

# sec news digest

Issue 74-84

(SEC Docket, Vol. 4, No. 6 - May 14)

U.S. SECURITIES & EXCHANGE COMMISSION

RECEIVED

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## CHAIRMAN SPEAKS

MAY 1 1974

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### IMPROVED DISCLOSURE - OPPORTUNITY AND RESPONSIBILITY FOR FINANCIAL ANALYSTS

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"A significant portion of our effort has been, and will continue to be, devoted to obtaining adequate information for the investor and his financial interpreter, so that rational economic decisions can be made," Chairman Ray Garrett, Jr., told the annual conference of the Financial Analysts Federation in Los Angeles on April 29.

After reviewing steps the SEC took in 1973 to increase the amount of financial information available to investors, Mr. Garrett turned to a number of significant proposals still outstanding, on which he expects action in the year ahead:

- (a) improved disclosure of the effect of accounting alternatives on reported results,
- (b) amendment of Guide 22 to the preparation of registration statements to provide for an improved analytical summary of material changes in corporate results, supplementing the summary of earnings and (c) amendments to proxy rules, which will require the inclusion of other significant data in the annual report.

In addition to new and proposed disclosure requirements Chairman Garrett noted that the Commission in the past year articulated an approach to disclosure "which we call 'differential disclosure', which emphasizes the needs of different groups of investors". Under this approach certain detailed data may be of interest primarily to the professional analysts and other meaningful analytical summaries may be presented in terms the average investor can understand.

"Additional data," Mr. Garrett cautioned, "also means more responsibility, however. Analysts have an increasing obligation to develop improved skills and understanding in using data and disseminating that data to the investment market place." In this respect, he encouraged the analytical profession to move in the direction of defining improved professional standards for analysis.

Mr. Garrett noted several other areas which will be receiving the attention of the SEC. In the area of forecasting, Mr. Garrett favored the idea of experimenting on a voluntary basis permitting investors to get this information from management in a formal and regulated way. He said the Commission hopes to get statements on this subject out in the fall.

In the area of interim reporting, Mr. Garrett noted that summary figures may be too "summary" and that the Commission would be working with the AICPA in determining the responsibility of independent public accountants in this field. He also solicited the ideas of financial analysts on this subject.

"A third area which should receive attention in the year ahead," Mr. Garrett said, "is improved liquidity disclosure....In this connection, it may be that we must take another look at definitions of working capital and fund statement presentations both in general and in certain industries."

The questions of the disclosure of fair value data and coping with inflation in financial statements are two other areas which the Chairman noted are under consideration. And finally, the staff is working on the development of techniques for the improved disclosure of uncertainties, Mr. Garrett said. No general statement on this subject was anticipated in 1974, but he observed that it is an important area which requires attention.

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## DECISIONS IN ADMINISTRATIVE PROCEEDINGS

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### I.M.H.-ONE STOP-ORDER DECISION AFFIRMED

An order has been issued affirming the administrative law judge's initial decision suspending the effectiveness of a registration statement filed by I.M.H.-One, of Rosemead, California.

The decision was based on findings that the registration statement was deficient and misleading with respect to I.M.H.'s ability to develop certain real estate; its financial condition and that of its corporate general partner; the availability to I.M.H. of flow-through tax treatment essential to its success; and the underwriter's ability to proceed with the offering and the plan of distribution. (Rel. 33-5484)

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## ORDERS FOR PUBLIC PROCEEDINGS

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### HAVENER SECURITIES CORP.

Public administrative proceedings have been ordered against Havener Securities Corp., a New York broker-dealer, Martin Feuer, president, Meyer Lang, vice-president, Joel Lawrence Halpern, vice-president, and James Robert Dunne, secretary-treasurer. The proceedings are based on staff allegations that the respondents violated the antifraud provisions of the securities laws in transactions in the securities of Power Conversion, Inc. The respondents are also charged with violating the net capital and recordkeeping provisions. In addition, Havener, Feuer, Lang and Halpern are charged with being permanently enjoined from violations of the net capital provisions and it is alleged that on October 24, 1972 a SIPC trustee was appointed to liquidate Havener.

A hearing will be scheduled by further order on the charges against the respondents. (Rel. 34-10673)

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## COMMISSION ANNOUNCEMENTS

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### WILLIAM STERN NAMED ASSOC. DIRECTOR OF OFFICE OF OPINIONS AND REVIEW

The Commission has announced the appointment of William S. Stern as Associate Director of its Office of Opinions and Review.

Mr. Stern, who succeeds the recently retired Alfred Letzler, joined the Office of Opinions and Review in 1963, and until his appointment held the position of Special Counsel. Prior to 1963, Mr. Stern, a graduate of the Harvard Law School, served on the staff of the Antitrust Division of the Department of Justice.

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## TRADING SUSPENSIONS

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### GEON INDUSTRIES TRADING BAN TERMINATED

The suspension of exchange and over-the-counter trading in the securities of Geon Industries, Inc., of Woodbury, New York, will terminate at midnight (EDT) April 29, 1974.

The Commission initiated the suspension of trading in the securities of Geon on March 1, 1974, because of the lack of adequate and accurate information concerning the company's financial condition. The American Stock Exchange halted trading in the common stock of Geon at 11:19 a.m. on February 22, 1974, after a delayed opening

at 10:33 a.m. because of heavy selling pressure, pending further clarification of Geon's 1973 earnings and a pending agreement in principle to merge with Burmah Oil, Inc.

On March 14, 1974, Geon announced it had reached a revised agreement in principle with Burmah which called for a purchase price of \$28 million or about \$13 a share, reduced from the originally agreed price of \$36 million or about \$16.80 per share, and announced that its net earnings were \$1.4 million or 69 cents a share, down from \$1.7 million or 81 cents a share in 1972.

On April 4, 1974, Geon announced that the Burmah acquisition was "up in the air". While there have been no additional public announcements by Geon since that date, Geon has informed the Commission that Burmah is still considering the matter, and that at present there is no assurance as to whether the acquisition either will or will not go forward. (Rel. 34-10760)

#### CORRECTION RE STANDARD LIFE CORPORATION SUSPENSION

In the April 26th News Digest report of the trading suspension of Standard Life Corporation securities, Gulf South Mortgage Investors was incorrectly stated to be 88%-owned by Standard Life. Gulf South Corporation, not Gulf South Mortgage Investors is 88%-owned by Standard Life.

#### ADDITIONAL ACTION ON ONE TRADING SUSPENSION

The SEC has announced the suspension of over-the-counter trading in the securities of Westgate California Corp. for the further ten-day period April 30 - May 9, inclusive.

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## COURT ENFORCEMENT ACTIONS

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#### CLARIFICATION RE ACTIONS AGAINST TIPCO, INC.

The January 25, 1974 and February 27, 1974 issues of the News Digest announced, respectively, the filing of a civil injunctive action and the entry of a federal district court order of preliminary injunction against Tipco, Inc. Tipco, Inc., a Texas corporation, is now known as Alliance Energy Corporation, and should not be confused with Texas International Company, an unrelated Oklahoma-based corporation formerly known as Texas International Petroleum Corporation. (LR-6336)

#### MAIN STREET SECURITIES, OTHERS ENJOINED

The SEC Fort Worth Regional Office announced that on April 15 the Federal District Court at Dallas had permanently enjoined, by consent, Main Street Securities, Inc., Frank L. Plemons, its president, and Frank L. Plemons, doing business as Main Street Securities, all of Dallas, from violations of the registration, antifraud, financial responsibility, recordkeeping and reporting provisions of the securities laws. The Commission's complaint filed on April 9 also sought appointment of a receiver for Main Street Securities, Inc. and Frank L. Plemons, dba Main Street Securities, Inc. (LR-6337)

#### COMPLAINT NAMES CONTINENTAL SILVER CORPORATION OF NEVADA, OTHERS

The Denver Regional Office announced the filing of a complaint on April 22 in the U. S. District Court for Colorado alleging that Continental Silver Corporation of Nevada, Continental Silver Corporation of Colorado, Chess Wilburn Barr, III, Louis C. Schiess, Frank Congleton, and Jack Smock violated the registration and antifraud provisions of the securities laws. The complaint seeks a preliminary and permanent injunction against those parties and requests an accounting to be made of all funds raised from the public by the defendants, and that the defendants be required to make restitution and disgorge funds that they had received. (LR-6338)

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## INVESTMENT COMPANY ACT RELEASES

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### OPPENHEIMER FUND

A notice has been issued giving interested persons until May 23 to request a hearing on an application by Oppenheimer Fund, Inc., Oppenheimer A.I.M. Fund, Inc., Oppenheimer Time Fund, Inc. and Oppenheimer Income Fund, mutual funds and Oppenheimer Management Corporation, the Funds' principal underwriter, for an order to permit the shareholders of Oppenheimer Financial Bridge Fund, Inc., to exchange their shares for shares of the other Funds at net asset value plus a sales charge equal to that of the Fund being acquired, less the sales charge paid on the Bridge Fund shares at the time they were originally purchased. (IC-8324)

### DELCAP ENERGY FUND

A notice has been issued giving interested persons until May 21 to request a hearing on an application of Delcap Energy Fund, Inc., of Wilmington, Delaware, for an order declaring that it has ceased to be an investment company as that term is defined in the Act. (IC-8325)

### AETNA FUND

A notice has been issued giving interested persons until May 20 to request a hearing on an application of Aetna Fund, Inc. and Aetna Income Shares, Inc., mutual funds, and Aetna Financial Services, Inc., for an order permitting the sale of securities of the investment companies at prices other than the current public offering prices described in the prospectuses of such investment companies, which prices include sales charges of such companies, when such securities are purchased with the proceeds of life insurance or annuity contracts issued by Aetna Life and Casualty Company or its affiliates. (IC-8326)

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## HOLDING COMPANY ACT RELEASES

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### EASTERN UTILITIES ASSOCIATES

A second supplemental order has been issued authorizing Eastern Utilities Associates, to extend the maturity of a \$14,500,000 short-term note and extend the term of an open account advance to a subsidiary electric utility company. (Rel. 35-18396)

### CENTRAL AND SOUTH WEST CORPORATION

An order has been issued authorizing Central and South West Corporation, a registered holding company, to amend its Certificate of Incorporation to increase Central's common stock from 48,000,000 to 51,500,000 shares, and to restate the Certificate of Incorporation. (Rel. 35-18397)

### ALLEGHENY POWER SYSTEM

An order has been issued authorizing a proposal of Allegheny Power System, Inc. (APS), to acquire common stock of its subsidiary, Monongahela Power Company and to make cash capital contributions to another subsidiary, West Penn Power Company. The net proceeds of the transactions will be used by the subsidiaries for their construction programs. (Rel. 35-18398)

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## DELISTING AND UNLISTED TRADING ACTIONS

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### DELISTING GRANTED

An order has been issued granting the application of the American Stock Exchange, Inc. to strike the common stock of Haven Industries, Inc. from listing and registration. Haven has substantially discontinued the business that it conducted when it was listed and admitted to trading. In addition, the shareholders have approved a contract for the sale of the company's principal asset. (Rel. 34-10764)

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## SECURITIES ACT REGISTRATIONS

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### (S-5) AMERICAN GENERAL RESERVE FUND, INC.

2727 Allen Parkway, Houston, Tex. 77019 - 2,000,000 shares of common stock, to be offered for sale at net asset value plus a 1% sales charge (1.01% of the net amount invested), initially \$25 per share, through Channing Company, Inc., 2777 Allen Parkway, Houston, Texas 77019 and selected dealers. The company is a new, open-end, diversified, management investment company whose objective will be to seek the greatest protection of capital and the highest possible current income, through investments in securities issued or guaranteed by the U.S. government, instruments of banks, prime commercial paper and repurchase agreements. (File 2-50870 - Apr. 25)

### (S-14) MARTIN MARIETTA CORPORATION

277 Park Ave., New York, N. Y. 10017 - maximum of 1,750,484 shares of common stock. It is proposed to offer these shares in connection with the proposed merger of a wholly-owned subsidiary of Martin Marietta into Martin Marietta Aluminum Inc., at the rate of 1.15 Martin Marietta shares for each publicly held outstanding share of Martin Marietta Aluminum common stock. Martin Marietta is a diversified enterprise which produces cement, construction aggregates, and chemical products; develops and produces space and defense systems and products and aircraft components; produces aluminum and other metal products. (File 2-50871 - Apr. 25)

### (S-1) MODICON CORPORATION

P. O. Box 83, Shawsheen Village Station, Andover, Mass. 01810 - 300,000 shares of common stock, to be offered for sale by the company and 150,000 by certain shareholders. The offering is to be made through underwriters headed by Alex. Brown & Sons, 135 East Baltimore St., Baltimore, Md. 21202. The company develops, manufactures, and sells programmable controllers and associated equipment to control the operations of a wide variety of industrial machinery and process equipment. (File 2-50872 - Apr. 26)

### REGISTRATIONS EFFECTIVE

April 26: EG&G, Inc., 2-50478; Honeywell Inc., 2-50831; Potomac Electric Power Company, 2-50524; The ML Corporate Income Fund First Short Term Series, 2-49020; Wheeling - Pittsburgh Steel Corp., 2-50768.

April 29: American Broadcasting Companies, Inc., 2-50737; American Income Fund - 1974, 2-50096; Arthur D. Little, Inc., 2-50574; Atlantic Richfield Company, 2-50827; Bethlehem Steel Corp., 2-50687; Bracken Mines Ltd., 2-50698; Corco, Inc., 2-50669; Eaton Corp., 2-50681; Fred S. James & Co., Inc., 2-50541; Humana Inc., 2-50534; International Breeding Systems, Inc., 2-50537; K B Marketing Systems, Inc., 2-50155; Kinross Mines Ltd., 2-50696; Mississippi Power & Light Company, 2-50533; Mothercare Ltd., 2-50838; Ridge Land & Development Company, 2-50012; Texas Instruments Inc., 2-50383; Teradyne, Inc., 2-50619; The Chase Manhattan Bank, 2-50828.

## RECENT 8K 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
PATENTS INTERNATIONAL AFFILIATES LTD	4,11,14	03/74
PEOPLES PROTECTIVE CORP	3	03/74
PETCOA INDUSTRIES INC	10	03/74
PFIZER INC	3	03/74
PHARMACARE INC	3,13,14	03/74
PHELPS DODGE CORP	3,7,14	03/74
POWER SKI CORP	13	03/74
PRECISION INSTRUMENT CO	6	03/74
PROCESS SYSTEMS INC	7,9,13,14	03/74
PUBLIC SERVICE CO OF OKLAHOMA	3	03/74
RAYMOND INTERNATIONAL INC	13,14	03/74
RD PRODUCTS INC	11	03/74
RECTISEL CORP	7,8	03/74
RED FOOD STORES INC	7	03/74
RELIABLE INVESTORS CORP	2,14	04/74
REPUBLIC HOUSING CORP	2,10,13,14	03/74
RING AROUND PRODUCTS INC	11,13	03/74
ROSARIO RESOURCES CORP	7	03/74
ROYAL ATLAS CORP	13	03/74
SAFRAN PRINTING CO	13,14	03/74
SAINT PAUL AMMONIA PRODUCTS INC	7,8,13,14	03/74
SANTA ANITA CONSOLIDATED INC	13,14	03/74
SANTA FE INDUSTRIES INC	3	03/74
SCOTS INN LAND CO	7,13,14	03/74
SCOTS INN MANAGEMENT CO	1,2,7,14	03/74
SEATRAN LINES INC	9	03/74
SECURITY PLASTICS INC	8,13	03/74
SEGA ENTERPRISES INC	1,2,4,7,9,11,14	03/74
SHAKESPEARE CO	3	03/74
SHAREHOLDERS CAPITAL CORP	3,14	03/74
SHULMAN TRANSPORT ENTERPRISES INC	13	03/74
SMITH A O CORP	13	03/74
SOUTHERN PACIFIC TRANSPORTATION CO	3,7,14	03/74
SOVEREIGN CORP	8	03/74
STATE EXPLORATION CO	11,13	03/74
STEVENS J P & CO INC	4,7,11,14	03/74
SYMBOLIC DISPLAYS INC	10,14	03/74
TDA INDUSTRIES INC	13,14	03/74
TECKLA INC	2,14	03/74
TELEPRO INDUSTRIES INC	2,7,9,13	03/74
TELEPROMPTER CORP	7	03/74
TENNECO OFFSHORE CO INC	2	01/74
TENNESSEE VALLEY BANCORP INC	3,13,14	03/74
TEXAS ELECTRIC SERVICE CO	3	03/74
THERMO KINETIC CORP	13,14	03/74
TRA VEL INC	12	03/74
TRANS WORLD AIRLINES INC	7,14	03/74
TRATEC INC	1	03/74
UNION OIL CO OF CALIFORNIA	3	03/74
UNION PACIFIC CORP	3	03/74
UNITED STATES BANKNOTE CORP	10,14	03/74
UNITED STATES LAND & UTILITIES CO	1,2,7,9	01/74

RECENT 8K FILINGS CONT.

VAGABOND REAL ESTATE EQUITIES	13,14	03/74
VAIL ASSOCIATES INC	3	03/74
VOLT INFORMATION SCIENCES INC	13	03/74
WACKENHUT CORP	3,7	03/74
WASHINGTON GAS LIGHT CO	11,13,14	03/74
WAVECOM INDUSTRIES	1,7,9,13	03/74
WEATHERBY NASCO INC	13,14	03/74
WELLTECH INC	2,14	03/74
WESTERN HERITAGE LAND & CATTLE CO	13,14	03/74
WESTON INTERNATIONAL CORP	7	03/74
WINDECKER INDUSTRIES INC	13	03/74
WRATHER CORP	3	03/74
WTC AIR FREIGHT	2,10,14	03/74

AMENDMENTS TO REPORTS ON FORM 8-K

AMERICAN CHAIN & CABLE CO INC	4,7	02/74
BANDAG INC	14	11/73
COMMUNITY BANKS OF FLORIDA INC	12	03/74
CONCEPT INC	2	03/74
CROSS COUNTRY INDUSTRIES INC	14	03/74
DAIN KALMAN & QUAIL INC	14	12/73
ELT INC	7,14	03/74
FABRI TEK INC	7	10/73
FABRI TEK INC	7	12/73
HAYDEN STONE INC	3	02/74
INTERNATIONAL MINERALS & CHEMICAL CORP	10	02/74
NORFOLK & CAROLINA TELEPHONE & TELEGRAPH	11,13	03/74
SPACERAYS INC	14	03/74
VIRGINIA INTERNATIONAL CO	1	01/74
WHEELING PITTSBURGH STEEL CORP	NO ITEMS	12/73
WHITTAKER CORP	7,14	02/74
ALPINE GEOPHYSICAL ASSOCIATES INC	12	01/74
AMERICAN BANCORPORATION OHIO	7	07/73
BUILDDEX INC	9	01/74
CHICAGO & NORTH WESTERN TRANSPORTATION C	7	02/74
MASTERS INC	7	01/74
MCDONALDS CORP	3	03/74
MICRON CORP	2	01/74
NIAGARA FRONTIER SERVICES INC	8	02/74
POST AMERICAN CORP	14	04/74
SHAWMUT ASSOCIATION INC	13,14	03/74
WHEELING PITTSBURGH STEEL CORP	14	04/73
WHEELING PITTSBURGH STEEL CORP	14	01/74
CAPTAIN INTERNATIONAL INDUSTRIES LTD	14	06/73
ELT INC	14	01/74
NORTH AMERICAN BIOLOGICALS INC	7,8,14	01/74
OFFSHORE LOGISTICS INC	13	02/74
PACESETTER INDUSTRIES INC	4,14	09/72
PAKCO COMPANIES INC	7,8	12/73
PECKHAM INDUSTRIES INC	7	12/73
PRUDENT REAL ESTATE TRUST	10	01/74
RESISTOFLEX CORP	14	01/74
TIPPERARY CORP	14	02/74
VIDEO SYSTEMS CORP	2,14	08/73
LOVE OIL CO INC	14	03/74
PARK PREMIER MINING CO	14	01/74
MONTCALM VINTNERS INC	10	02/74
TEMPLET INDUSTRIES INC	2,14	08/73
ATS INC	NO ITEMS	01/74
COLECO INDUSTRIES INC	10	02/74
DYNASIL CORP OF AMERICA	7,8	02/74
ELKHORN AT SUN VALLEY	12	12/73
HOLMES D H CO LTD	7	02/74
HOMESTEAD MINERALS CORP	14	11/73
LEADVILLE CORP	7	02/74
MARTIN MARIETTA CORP	14	07/73
MASS MERCHANDISERS INC	7	03/73
MASTER COMMUNICATIONS INC	13	05/73
MASTER COMMUNICATIONS INC	13	01/74
NIBCO INC	13,14	01/74

AMENDMENTS TO 8K FILINGS CONT.

P&F INDUSTRIES INC	10,14	09/73
PACEMASTER INC	1,11	02/74
PACKAGING PRODUCTS & DESIGN CORP	2	01/74
PLAYERS GROUP COMPANIES INC	14	12/73
ROSARIO RESOURCES CORP	7	12/73
TECHNOMIC RESEARCH ASSOCIATES INC	13	01/74
VIPONT CHEMICAL CO	1,13	02/74
MARION CORP	7	01/74
NATIONAL COMMUNITY BUILDERS	10	04/73
OLIN CORP	10,14	01/74
POLLUTION CONTROL INDUSTRIES INC	2,7,14	01/74
REDFERN FOODS CORP	7,14	09/73
ROANOKE ELECTRIC STEEL CORP	11	01/74
ROBINTECH INC	7	11/73
SACOM	13	01/74
SHELLER GLOBE CORP	14	01/74
SPRINGS MILLS INC	14	02/74
TRANQUILAIRE MENTAL HEALTH SERVICES INC	10,14	01/74
KAISER CEMENT & GYPSUM CORP	14	07/71
ADOBE BUILDING CENTERS INC	14	12/73
AMERICAN PROPERTY INVESTORS	2	01/74
CROMPTON CO INC	7	02/74
CURTIS HOOKER CORP	14	03/74
DACOTAH BANK HOLDING CO	7	01/74
IMPERIAL INDUSTRIES INC	14	12/73
NVDH CORP	14	10/73
PACESETTER INDUSTRIES INC	14	12/73
PHILLIPS SCREW CO	2,14	11/73
SERVO CORP OF AMERICA	3	03/74
UNITED AIRCRAFT CORP	14	02/74
CLINICAL SCIENCES INC	14	02/74
DATA SYSTEMS ANALYSTS INC	7	09/73
GREENVILLE INDUSTRIES INC	7	07/73
HOUSTON COMPLEX INC	14	03/74
INSTRUMENT SYSTEMS CORP	3,14	11/73
PURITY SUPREME INC	1,3	02/74
RECREAMA INC	7	12/73
STOCKER & YALE INC	14	08/73
VALLEY FORGE CORP	14	07/72
WELLS FARGO & CO	7,14	05/73
WELLS FARGO & CO	7,13,14	11/73

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. The reproduction cost is 12¢ per page plus postage for mailing within four days (\$2 minimum) and 25¢ per page plus postage for over-night mailing (\$5 minimum). Cost estimates are given on request. All other referenced material is available in the SEC Docket.

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