25.8 million in disgorgement and restitution, plus prejudgment interest, to the court-appointed Receiver, Michael J. Missal, for distribution to the defrauded investors.

Judge Hogan also granted summary judgment on the Commission's claims against the two relief defendants, Taylor's accountant, Wilkins McNair, Jr., and former living companion, Elizabeth Lawson, ordering them to disgorge fraudulently obtained investor funds and other assets that Taylor gratuitously gave to them. [SEC v. The Better Life Club of America, Inc., and Robert N. Taylor, Defendants, and Wilkins McNair, Jr., CPA, as Trustee, and Elizabeth Lawson, Relief Defendants, USDC, D.D.C., Civ. No. 95-1679, TFH] (LR-15660)

SELF-REGULATORY ORGANIZATIONS

PROPOSED RULE CHANGE

The Pacific Exchange filed a proposed rule change (SR-PCX-97-48) that would amend its rules relating to Market Maker participation in the Exchange's automatic execution system for options (Auto-Ex). Publication of the notice in the Federal Register is expected during the week of March 9. (Rel. 34-39707)

SECURITIES ACT REGISTRATIONS

The following registration statements have been filed with the SEC under the Securities Act of 1933. The reported information appears as follows: Form, Name, Address and Phone Number (if available) of the issuer of the security; Title and the number and/or face amount

of the securities being offered; Name of the managing underwriter or depositor (if applicable); File number and date filed; Assigned Branch; and a designation if the statement is a New Issue.

Registration statements may be obtained in person or by writing to the Commission's Public Reference Branch at 450 Fifth Street, N.W., Washington, D.C. 20549 or at the following e-mail box address: <public info @ sec>. In most cases, this information is also available on the Commission's website: <www.sec.gov>.

- F-6 REUTERS GROUP PLC /ADR/, 60 WALL ST, LONDON EC44AJ ENGLAND, NEW YORK, NY
10260 (212) 648-3250 - 50,000,000 (\$2,500,000)
DEPOSITARY RECEIPTS FOR COMMON STOCK. (FILE 333-8354 - FEB. 17) (BR. 99
- NEW ISSUE)
- S-2 HELLER FINANCIAL INC, 500 W MONROE ST, CHICAGO, IL 60661 (312) 441-7000
- \$500,000,000 COMMON STOCK. (FILE 333-46915 - FEB. 26) (BR. 7)
- S-8 HALLMARK CAPITAL CORP, 7401 W GREENFIELD AVE, WEST ALLIS, WI 53214
(414) 778-4600 - 144,400 (\$2,141,452) COMMON STOCK. (FILE 333-46917 -
FEB. 26) (BR. 7)
- S-8 EMERSON ELECTRIC CO, 8000 W FLORISSANT AVE, P O BOX 4100, ST LOUIS, MO
63136 (314) 553-2000 - 8,000,000 (\$496,000,000) COMMON STOCK. (FILE
333-46919 - FEB. 26) (BR. 5)
- S-8 VDI MEDIA, 6920 SUNSET BOULEVARD, HOLLYWOOD, CA 90028 (213) 957-5500 -
900,000 (\$11,045,392.25) COMMON STOCK. (FILE 333-46923 - FEB. 26) (BR. 5)
- S-1 UNITED ROAD SERVICE INC, 8 AUTOMATION LANE, ALBANY, NY 12205
(518) 446-0140 - 6,325,000 (\$82,225,000) COMMON STOCK. (FILE 333-46925 -
FEB. 26) (BR. 5 - NEW ISSUE)
- S-3 DAISYTEK INTERNATIONAL CORPORATION /DE/, 500 N CENTRAL EXPWAY, PLANO, TX
75074 (214) 881-4700 - 3,450,000 (\$83,352,000) COMMON STOCK. (FILE
333-46927 - FEB. 26) (BR. 4)
- S-1 YOUNG & RUBICAM INC, 285 MADISON AVE, NEW YORK, NY 10017 - \$350,000,000
COMMON STOCK. (FILE 333-46929 - FEB. 26)
- S-4 PARK OHIO INDUSTRIES INC, 23000 EUCLID AVE, CLEVELAND, OH 44117
(216) 991-9700 - 11,000,000 (\$183,562,500) COMMON STOCK. (FILE 333-46931 -
FEB. 26) (BR. 6)
- S-1 V I TECHNOLOGIES INC, 155 DURYEA RD, MELVILLE, NY 11747 (516) 752-7314
- 3,450,000 (\$51,750,000) COMMON STOCK. (FILE 333-46933 - FEB. 26)
- S-3 MORGAN STANLEY DEAN WITTER DISCOVER & CO, 1585 BROADWAY, NEW YORK, NY
10036 (212) 392-2222 - 8,000,000,000 (\$8,000,000,000) PREFERRED STOCK.
-4 (FILE 333-46935 - FEB. 26) (BR. 8)
- S-8 ELECTRONIC ARTS INC, 1450 FASHION ISLAND BLVD, SAN MATEO, CA 94404
(415) 571-7171 - 100,000 (\$4,125,000) COMMON STOCK. (FILE 333-46937 -
FEB. 26) (BR. 3)
- S-8 STAR BUFFET INC, 440 LAWNALE DR, SALT LAKE CITY, UT 84115 (801) 463-5500
- 750,000 (\$9,371,941.50) COMMON STOCK. (FILE 333-46939 - FEB. 26)
(BR. 2)
- S-1 CHARLES RIVER ASSOCIATES INC, 200 CLARENDON STREET, T-33, BOSTON, MA
02116 (617) 425-3000 - 2,516,200 (\$42,775,400) COMMON STOCK. (FILE
333-46941 - FEB. 26) (NEW ISSUE)
- S-8 GLEN BURNIE BANCORP, 101 CRAIN HIGHWAY SE, GLEN BURNIE, MD 21061
(410) 766-3300 - 25,000 (\$525,937.50) COMMON STOCK. (FILE 333-46943 -
FEB. 26) (BR. 7)

S-11 WESTPAC SECURITISATION MANAGEMENT PTY LTD, 60 MARTIN PLAXE 25TH FLOOR,
 NEW SOUTH WALES 2000 AUSTRALIA SYDNEY, (011) 612-9226 - 1,000,000
 (\$1,000,000) FLOATING RATE NOTES. (FILE 333-46945 - FEB. 26) (NEW ISSUE)

SB-2 RONNYBROOK FARM DAIRY INC, PROSPECT HILL ROAD, ANCRAMDALE, NY 12503
 (518) 398-6455 - 750,000 (\$5,334,000) COMMON STOCK. (FILE 333-46947 -
 FEB. 26) (NEW ISSUE)

S-8 MARTEK BIOSCIENCES CORP, 6480 DOBBIN RD, COLUMBIA, MD 21045
 (410) 740-0081 - 500,000 (\$6,910,000) COMMON STOCK. (FILE 333-46949 -
 FEB. 26) (BR. 1)

S-3 TECO ENERGY INC, TECO PLAZA, 702 N FRANKLIN ST, TAMPA, FL 33602
 (813) 228-4111 - \$15,871,196.25 UNIT INVESTMENT TRUST. (FILE 333-46951 -
 FEB. 26) (BR. 4)

S-8 LAMSON & SESSIONS CO, 25701 SCIENCE PARK DR, CLEVELAND, OH 44122
 (216) 464-3400 - 300,000 (\$2,073,000) COMMON STOCK. (FILE 333-46953 -
 FEB. 26) (BR. 6)

N-2 ZWEIG FUND INC /MD/, C/O ZWEIG/GLASER ADVISORS, 5 HANOVER SQ., NEW YORK,
 NY 10004 (212) -51-0-03 - 9,497,544 (\$120,143,931.60) COMMON STOCK. (FILE
 333-46955 - FEB. 26) (BR. 16)

S-4 LIBERTY GROUP PUBLISHING INC, 3000 DUNDEE RD, STE 203, NORTHBROOK, IL
 60662 (847) 272-2244 - 134,000,000 (\$134,000,000) STRAIGHT BONDS. (FILE
 333-46957 - FEB. 26) (NEW ISSUE)

S-4 LIBERTY GROUP OPERATING INC, 3000 DUNDEE RD, STE 203, NORTHBROOK, IL
 60662 (847) 272-2244 - 180,000,000 (\$180,000,000) STRAIGHT BONDS. (FILE
 333-46959 - FEB 26) (NEW ISSUE)

S-3 SALIVA DIAGNOSTIC SYSTEMS INC, 11719 NE 95TH ST STE G, VANCOUVER, WA
 98682 (360) 696-4800 - 12,592,105 (\$2,946,552.57) COMMON STOCK. (FILE
 333-46961 - FEB. 26) (BR. 1)

S-8 FOREMOST CORP OF AMERICA, 5600 BEECH TREE LN, GRAND RAPIDS, MI 49501
 (616) 942-3000 - 90,957 (\$2,083,483.79) COMMON STOCK. (FILE 333-46963 -
 FEB. 26) (BR. 1)