

sec news digest

Issue 94-138

July 22, 1994

COMMISSION ANNOUNCEMENTS

CLOSED MEETING - WEDNESDAY JULY 27, 1994 - 10:00 A.M.

The subject matter of the July 27 closed meeting will be: Institution of injunctive actions; Institutions of administrative proceedings of an enforcement nature; and Opinions.

AT TIMES CHANGES IN COMMISSION PRIORITIES REQUIRE ALTERATIONS IN THE SCHEDULING OF MEETING ITEMS. FOR FURTHER INFORMATION AND TO ASCERTAIN WHAT, IF ANY, MATTERS HAVE BEEN ADDED, DELETED OR POSTPONED, PLEASE CONTACT: Felicia Kung (202) 942-0500.

DIPLOMATIC NOTES EXCHANGED BETWEEN THE UNITED STATES AND GERMANY

Today the Commission announced the establishment of the first official mechanism for the Commission to seek legal assistance from Germany for Commission investigations. In a diplomatic note dated March 22, 1994, the German Foreign Office confirmed that the SEC is qualified to obtain assistance through the German Ministry of Justice under the German Law on International Legal Assistance in Law Enforcement Matters (Gesetz über die internationale Rechtshilfe in Strafsachen (IRG)). The IRG authorizes the Justice Ministry to seek through the relevant state (Länder) governments, among other things, documents and testimony on behalf of a foreign law enforcement authority in connection with an investigation. (International Series Rel. 691)

ENFORCEMENT PROCEEDINGS

STEPHEN JAMES MURPHY'S REGISTRATION AS AN INVESTMENT ADVISER REVOKED

On July 21 the Securities and Exchange Commission instituted a public administrative proceeding pursuant to Sections 203(e) and 203(f) of the Investment Adviser Act against Stephen James Murphy (Murphy), a registered investment adviser.

Murphy, without admitting or denying the Commission's findings, has consented to the issuance of an Order by the Commission which finds that

Murphy was enjoined from violations of Sections 5(a), 5(c), 17(a) of the Securities Act and Section 10(b) of the Securities Exchange Act and Rule 10b-5 thereunder. The Commission's Complaint in that action alleged that from about August 1992 through August 1993, Murphy conducted 11 unregistered offerings on behalf of American Capital Investments, Inc. and raised about \$13.7 million from approximately 180 investors. The Complaint further alleges that Murphy and others misused investor proceeds as part of a ponzi scheme and made numerous misrepresentations and omissions to investors, including: (1) misrepresenting and inflating investors' returns on their investments; (2) misrepresenting the use of investors' proceeds; and (3) misrepresenting ACI's financial condition.

The Order revokes Murphy's registration as an investment adviser and bars him from association with any broker, dealer, municipal securities dealer, investment adviser or investment company. (Rel. 34-1428)

RICHARD OTTO BARRED IN AMERICAN CAPITAL INVESTMENTS MATTER

On July 21, the Securities and Exchange Commission instituted a public administrative proceeding pursuant to Section 15(b) and 19(h) of the Securities Exchange Act against Richard D. Otto (Otto), formerly associated with Cartwright & Walker Securities, Inc., a broker-dealer registered with the Commission.

Otto, without admitting or denying the Commission's findings, has consented to the issuance of an Order by the Commission which finds that Otto was enjoined from violations of Sections 5 (a), 5(c), 17(a) of the Securities Act and Sections 10(b) and 15(a)(1) of the Exchange Act and Rule 10b-5 thereunder. The Commission's complaint in that action alleged that from about August 1992 through August 1993, Otto and others conducted 11 unregistered limited partnership and joint venture offerings on behalf of American Capital Investments, Inc. (ACI) and raised about \$13.7 million from approximately 180 investors. Investors' proceeds were purportedly to be used to acquire commercial real estate. The complaint alleges that Otto and others misused investor proceeds as part of a ponzi scheme and to pay undisclosed sales commission and made numerous other material misrepresentations and omissions to investors.

The Order bars Otto from association with any broker, dealer, municipal securities dealer, investment adviser or investment company. (Rel. 34-34415)

COMPLAINT FILED AGAINST LOUIS WILLIAMS ALLEGING UNLAWFUL INSIDER TRADING IN SECURITIES OF EG&G, INC.

The Securities and Exchange Commission announced that on July 21 it filed a complaint for Permanent Injunction and Other Relief in the United States District Court for the District of Massachusetts alleging that Louis J. Williams (Williams) violated the federal securities laws by engaging in unlawful insider trading in the securities of EG&G, Inc. (EG&G). The complaint alleges that Williams, a Vice President and Director of Tax Affairs at EG&G, learned material, nonpublic information from his employer regarding a decline in EG&G's projected earnings for its third quarter and fiscal year ended January 2, 1994. The complaint

alleges further that, on September 13 and 17, 1993 while in possession of this information, Williams sold 3,124 shares of EG&G common stock. When EG&G disclosed the new, lower earnings projections, its stock price declined. Williams thus avoided a loss of \$10,543.50. Simultaneously with the filing of the complaint, Williams consented, without admitting or denying the allegations, to the entry of an Order enjoining him from violating Section 17(a) of the Securities Act and Section 10(b) of the Securities Exchange Act and Rule 10b-5 thereunder. The Order requires Williams to disgorge \$10,543.50, representing his loss avoided from the sales of EG&G, plus prejudgment interest, and to pay a penalty of \$10,543.50. [SEC v. Louis J. Williams, C.A. No. 94-11471 JLT D. MA] (LR-14165)

CASE SETTLED AGAINST CARLA RUEFF AND WILLIAM RUEFF

On October 25, 1993, the Commission filed a complaint in the U.S. District Court for the Northern District of California against Carla D. Rueff and William A. Rueff. The complaint alleged that William Rueff sold the securities of Cray Computer Corporation (CCC) while in possession of material nonpublic information that he obtained from his wife Carla Rueff, an employee of CCC at the time. The complaint sought to permanently enjoin the Rueffs from violating Section 17(a) of the Securities Act and Section 10(b) of the Securities Exchange Act and Rule 10b-5 thereunder. In addition, the complaint sought disgorgement of the loss avoided, interest, and penalties. See Litigation Release No. 13847, SEC Docket Vol. 55 November 16, 1993.

On July 15 the trial court entered a judgment by which the Rueffs consented, without admitting or denying the allegations in the complaint, to the entry of a final judgment of permanent injunction enjoining them from violating Section 17(a) of the Securities Act and Section 10(b) of the Securities Exchange Act and Rule 10b-5 thereunder. The consent judgment also directed the Rueffs to pay joint and several disgorgement and interest of \$24,545.88, and a penalty of \$20,672 pursuant to the Insider Trading Sanctions Act of 1984. [SEC v. Carla D. Rueff and William A. Rueff, U.S.D.C., Northern District of California, Civ. Action. No. C93-38554 CW] (LR-14167)

DR. RONALD FISHER ENJOINED

The Commission announced that on July 13, a Final Judgment of Permanent Injunction was entered against Dr. Ronald A. Fisher (Fisher) by the United States District Court for the Southern District of Florida. Fisher was the president and chief executive officer, and a director of Care-Med Centers, Inc. (Care-Med), a now defunct public company, from its incorporation on March 5, 1985 until August 1990. The Final Judgment enjoins Fisher from future violations of Section 10(b) of the Securities Exchange Act and Rules 10b-5 and 10b-9 promulgated thereunder. Fisher consented to the entry of the permanent injunction without admitting or denying the Commission's allegations.

The Commission's complaint, filed on June 30, alleged that Fisher caused Care-Med to file and/or disseminate, annual and quarterly reports with the Commission containing materially false and misleading information and omissions. The complain further alleged that Fisher violated the

"all-or-none" requirement of Care-Med's initial public offering (IPO) by: failing to return the proceeds from the IPO to the purchasers as required once the minimum number of units in the IPO were not sold by the specified date; falsely representing that the IPO had successfully closed; and perpetrating a scheme which falsely created the appearance that the IPO had successfully closed through non bona-fide sales of Care-Med's stock. (LR-14166)

INVESTMENT COMPANY ACT RELEASES

THE FIRST TRUST SPECIAL SITUATIONS TRUST, ET AL.

A notice has been issued giving interested persons until August 15 to request a hearing on an application filed by The First Trust Special Situations Trust and Nike Securities, L.P. for an order under Sections 11(a) and 11(c) of the Investment Company Act to permit certain offers of exchange of units of a terminating Trust series for units of subsequently offered Trust series. (Rel. IC-20418 - July 20)

BERLINER HANDLELS - UND FRANKFURTER BANK

A notice has been issued giving interested persons until August 15 to request a hearing on an application filed by Berliner Handels - und Frankfurter Bank (BHF-Bank) for an order under Section 6(c) of the Investment Company Act exempting it from Section 17(f). The order would permit registered management investment companies for which BHF-Bank or Zivnostenska Banka acts as foreign custodian or subcustodian (other than investment companies registered under Section 7(d)) maintain their foreign securities and other assets in the custody of Zivnostenska Banka in the Czech Republic. (Rel. IC-20419 - July 20)

HOLDING COMPANY ACT RELEASES

MONONGAHELA POWER COMPANY, ET AL.

A supplemental order has been issued authorizing Monongahela Power Company, The Potomac Edison Company and West Penn Power Company, electric utility subsidiary companies of Allegheny Power System, Inc., a registered holding company, to issue notes and liens in support of the issuance and sale of up to aggregate principal amount of \$35.295 million of pollution control revenue bonds. The Commission has reserved jurisdiction over the issuance of notes and liens in support of the issuance and sale of up to an aggregate principal amount of \$81.997 million of such bonds, pending completion of the record. (Rel. 35-26088)

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.

- S-8 SAFEWAY INC, FOURTH & JACKSON STS, OAKLAND, CA 94660 (510) 891-3000 - 2,500,000 (\$65,312,500) COMMON STOCK. (FILE 33-54581 - JUL. 15) (BR. 2)
- S-8 DELL COMPUTER CORP, 9505 ARBORETUM BLVD, AUSTIN, TX 78759 (512) 338-4400 - 4,500,255 (\$122,901,964.05) COMMON STOCK. (FILE 33-54583 - JUL. 15) (BR. 10)
- S-3 SOUTHWEST AIRLINES CO, 2702 LOVE FIELD DR, P O BOX 36611, DALLAS, TX 75235 (214) 904-4000 - 200,000,000 (\$200,000,000) EQUIPMENT TRUST CERTIFICATES. (FILE 33-54587 - JUL. 15) (BR. 3)
- S-4 SCRIPPS E W CO /DE/, 1105 N MARKET ST, WILMINGTON, DE 19801 (302) 478-4141 - 4,952,782 (\$130,010,527.50) COMMON STOCK. (FILE 33-54591 - JUL. 15) (BR. 11)
- S-8 TENNECO INC /DE/, TENNECO BLDG, 1010 MILAM STREET, HOUSTON, TX 77002 (713) 757-2131 - 300,000 (\$13,614,000) COMMON STOCK. (FILE 33-54593 - JUL. 15) (BR. 4)
- S-8 TENNECO INC /DE/, TENNECO BLDG, 1010 MILAM STREET, HOUSTON, TX 77002 (713) 757-2131 - 6,000 (\$272,280) COMMON STOCK. (FILE 33-54595 - JUL. 15) (BR. 4)
- S-8 TENNECO INC /DE/, TENNECO BLDG, 1010 MILAM STREET, HOUSTON, TX 77002 (713) 757-2131 - 70,000 (\$3,176,600) COMMON STOCK. (FILE 33-54597 - JUL. 15) (BR. 4)
- S-8 TENNECO INC /DE/, TENNECO BLDG, 1010 MILAM STREET, HOUSTON, TX 77002 (713) 757-2131 - 3,000,000 (\$136,140,000) COMMON STOCK. (FILE 33-54599 - JUL. 15) (BR. 4)
- S-8 UAL CORP /DE/, P O BOX 66919, CHICAGO, IL 60666 (708) 952-5564 - 336,375 (\$30,105,562) COMMON STOCK. (FILE 33-54601 - JUL. 15) (BR. 3)
- S-8 CONCURRENT COMPUTER CORP/DE, 2 CRECENT PLACE, OCEANPORT, NJ 07757 (908) 870-4500 - 1,950,000 (\$4,056,000) COMMON STOCK. (FILE 33-54605 - JUL. 15) (BR. 10)
- SB-2 ATLANTIC TELECOM INC, 55 MEMORIAL BLVD, NEWPORT, RI 02840 (401) 683-1570 - 330,000 (\$582,000) COMMON STOCK. 15,000 (\$15) WARRANTS, OPTIONS OR RIGHTS. (FILE 33-81260-NY - JUL. 06) (BR. 7 - NEW ISSUE)
- S-1 DATA SYSTEMS NETWORK CORP, 34705 W TWELVE MILE RD, STE 300, FARMINGTON HILLS, MI 48331 (810) 489-7117 - 1,897,500 (\$18,026,250) COMMON STOCK. UNDERWRITER: THOMAS JAMES ASSOCIATES INC. (FILE 33-81350 - JUL. 11) (BR. 9 - NEW ISSUE)

REGISTRATIONS CONT.

- N-2 SALOMON BROTHERS INCOME & GROWTH FUND INC, SEVEN WORLD TRADE CENTER, NEW YORK, NY 10048 (212) 526-0600 - 21,275 (\$319,125) COMMON STOCK. (FILE 33-81352 - JUL. 08) (BR. 18 - NEW ISSUE)
- S-11 INNKEEPERS USA TRUST, 5255 N FEDERAL HIGHWAY, STE 100, BOCA RATON, FL 33487 (407) 994-1701 - 5,353,250 (\$53,532,500) COMMON STOCK. UNDERWRITER: MONTGOMERY SECURITIES. (FILE 33-81362 - JUL. 08) (BR. 5 - NEW ISSUE)
- S-1 CENTRAL RENTS INC, 5480 FERGUSON DR, COMMERCE, CA 90022 (213) 720-8600 - 60,000,000 (\$60,000,000) STRAIGHT BONDS. (FILE 33-81370 - JUL. 11) (BR. 5 - NEW ISSUE)
- S-1 CECIL BANCORP INC, 127 N ST, ELKTON, MD 21921 (410) 398-1650 - 661,250 (\$6,612,500) COMMON STOCK. UNDERWRITER: TRIDENT SECURITIES INC. (FILE 33-81374 - JUL. 11) (BR. 1 - NEW ISSUE)
- F-6 HUTCHISON WHAMPOA LTD/ADR/, 48 WALL STREET, NEW YORK, NY 10286 (212) 495-1727 - 20,000,000 (\$1,000,000) DEPOSITARY RECEIPTS FOR COMMON STOCK. (FILE 33-81388 - JUL. 11) (NEW ISSUE)
- F-6 NATIONAL ELECTRICITY CO OF CHILE INC/ADR/, 111 WALL STREET, NEW YORK, NY 10043 - 100,000,000 (\$5,000,000) DEPOSITARY RECEIPTS FOR COMMON STOCK. (FILE 33-81398 - JUL. 12) (NEW ISSUE)
- F-1 NATIONAL ELECTRICITY CO OF CHILE INC, EMPRESA NACIONAL DE ELECTRICIDAD S A, SANTA ROSA 76, SANTIAGO CHILE, F3 - 72,000,000 (\$54,000,000) FOREIGN COMMON STOCK. UNDERWRITER: CS FIRST BOSTON, GOLDMAN SACHS & CO, MERRILL LYNCH & CO INC. (FILE 33-81400 - JUL. 12) (BR. 7 - NEW ISSUE)
- S-1 WEST TOWN BANCORP INC, 4852 W 30TH ST, CICERO, IL 60650 (708) 652-2000 - 396,750 (\$3,967,500) COMMON STOCK. (FILE 33-81442 - JUL. 08) (BR. 14 - NEW ISSUE)
- S-1 ANCHOR NATIONAL LIFE INSURANCE CO, 1 SUNAMERICA CENTER CENTURY CITY, C/O THOMAS B PHILLIPS, LOS ANGELES, CA 90067 (310) 772-6000 - \$290,000 VARIABLE ANNUITY ISSUES. (FILE 33-81476 - JUL. 14) (BR. 20)
- S-8 PILLOWTEX CORP, 4111 MINT WAY, DALLAS, TX 75237 (214) 333-3225 - 100,000 (\$1,368,750) COMMON STOCK. (FILE 33-81478 - JUL. 14) (BR. 8)
- S-8 GBC TECHNOLOGIES INC, 100 GBC COURT, BERLIN, NJ 08009 (609) 767-2500 - 200,000 (\$1,812,500) COMMON STOCK. (FILE 33-81482 - JUL. 14) (BR. 9)
- S-8 AMERICAN CONSOLIDATED GROWTH CORP, 6890 SOUTH TUCSON WAY STE 106, ENGLEWOOD, CO 80111 (303) 649-1111 - 250,000 (\$250,000) COMMON STOCK. (FILE 33-81484 - JUL. 14) (BR. 2)
- S-8 APPLIED BIOMETRICS INC, 501 EAST HIGHWAY 13 SUITE 108, BURNSVILLE, MN 55337 (612) 890-1123 - 300,000 (\$1,392,000) COMMON STOCK. (FILE 33-81486 - JUL. 14) (BR. 8)
- S-8 PINNACLE FINANCIAL SERVICES INC, 830 PLEASANT ST, ST JOSEPH, MI 49085 (616) 983-6311 - 150,000 (\$2,700,000) COMMON STOCK. (FILE 33-81488 - JUL. 14) (BR. 1)
- S-8 SOURCE CAPITAL CORP, 9016 E INDIANA AVE, SPOKANE, WA 99212 (509) 928-0908 - 300,000 (\$480,000) COMMON STOCK. (FILE 33-81490 - JUL. 14) (BR. 11)

REGISTRATIONS CONT.

- S-8 SOURCE CAPITAL CORP, 9016 E INDIANA AVE, SPOKANE, WA 99212
(509) 928-0908 - 300,000 (\$564,000) COMMON STOCK. (FILE 33-81492 - JUL. 14) (BR. 11)
- S-8 INTEGRATED RESOURCES TECHNOLOGIES INC /DE/, 107 COLLARD STREET, JERSEY CITY, NJ 07306 (201) 216-0098 - 605,000 (\$2,755,500) COMMON STOCK. (FILE 33-81558 - JUL. 13) (BR. 11)
- F-6 NIPPON TELEGRAPH & TELEPHONE CORP /ADR/, MORGAN GUARANTY TRUST CO OF NEW YORK, 60 WALL ST, NEW YORK, NY 60260
(212) 648-3200 - 156,000,000 (\$7,800,000)
DEPOSITARY RECEIPTS FOR COMMON STOCK. (FILE 33-81562 - JUL. 14) (NEW ISSUE)
- S-8 ENVIRONMENTAL RECOVERY SYSTEMS INC, 1625 BROADWAY STE 2600, DENVER, CO 80202 (303) 623-1011 - 800,000 (\$1,568,750) COMMON STOCK. (FILE 33-81564 - JUL. 14) (BR. 11)
- S-8 WOLOHAN LUMBER CO, 1740 MIDLAND RD, SAGINAW, MI 48603 (517) 793-4532 - 200,000 (\$2,750,000) COMMON STOCK. (FILE 33-81566 - JUL. 14) (BR. 9)
- S-8 KIRSCHNER MEDICAL CORP, 9690 DEERCO RD, TIMONIUM, MD 21093
(410) 560-3333 - 213,000 (\$1,917,000) COMMON STOCK. (FILE 33-81568 - JUL. 14) (BR. 8)
- S-8 KIRSCHNER MEDICAL CORP, 9690 DEERCO RD, TIMONIUM, MD 21093
(410) 560-3333 - 431,500 (\$3,883,500) COMMON STOCK. (FILE 33-81570 - JUL. 14) (BR. 8)
- S-1 UNION FEDERAL SAVINGS BANK OF INDIANAPOLIS, 45 N PENNSYLVANIA ST, INDIANAPOLIS, IN 46204 (317) 269-4700 - 3,000,000 (\$3,000,000)
EQUIPMENT TRUST CERTIFICATES. (FILE 33-81572 - JUL. 15) (BR. 11)

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 percent owned; and Column 7 - the status of the filing, i.e., new, update or revision.

NAME AND CLASS OF STOCK/OWNER	FORM	EVENT DATE	SHRS(000)/% OWNED	CUSIP/PRIOR%	FILING STATUS
AIRTRAN CORP FMR CORP	COM 13D	7/21/94	550 6.5	00949910 7.4	UPDATE
CVD FINL CORP CONVERSION INDS INC	COM 13D	7/20/94	1,282 30.2	12999510 25.2	UPDATE
CVD FINL CORP MCGRAIN JOHN P	COM 13D	7/20/94	212 5.0	12999510 6.4	UPDATE

ACQUISITIONS CONT.

CONTINENTAL WASTE INDS INC SALCOTT HLDGS LTD	COM	13D	7/ 1/94	389 12.9	22499510 0.0	NEW
GUPTA CORP ORACLE SYSTEMS CORP	COM	13D	7/19/94	281 2.4	40323410 0.0	NEW
HUDSON GEN CORP GAMCO INVESTORS INC ET AL	COM	13D	7/18/94	658 52.6	44378410 50.8	UPDATE
ITEL CORP NEW RIVERSIDE PARTNERS ET AL	COM	13D	7/12/94	8,212 24.7	46564210 25.7	UPDATE
LTC PPTYS INC FMR CORP	COM	13D	7/21/94	1,555 10.2	50217510 7.8	UPDATE
MAXTOR CORP HYUNDAI ELECTRONICS ET AL	COM	13D	2/ 3/94	19,480 66.1	57772910 0.0	RVSION
NUMEREX CORP PA DOMINION GRP LTD ET AL	CL A	13D	7/13/94	2,417 62.8	71499710 0.0	NEW
NUMEREX CORP PA OMEGA TECHNOLOGY LTD	CL A	13D	7/13/94	650 16.9	71499710 0.0	NEW
QVC NETWORK INC DILLER BARRY	COM	13D	7/11/94	12,628 31.6	74726210 0.0	NEW
RESORTS INTL INC GRIFFIN MERVYN E	COM	13D	7/15/94	9,776 48.5	76118540 45.0	UPDATE
TEPPCO PARTNERS LP PANHANDLE EASTERN CORP ET AL	UT L P INT	13D	7/15/94	1,250 8.6	87238410 0.0	NEW
U S HOME CORP NEW FMR CORP	COM	13D	7/21/94	1,276 12.8	91192010 0.0	NEW
UNIVERSAL HEALTH SVCS INC BASS PERRY R ET AL	CL B	13D	7/18/94	632 4.2	91390310 4.4	UPDATE
VALUEVISION INTL INC KANARICK IRA	CL A	13D	5/13/94	772 5.0	92099310 8.8	UPDATE
VICTORIA CREATIONS INC FOOTHILL CAPITAL CORP	COM	13D	6/28/94	6,223 83.0	92699110 0.0	NEW
WILSHIRE TECHNOLOGIES INC MCKINLEY CAPITAL PARTNERS	COM	13D	7/19/94	0 0.0	97200010 5.6	UPDATE