

sec news

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Issue 83-177

September 13, 1983

U.S. SECURITIES AND
EXCHANGE COMMISSION

CIVIL PROCEEDINGS

DATAMETRICS CORP., OFFICERS, FORMER OFFICER ENJOINED

The Commission announced the filing, September 12, 1983, of a civil action for injunctive relief in the U.S. District Court for the District of Columbia against Data-metrics Corporation ("DMC"), a defense contracting firm, Garland White, President, Keet O. Johnson, Chief Financial Officer, and R. Douglas Shute, a former Vice President and former President of DMC's wholly-owned subsidiary, Malibu Electronics Corporation ("Malibu").

The complaint alleges, among other things, that DMC, in fiscal 1980, overstated revenue by at least \$381,000, overstated gross profit by at least \$1,169,000 and reported net income of \$426,740 when DMC actually had losses of at least \$220,000. The Commission alleges that, during fiscal 1980, DMC inappropriately recorded revenue and gross profit relating to the purported sale of 195 Model 165 printers, when in fact such printers were sold on consignment, and 125 of the 195 printers had not even been manufactured by the end of the 1980 fiscal year.

The complaint also alleges that DMC, in fiscal 1980, inappropriately recognized gross profit of \$790,629 on two major defense contracts. It is further alleged that DMC failed to reserve for a loss of at least \$200,000 on a third defense contract when cost estimates showed that DMC would suffer such a loss.

The complaint further alleges that DMC, in fiscal 1981, failed to devise and maintain sufficient internal accounting controls, and that the defendant officers misrepresented or failed to disclose material facts to DMC's independent accountants.

All of the defendants consented to the entry of permanent injunctions, without admitting or denying the allegations of the complaint. DMC is enjoined from violating the antifraud, reporting, books and records and internal control provisions of the federal securities laws. Garland White is enjoined from violating and from aiding and abetting violations of the antifraud, reporting and books and records provisions of the federal securities laws. Keet O. Johnson and R. Douglas Shute are enjoined from violating and from aiding and abetting violations of the antifraud, reporting, books and records and internal control provisions of the federal securities laws. (SEC v. Datametrics Corporation, et al., D. D.C., Civil Action No. 83-2680) (LR-10118)

HOLDING COMPANY ACT RELEASES

DIAMOND SHAMROCK CORPORATION

A notice has been issued giving interested persons until October 7, 1983 to request a hearing on an application by Diamond Shamrock Corporation that it be declared not to be a gas utility company pursuant to Section 2(a)(4) of the Public Utility Holding Company Act of 1935. (Rel. 35-23052)

SELF-REGULATORY ORGANIZATIONS

NOTICE OF PROPOSED RULE CHANGE

The Philadelphia Stock Exchange, Inc. ("Phlx") has filed a proposed rule change pursuant to Rule 19b-4 (SR-Phlx-83-16) to establish a two-year pilot program that would permit customers establishing short positions in foreign currency options to deposit letters of credit as "initial margin."

Publication of the proposal is expected to be made in the Federal Register during the week of September 12, 1983. (Rel. 34-20162)

NOTICE OF AMENDMENT TO PROPOSED RULE CHANGE

The Pacific Stock Exchange, Inc. ("PSE") has filed a proposed rule change pursuant to Section 19b-4 (SR-PSE-83-10) to add to the rules governing PSE's proposed High Technology Index option position and exercise limits; to amend the proposed margin rule applicable to this option; and to make certain technical amendments.

Publication of the proposal is expected to be made in the Federal Register during the week of September 12, 1983. (Rel. 34-20170)

APPROVAL OF PROPOSED RULE CHANGE

The Commission has permanently approved a proposed rule change (SR-Amex-83-16) filed under Rule 19b-4 by the American Stock Exchange, Inc. to eliminate closing rotations in expiring index option series and to extend free trading in such series to 4:10 p.m. on the last trading day. (Rel. 34-20169)

LISTING, DELISTING AND UNLISTED TRADING ACTIONS

WITHDRAWAL SOUGHT

A notice has been issued giving interested persons until September 30, 1983 to comment on the application of Beverly Enterprises to withdraw its 15% subordinated debentures (due June 15, 2002) from listing and registration on the American Stock Exchange, Inc. (Rel. 34-20164)

WITHDRAWAL GRANTED

An order has been issued granting the application of Novar Electronics Corporation to withdraw its common stock (no par) from listing and registration on the Boston Stock Exchange, Inc. (Rel. 34-20167)

UNLISTED TRADING SOUGHT

A notice has been issued giving interested persons until September 30, 1983 to comment on the applications of the Midwest Stock Exchange, Inc. for unlisted trading privileges in three issues which are listed and registered on one or more other national securities exchanges and are reported in the consolidated transaction reporting system. (Rel. 34-20166)

UNLISTED TRADING GRANTED

Orders have been issued granting the applications of:

(a) the Boston Stock Exchange, Inc. for unlisted trading privileges in 15 issues which are listed and registered on one or more other national securities exchanges and are reported in the consolidated transaction reporting system. (Rel 34-20161)

(b) the Cincinnati Stock Exchange for unlisted trading privileges in 23 issues which are listed and registered on one or more other national securities exchange and are reported in the consolidated transaction reporting system. (Rel. 34-20163)

(c) the Pacific Stock Exchange, Inc. for unlisted trading privileges in three issues which are listed and registered on one or more other national securities exchanges and are reported in the consolidated transaction reporting system. (Rel. 34-20165)

DELISTING GRANTED

An order has been issued granting the application of the Philadelphia Stock Exchange, Inc. to strike the \$8.80 Dividend Preferred Stock (\$100 par) and the \$9.75 Dividend Preferred Stock (\$100 par) of Gulf States Utilities Company from listing and registration thereon. (Rel. 34-20168)

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; File number and date filed; Assigned Branch; if the registration statement is a New Issue; and [S] denoting SHELF REGISTRATION pursuant to Rule 415.

- (S-18) NATIONAL DEVELOPMENT CORPORATION, 27 Kensington Rd., Scarsdale, N.Y. 10583 (201) 842-6400 - \$1,500,000 of units consisting of 1 common share and 0 warrant to purchase an additional share. Underwriter: Marvest Securities, Inc., 140 Markham Place, Little Silver, N.J. 07739 (201) 530-7200. The company plans to engage in substantially all aspects of the acquisition and development of energy and energy related businesses and high technology including the acquisition of natural resource properties and the acquisition and development of any other business and/or technology with growth potential. (File 2-86306-NY - Sep 1) (Br 3 - New Issue)
- (S-18) BIOSNESOR CORPORATION, 2700 Freeway Blvd., Minneapolis, MN 55430 - 750,000 shares of common stock. UNDERWRITER: Craig-Hallum, Inc. The company plans to market an ambulatory cardiac monitoring system now undergoing evaluation. (File 2-86322-C-Sep 2) (Br 8 - New Issue)
- S-18) SCS/COMPUTE, INC., 11901 Olive Blvd., Suite 308, St. Louis, MO 63141 (314) 872-3149 - 465,000 shares of common stock. Underwriter: Bacon Stifel Niclaus. The company provides tax return processing services using computer systems to accountants and to others. (File 2-86329 -C - Sep 2) Br 10 - New Issue)
- (S-1) BUSINESSLAND, INC., 3600 Stevens Creek Blvd., San Jose, CA 95117 (408) 354-9300 - 5,000,000 shares of common stock. Underwriter: L.B. Rothschild, Unterberg, Towbin. (File 2-86410 - Sep 8) (Br 10 - New Issue)
- (S-14) WAINWRIGHT FINANCIAL CORP., One Wainwright Pl., Box 249, Noblesville, IN 46060 (317) 773-1650 - 66,000 shares of common stock. (File 2-86412-Sep 8) (Br 2 - New Issue)
- S=8) MODULAR COMPUTER SYSTEMS, INC., 1650 West McNab Rd., Fort Lauderdale, FL 33309 (305) 974-1380 - 100,000 shares of common stock. (File 2-86413-Sep 8) (Br 10 - New Issue)
- (S-14) ASHLEY BANCSTOCK CO., 210 Main St., Crossett, AR 71635 - 64,000 shares of common stock. (File 2-86415 - Sep 8) (Br 1 - New Issue)
- (S-8) ISC SYSTEMS CORP., East 901 Second Ave., Spokane, WA 99206 (509) 536-5050 - 300,000 shares of common stock. The Company designs, develops, manufactures and markets micro-processor based on on line data terminal systems. (File 2-86416 - Sep 8) (Br 9)
- (S-14) LOCAL FINANCIAL CORP., 3601 N.W. 63rd St., Oklahoma City, OK 73116 - 1,911,116 shares of common stock. File 2-86417 - Sep 8) (Br 1 - New Issue)
- (S-2) AUTO-TROL TECHNOLOGY CORP., 12500 N. Washington St., P.O. Box 33815, Denver, CO 80233 (303) 452-4919 - 650,000 shares of common stock. Underwriter: The First Boston Corp. (File 2-86418 - Sep 8) (Br 10)
- (S-1) KP/TEMPLETON OIL AND GAS INCOME FUND LTD.-1983/1984
KP/TEMPLETON INSTITUTIONAL OIL AND GAS INCOME FUND, LTD.-1983/1984, 850 The Main Bldg., 1212 Main St., Houston, TX 77002 (713) 759-1414 - \$50,000,000 and \$25,000,000, respectively of preformation limited partnership interests. UNDERWRITER: Kidder, Peabody & Co. Inc. (File 2-86419 - Sep 8) (Br 3 - New Issue)
- (S-3) WISCONSIN ELECTRIC POWER CO., 231 W. Michigan St., P.O. Box 2046, Milwaukee, WI 53201 (414) 277-2345 - 600,000 shares of common stock. (File 2-86421 - Sep 9)
- (S-8) WESTBRIDGE CAPITAL CORP., 3535 N.W. 58th St., Oklahoma City, OK 73112 (405) 943-4660 - 480,000 shares of common stock. (File 2-86427 - Sep 9) (Br 10)

ACQUISITIONS OF SECURITIES

Companies and individuals must report to the Commission within ten days on Schedule 13D if after the acquisition of equity securities of a public company their beneficial interest therein exceeds five percent. Persons eligible to use the short form (Schedule 13G) may in lieu of filing a Schedule 13D file a Schedule 13G within 45 days after the end of the calendar year in which the person became subject to Section 13(d)(1). Companies and individuals making a tender offer must have on file at the time the tender offer commences a Schedule 14D-1.

Below is a list of recent filings of Schedules 13D and 14D, which includes the following information: Column 1 - the company purchased (top), and the name of the purchaser; Column 2 - the type of security purchased; Column 3 - the type of form filed; Column 4 - the date the transaction occurred; Column 5 - the current number of shares (in 000's) owned (top) and the current percent owned; Column 6 - the CUSIP number (top) and the prior percent owned; and Column 7 - the status of the filing, i.e., new, update, or revision.

| | FORM | EVENT DATE | SHRS (000) / % OWNED | CUSIP / PRIOR % | FILING STATUS |
|---|-------------------|------------|----------------------|------------------|---------------|
| ALLEGHENY BEVERAGE CORP WESTERN SAW & LN ASSOC | COM 13D | 7/15/83 | 231 6.1 | 01726610 0.0 | NEW |
| BALDWIN SECS CORP HARRIS ASSOCIATES INC | COM 13D | 8/19/83 | 184 4.9 | 05825510 5.0 | UPDATE |
| BERVEN CARPETS CORP BERVEN PHILIP | COM 13D | 8/31/83 | 1,000 27.2 | 08606810 24.6 | RVSDION |
| BOLT BERANEK & NEWMAN INC SPC INC ET AL | COM 13D | 7/ 5/83 | 450 14.0 | 09768910 9.3 | UPDATE |
| CONTINENTAL CORP AMERICAN GENERAL CORP | COM 13D | 8/29/83 | 2,580 5.1 | 21132710 0.0 | NEW |
| DATATAB INC DATA PROBE ACQUISITION ET AL | COM 14D-1 | 9/ 8/83 | 422 59.8 | 23812710 33.6 | UPDATE |
| FARADAY RES INC CONWEST EXPLORATION CO LTD | COM 13D | 6/17/83 | 1,610 45.1 | 30736410 42.1 | UPDATE |
| FIRST CAROLINA INVESTORS HARRIS ASSOCIATES INC | SH BEN INT 13D | 7/ 6/83 | 56 4.7 | 31942010 8.3 | UPDATE |
| GEARHART INDS INC GENERAL ELEC VENT CAP | COM 13D | 9/ 1/83 | 3,219 20.3 | 36829810 19.3 | UPDATE |
| GIANT PORTLAND & MASONRY CEM WOODCOTT RENE R ET AL | COM 13D | 8/ 8/83 | 243 12.1 | 37453210 12.0 | UPDATE |
| INTRAWEST FINL CORP HARRIS ASSOCIATES INC | COM 13D | 8/ 9/83 | 390 6.8 | 46118910 5.7 | UPDATE |
| LANE WOOD INC INDEPENDENT INVESTORS INC | COM 13D | 9/ 8/83 | 70 4.9 | 51549810 3.5 | UPDATE |
| LONE STAR INDS INC BANGOR PUNTA CORP ET AL | COM 13D | 7/ 1/83 | 1,590 12.5 | 54229010 12.6 | UPDATE |
| RMS ELECTRS INC LIGHT ASSOCIATES INC | COM 13D | 8/18/83 | 146 9.1 | 74961010 0.0 | NEW |
| RUSS TOGS INC HARRIS ASSOCIATES INC | COM 13D | 8/24/83 | 420 8.2 | 78224220 9.3 | UPDATE |
| SAUL B F REAL ESTATE INVT TR HARRIS ASSOCIATES INC | COM 13D | 8/24/83 | 492 8.2 | 80439610 6.4 | UPDATE |