

# SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

A brief summary of financial proposals filed with and actions by the S.E.C.



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**CORPORATION S TO SELL STOCK.** Corporation S, 911 Stemmons Tower East, Dallas, Texas 75207, filed a registration statement (File 2-31220) with the SEC on December 30 seeking registration of 227,000 shares of common stock. The company was organized in May 1967 by Recognition Equipment Incorporated ("Recognition") the latter's stockholders will receive rights to subscribe to the company's stock, at \$10 per share, and at the rate of 1 company share for each 22 shares of Recognition's common. All shares of company stock acquired pursuant to the subscription offer will be acquired from the company by Recognition for \$7.80 per share (and the surrender of one share of Class B stock purchased for \$2.17 per share).

The company intends to devote its efforts primarily to data capture services; it also will make studies and recommendations regarding the feasibility of use of "optical character recognition" equipment and provide systems design and programming services to users of such equipment manufactured by Recognition. The market for the systems design and programming services presently offered by Corporation S will, it is anticipated, be limited to Recognition and users of optical character recognition systems manufactured by Recognition. Of the net proceeds of its stock sale, \$1,770,600 (\$7.80 per share) will be paid by Recognition to the company upon Recognition's conversion of Class B stock into common shares sold by Recognition pursuant to this offering; the company will receive no part of the balance of the proceeds. The proceeds received will be used to acquire optical character recognition equipment from Recognition and to operate jointly owned entities, which will acquire such equipment from Recognition. The company has outstanding 436,714 common and 873,428 Class B shares; all of the Class B shares are owned by Recognition. Management officials of the company own in the aggregate 2.3% of its outstanding common stock.

**COMPUTER EDUCATION TO SELL DEBENTURES.** Computer Education, Inc., 574 Fifth Ave., New York 10036, filed a registration statement (File 2-31231) with the SEC on December 30 seeking registration of \$1,000,000 of 6% convertible subordinated debentures, due 1984, to be offered for public sale at 100% of principal amount. The offering is to be made on a best-efforts, all or none basis by Grimm & Davis, Inc., 165 Broadway, New York 10006, which will receive an 8% selling commission. Subject to the sale of the debentures, the company has agreed to issue to the underwriter five-year warrants to purchase 10,000 common shares. Also included in the statement are 11,500 common shares which four employees of the company hold and which also are to be offered on a "best efforts" basis through the underwriter (at \$20 per share maximum\*).

Organized in 1965, the company currently conducts five data processing and computer programming schools (four in New York and one in Pennsylvania) and the Barbizon School of Fashion Modeling in New York City. Of the net proceeds of its debenture sale, \$150,000 is to be used to expand the Barbizon franchise program; the remainder will be available as needed for the acquisition of other companies and for additional working capital expenditure requirements, both in connection with the present business of the company and with businesses that may be acquired in the future. The company now has outstanding 525,000 common shares, of which Louis J. Appignanai, president, owns 50.2%.

**SNELLING INC. FILES FOR OFFERING AND SECONDARY.** Snelling and Snelling, Inc., Two Industrial Blvd., Paoli, Pa. 19301, filed a registration statement (File 2-31232) with the SEC on December 30 seeking registration of 320,000 shares of common stock, of which 48,000 are to be offered for public sale by the company and 272,000 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters headed by Butcher & Sherrerd, 1500 Walnut St., Philadelphia, Pa. 19102; the offering price (\$11.25 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company and its franchisees are a professional employment service for men and women seeking a position and for companies seeking personnel. Net proceeds of its sale of additional stock will be used to finance the expansion of three subsidiaries, including Partime, Inc., a subsidiary engaged in providing temporary help services to business and industrial firms. The company now has outstanding 1,600,000 common shares, of which Robert O. Snelling, Sr., owns 64% and management officials as a group 97%. Snelling proposes to sell 40,000 of 1,024,000 shares held, Gwendolyn A. Snelling, vice president and secretary, all of 144,000 shares held, Louis R. Snelling, III, senior vice president, 40,000 of 384,000, and a trust under the will of the late Louis R. Snelling, Jr., all of 48,000 shares held.

**MUTUAL REAL ESTATE TRUST TO SELL STOCK.** Mutual Real Estate Investment Trust, 30 East 42d St., New York 10017, filed a registration statement (File 2-31233) with the SEC on December 30 seeking registration of 750,000 shares of beneficial interest in the Trust, to be offered for public sale at \$10 per share. The offering is to be made through underwriters headed by Edwards & Hanly Securities, Inc., 100 N. Franklin St., Hempstead, L.I. N. Y., which will receive an 85c per share commission.

The Trust was organized in 1965 through the efforts of Morris Milgram, who is president of Planned Communities, Inc., its Supervisory Management Agent, to provide investors with an opportunity to own, through transferable shares, an interest in properties, primarily apartment buildings, to be open to all people. It acquired its first apartment in July 1966 and since then has acquired 12 other apartment developments. The purpose of its proposed stock offering is to raise additional funds for the purchase of real property on mortgages. William W. Brill is chairman of the Board of Trustees.

OVER

**U. S. HYDROFOILS TO SELL STOCK.** United States Hydrofoils Corporation, 99 Wall St., New York 10005, filed a registration statement (File 2-31234) with the SEC on December 30 seeking registration of 170,000 shares of common stock, to be offered for public sale through underwriters headed by Gianis & Co., Inc., 44 Wall St., New York 10005. The offering price (\$15 per share maximum\*) and underwriting terms are to be supplied by amendment. The company has agreed to pay the Gianis firm \$15,000 for expenses and to sell it five-year warrants for the purchase of 25,000 shares.

The company owns and leases high-speed hydrofoil vessels and proposes to operate these vessels in the United States and the Caribbean. The company now operates on a pilot basis one passenger hydrofoil in the Miami, Fla., area; it plans to operate a hydrofoil commuter service in New York City and is considering extending its operations to other areas. Of the net proceeds of its stock sale, \$675,000 will be used to acquire all the common stock of Lehigh Warehouse & Transportation Company from C. William Drake, president of Lehigh and a director of the company; Lehigh's primary function is to provide sales, administrative, accounting and purchasing services for five warehousing and transportation subsidiaries. An additional \$385,000 will be applied to the reduction of bank loans and \$35,000 to discharge a mortgage on two hydrofoils, \$265,000 to modify and refit the hydrofoils owned by the company and to acquire additional spare parts, \$100,000 to expand hydrofoil operations in New York City and Florida, and the balance will be used for other and related purposes. In addition to indebtedness, the company has outstanding 135,036 common shares, of which Charles A. Dana, Jr., board chairman, owns 37.1% and management officials as a group 77.7%. Of the outstanding stock, 111,726 shares were issued for services, property and other non-cash considerations; the balance of 23,300 were issued for cash or cancellation of debt totalling \$129,407 or \$5.55 per share. Henry S. Koster is president.

**FLORIDA TELEPHONE TO SELL STOCK.** Florida Telephone Corporation, 302 South East Broadway, Ocala, Fla. 32670, filed a registration statement (File 2-31235) with the SEC on December 30 seeking registration of 601,049 shares of common stock. It is proposed to offer this stock for subscription by holders of outstanding Class A stock at the rate of one additional Class A share for each five Class A shares held on February 27. The offering price (\$25 per share maximum\*) and underwriting terms are to be supplied by amendment. The offering is to be underwritten by Kidder, Peabody & Co., Inc., 20 Exchange Pl., and Merrill Lynch, Pierce, Fenner & Smith, Inc., 70 Pine St., both of New York 10005.

A telephone utility, the company will use \$6,350,000 of the net proceeds of its stock sale to pay outstanding short-term bank loans, all of which were incurred in connection with its 1968 construction program; the balance will be added to the general funds of the company and used in connection with its 1969 construction program (estimated at \$12,500,000). In addition to indebtedness and preferred stock, the company has outstanding 3,005,245 Class A shares, of which General Telephone and Electronics Corp. owns 22% and management officials 4.1%. Lacy D. Edge is board chairman and Max E. Wettstein president.

**I.O.A. DATA TO SELL STOCK.** I.O.A. Data Corp., 383 Lafayette St., New York 10003, filed a registration statement (File 2-31236) with the SEC on December 30 seeking registration of 250,000 shares of common stock, to be offered for public sale at \$6 per share. The offering is to be made through underwriters headed by Gianis & Co., Inc., 44 Wall St., New York 10005, which will receive a 60¢ per share commission plus \$10,000 for expenses. The company also has agreed to sell the underwriters, for \$200, seven-year warrants for the purchase of 20,000 shares, exercisable after one year at \$6 per share. An additional 5,000 warrants are to be sold to Harris J. Klein, a finder.

The company is engaged in the business of purchasing and selling or leasing used data processing, business machine, and related equipment; recently it entered the business of leasing new computer and industrial equipment. Of the net proceeds of its stock sale, \$500,000 will be used to purchase used second and third generation computers for sale and lease, \$200,000 to purchase new IBM System/360 computer equipment for lease, \$200,000 to purchase various kinds of industrial and commercial equipment for finance lease operations, \$150,000 to purchase other new and used IBM unit record equipment and parts for sale and lease, \$140,000 to repay loans to the company by Joseph Rubenstein (an officer) and a company owned by him, and the balance for working capital. The company has outstanding 575,000 common shares (with a book value of \$1.07 per share), of which 87% is owned by International Office Appliances, Inc., all of whose stock is owned by Stuart J. Charles and Joseph Rubenstein, board chairman, president, and vice president, respectively. Purchasers of the shares being registered will suffer a dilution of \$3.72 on the book value of each share acquired.

**PACKAGING SYSTEMS TO SELL STOCK.** Packaging Systems Corporation, 253 West 26th St., New York, filed a registration statement (File 2-31237) with the SEC on December 30 seeking registration of 216,666 shares of common stock, to be offered for public sale at \$4 per share. The offering is to be made through underwriters headed by Arnold, Wilkens & Co., 50 Broadway, New York, for which it will receive a 40¢ per share commission plus \$14,000 for expenses. The company also will sell the underwriters, for \$21.66, five-year warrants to purchase 21,666 shares, exercisable after one year at \$4.28 to \$5.12 per share.

The company is engaged in the production of printed fabric labels, informative and identification tags and sales promotion specialties, as well as the design and manufacture of carded visual packaging. Of the net proceeds of its stock sale, \$400,000 will be used to repay its current debt to Standard Financial Corporation, \$100,000 to purchase multi-color printing presses and related equipment, \$100,000 to expand its manufacturing facility in West Haverstraw, N. Y., and the balance for working capital. The company has outstanding 433,334 common shares, of which Leon Hershaft, president, owns 40% and management officials as a group 100%.

**TORRENCE EQUITY FUND PROPOSES OFFERING.** Torrence Equity Fund, Inc., 345 Hudson St., New York, filed a registration statement (File 2-31248) with the SEC on December 30 seeking registration of 25,000 shares of common stock. These shares are to be offered for public sale at net asset value (\$100 per share maximum\*), without a sales load. The company was organized on December 23 as an open-end non-diversified investment company. S&P/InterCapital Management Corporation, a subsidiary of Standard & Poor's/InterCapital, Inc., is investment adviser. J. Brock Stokes, president of the Fund, is vice president and treasurer of the Adviser.

**WHITNEY-FIDALGO SEAFOODS FILES FOR OFFERING AND SECONDARY.** Whitney-Fidalgo Seafoods, Inc., 2360/Commodore West Way, Seattle, Wash. 98199, filed a registration statement (File 2-31239) with the SEC on December 30 seeking registration of \$2,000,000 of 6% convertible subordinated debentures, due 1984, to be offered for public sale by the company, and 200,000 outstanding shares of capital stock, to be offered by the present holder thereof. The offering is to be made in units, each consisting of a \$1,000 debenture and 100 shares of stock; the offering price (\$1,000 per debenture and \$12 per share maximum\*) and underwriting terms are to be supplied by amendment. Graham Loving & Co., 111 Broadway, New York 10006 is listed as the principal underwriter. The selling stockholder (Sam Rubenstein, president) has agreed to sell the Graham firm and Herbert Leopold, a finder, 24,000 and 12,000 shares, respectively, at \$11 per share, payable 10% down and the balance with interest at 5%, payable over five years.

The company is engaged in catching, processing and selling seafood products. Net proceeds of its debenture sale will be used to reduce bank indebtedness, which is guaranteed by Rubenstein and which amounted to \$4,465,000 on September 30. In addition to indebtedness, the company has outstanding 700,000 common shares, of which 699,600 shares are owned by Rubenstein. He proposes to sell 200,000 shares to the public and 50,500 to others.

**SITE-CON INDUSTRIES FILES FOR OFFERING AND SECONDARY.** Site-Con Industries, Inc., 724 North St., Greenwich, Conn., filed a registration (File 2-31240) with the SEC on December 30 seeking registration of 125,000 shares of common stock, of which 100,000 are to be offered for public sale by the company and 25,000 (being outstanding shares) by the present holders thereof. The offering is to be made at \$5 per share through underwriters headed by Orvis Brothers & Co., 30 Broad St., New York 10004, which will receive a 50¢ per share commission plus \$10,000 for expenses. The company has agreed to sell the Orvis firm, for \$125, four-year warrants to purchase 12,500 shares, exercisable after one year at \$5.75 per share.

The company is engaged in the business of landscaping of commercial, government and residential property, site planning and development, retail sale of nursery stock and pipe insulation. Of the net proceeds of its sale of additional stock, \$50,000 will be used to repay bank indebtedness, \$50,000 to purchase additional trucks and other equipment, and the balance for working capital and general corporate purposes. The company has outstanding 599,997 common shares (with a 56¢ per share book value), of which George M. O'Neil, Jr., board chairman and chief executive officer, owns 66.7% and management officials as a group 91%. Frank J. Pitassi is president. O'Neil proposes to sell 20,000 shares and Pitassi 5,000.

**CENTRAL BANCORPORATION FILES EXCHANGE PLAN.** The Central Bancorporation Inc., Fourth and Vince Streets, Cincinnati, Ohio 45201, filed a registration statement (File 2-31241) with the SEC on December 30 seeking registration of 1,291,500 shares of common stock. It is proposed to offer this stock in exchange for not more than 1,248,260 shares of the outstanding stock of The Central Trust Company, of Cincinnati, and of The Citizens National Bank of Marietta, Marietta, Ohio, on the basis of 1 share of company stock for each of the 1,210,760 outstanding shares of Central Trust stock, and 2½ shares of company stock for each of the 15,000 outstanding shares of Citizens National stock. The directors of the two banks have unanimously approved the formation of the company and the terms of the exchange offer. Assuming that all stockholders of both banks accept the exchange offer, shareholders of Central Trust will receive about 97% of the outstanding stock of the company and shareholders of Citizens National about 3%. Fletcher E. Nyce, president of Central Trust, is president of the company.

**ALCO STANDARD FILES FOR OFFERING AND SECONDARY.** Alco Standard Corporation, Valley Forge, Pa. 19481, filed a registration statement (File 2-31242) with the SEC on December 30 seeking registration of 1,130,000 shares of common stock, of which 500,268 are to be offered for public sale by the company and 191,710 (being outstanding shares) by the present holders thereof. In addition, certain shareholders are selling 92,404 shares of \$1.00 convertible preference stock (convertible into 369,616 shares of common stock) and 34,203 shares of Series A preferred stock (convertible into 68,406 shares of common stock). The underwriters will purchase the preferred shares and convert same into common, to be included in the public offering.

The company is a diversified company composed of over 40 independently managed subsidiaries and divisions classified in five groups engaging in the manufacture of electrical products, metallurgical products and chemical products, the distribution of paper and leisure-time products, and international operations. Of the net proceeds of its sale of additional stock, \$11,750,000 will be used to reduce indebtedness incurred in connection with the purchase of stock of Taylor Corporation and Wire Cloth Products, Inc., and for other general corporate purposes. The balance will be added to working capital and will be available for general corporate purposes, including possible future cash acquisitions. In addition to indebtedness and preferred stock, the company has outstanding 3,939,585 common shares, of which Timkham Veale II, president and board chairman, together with other members of the Veale family, own 16% and officers and directors as a group and their immediate families own 19%. Veale proposes to sell 25,000 shares, F. R. Mueller 50,000, and Ball, Burge & Kraus 200,000; the balance of the shares being registered will be sold by a large group of other shareholders.

**SALE OF CHARTER OIL STOCK ENJOINED.** The SEC New York Regional Office announced January 6 (LR-4197) that the U. S. District Court for the Southern District of New York had entered a permanent injunction against the offer and sale of stock of Charter Oil Company by the following in violation of the Securities Act registration requirement: Canadawide Investments, Ltd., of Vancouver, B.C. and Hans Willi, Anlagebank Zurich, and Kurt Gratwohl, all of Zurich, Switzerland. The Court also enjoined Canadawide Investments from violating the "insider" reporting provisions of Section 16(a) of the Exchange Act.

**OMEGA EQUITIES SUSPENSION CONTINUED.** The SEC has ordered the suspension of over-the-counter trading in the securities of Omega Equities Corporation for the further ten-day period January 9-18, 1969, inclusive.

**CROWN DRUG FILES EXCHANGE PLAN.** Crown Drug Company, 2110 Central St., Kansas City, Mo. 64141, filed a registration statement (File 2-31245) with the SEC on December 30 seeking registration of 2,431,384 shares of common stock. This stock is to be offered in exchange for (i) shares of common stock of Investment Exchange Corporation ("IEC") in the ratio of eight shares of Crown Stock for each share of IEC stock, (ii) 6% convertible subordinated debentures of IEC in the ratio of eight shares of Crown Stock for each \$50 principal amount of such debentures, and (iii) limited partnership interests of seven limited partnerships in which IEC is the sole general partner in various ratios.

Crown is engaged in drug store operations in Missouri, Kansas and Oklahoma. In addition to indebtedness, it has outstanding 688,559 common shares. IEC, a Washington corporation, is engaged in the business of acquiring, holding and managing real estate in Washington and in reselling such properties to limited partnerships organized by it in which it is the sole general partner. Sydney Krause is president and board chairman of Crown Drug.

**COOKIE'S STEAK PUBS TO SELL STOCK.** Cookie's--Steak Pubs, Inc., 107 South Central Avenue, Valley Stream, L. I., N. Y. 11580, filed a registration statement (File 2-31246) with the SEC on December 30 seeking registration of 226,000 shares of common stock, of which 160,000 are to be offered for public sale by the company and 66,000 (being outstanding shares) by the present holders thereof. The stock is to be offered for public sale through underwriters headed by Pressman, Frohlich & Frost Inc., 140 Broadway, New York, N. Y. 10005; the offering price (\$8.50 per share maximum) and underwriting terms are to be supplied by amendment. The company has agreed to sell to the Pressman firm, for \$150, five-year warrants to purchase 15,000 shares and to pay it \$25,000 for expenses.

The company and subsidiaries are engaged in the development, management and operation of Cookie's restaurants, steak pubs, bake shops, snack bars and catering service in the New York metropolitan area. Of the net proceeds of its stock sale, \$500,000 will be used to provide funds for construction, equipment and acquisition of additional restaurant, steak pub and snack bar operations now being negotiated; the balance will be added to the general funds of the company. In addition to indebtedness, the company has outstanding 566,000 common shares (with a 42¢ per share book value), of which 50% each is owned by Walter Shapiro, president, and Isidore Rachelson, vice president. Additional stock is to be issued to Shapiro and Rachelson upon the company's acquisition, by an exchange of stock, of six affiliated companies.

**VIRGINIA DATA CENTER TO SELL STOCK.** Virginia Data Center, Inc., 813 High St., Portsmouth, Va., filed a registration statement (File 2-31247) with the SEC on December 30 seeking registration of 250,000 shares of common stock, to be offered for public sale at \$2 per share. The offering is to be made on a best efforts basis by A. J. Carno Co., Inc., 42 Broadway, New York, N. Y., which will receive a selling commission of 20¢ per share plus \$7,500 for expenses. The company has agreed to sell the underwriter, for \$165, six-year warrants for the purchase of 16,500 shares, exercisable after one year at \$2.20 per share. It also will pay \$5,000 to Underwriters' Affiliates Inc. as a finder's fee and sell it 3,500 warrants for \$35.

The company operates a data processing service bureau which serves commercial customers in the Norfolk-Portsmouth-Newport News metropolitan area. Of the net proceeds of its stock sale, \$135,000 will be used to construct and relocate to a new building in Norfolk, on land owned by the company, which will house all of its operations; \$88,000 for rental of a new Burroughs B-300 Disc-Oriented Computer, and the balance for working capital and other general corporate purposes. In addition to indebtedness, the company has outstanding 601,250 common shares (with a 15¢ per share book value), of which Herbert and Stanley Bangel own 10.4% each and management officials as a group 25.2%. William B. Cloe, Jr., is president. Purchasers of the shares being registered will suffer a dilution in book value of about \$1.41 per share.

**PRUDENTIAL FUNDS FILES FOR OFFERING.** Prudential Funds, Inc., 90 Broad St., New York, N. Y. 10004, filed a registration statement (File 2-31248) with the SEC on December 30 seeking registration of \$12,500,000 of participating interests in its 1969 annual drilling fund - series eighteen; the 1,250 interest units are to be offered for public sale at \$10,000 per unit. The offering is to be made by officers and employees of Prudential Funds, Inc., which will administer the drilling fund program as agent for the participants; 80% of the outstanding stock of Prudential Funds, Inc., is owned by Prudential Equities Corp. Proceeds of the financing will be applied to the program of exploring for and producing oil and gas. Nathan M. Shippee, president of the company, is board chairman of the parent.

**MARK TWAIN MARINE TO SELL STOCK.** Mark Twain Marine, Inc., 4800 Blue Parkway, Kansas City, Mo. 64130, filed a registration statement (File 2-31249) with the SEC on December 30 seeking registration of 150,000 shares of common stock, to be offered for public sale through underwriters headed by Dempsey-Tegeler & Co., Inc., 1000 Locust St., St. Louis, Mo. 63101. The offering price (\$10 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company is principally engaged in the manufacture, distribution and sale of fiberglass power boats, boat trailers, campers and accessories; it also is a distributor of Mercury Outboard Motors. Of the net proceeds of its stock sale, \$205,000 will be used to repay the balance of indebtedness to Lee S. Siebert, president, his parents and a company owned by Siebert, \$125,000 to acquire the property in New London, Mo., where the company's principal manufacturing facilities are situated, and \$350,000 for advertising, promoting and marketing the Huck Finn Camper; the balance will be used in equipping the new plant under construction in West Frankfort, Ill., and hiring and training new employees. In addition to indebtedness, the company has outstanding 900,000 shares of Class B common stock, of which Siebert owns 99.1%. The company issued the 900,000 shares upon its organization in November, 899,000 in exchange for stock of two affiliated corporations held by Siebert (which then had a book value of \$2,237,258) and 1,000 for \$1,000 in cash.

**MORGAN-GRANBERY FILES OFFERING PROPOSAL.** Morgan-Granbery Corporation, 51 East 42nd St., New York, N. Y. 10017, filed a registration statement (File 2-31243) with the SEC on December 30 seeking registration of 360,000 shares of common stock and 360,000 shares of 6% cumulative preferred stock (\$2.50 par). It is proposed to offer this stock for public sale in units, each consisting of one common and one preferred share, and at \$7.50 per unit. The offering is to be made through company officials as well as through NASD members (the latter will receive a 10% selling commission). For each block of 2,000 shares sold through any dealer, the company will issue to such dealer five-year warrants to purchase 200 common shares, exercisable after one year at \$6 per share.

The company was organized in August; it has acquired an exclusive license to manufacture and sell automatic self-change key locks and intends to manufacture locks, keys and specialized hardware for a variety of applications as an essential part of a security system. The rights thereto were acquired from John F. Wellekens, a company vice president. Net proceeds of its stock sale will be used for tools and dies, new product development, marketing and sales promotion, acquisition of manufacturing facilities, and working capital. The company now has outstanding 402,500 common shares (with a \$.51 per share book value); John F. Wellekens and John S. Wellekens, another vice president, own 100,000 shares each and management officials as a group 350,000 shares. John F. Wellekens proposes to sell 50,000 shares. If all 360,000 common shares are sold, the purchasers will acquire about 47.2% of the shares to be outstanding for which they will have paid \$1,800,000 (assuming a cost to them of \$5 per share, the remaining \$2.50 being allocated in each share of the preferred); total cash investment in the common will be \$2,005,000 while the cash investment of present stockholders is \$205,000 or \$.51 per share.

**STANDARD OIL FILES EXCHANGE PLAN.** Standard Oil Company, 910 South Michigan Avenue, Chicago, Ill. 60680, filed a registration statement (File 2-31244) with the SEC on December 30 seeking registration of \$212,000,000 of 6.80% subordinated instalment debentures, due 1990-1994. In connection with its proposed affiliation with Cerro Corporation, Standard Oil proposes to exchange the debentures for the purchase of not more than 3,350,000 (approximately 45%) of the outstanding shares of Cerro common stock in the ratio of \$63 of Standard Oil debentures for 1 share of Cerro common stock. Morgan Stanley & Co. will manage a group of dealers which will solicit acceptances of the exchange offer. In addition to the exchange offer, it is further proposed that Cerro will transfer all of its assets to Cerro Delaware Corp., a new wholly-owned subsidiary, which will assume substantially all of Cerro's liabilities; and Cerro will then merge into Standard Oil. As a result of the merger, each outstanding share of Cerro common not exchange for debentures will be converted into 57/100ths of one share of preferred stock, \$.10 convertible Series A, \$1 par, of Standard Oil.

**FIRST GENERAL REAL ESTATE TRUST FILES OFFERING PROPOSAL.** First General Real Estate and Resources Trust, 120 West 42d St., New York, N. Y. 10036, filed a registration statement (File 2-31250) with the SEC on December 30 seeking registration of \$812,405 of 6½% convertible promissory notes, \$2,521,750 of 7% convertible promissory notes and 47,058 outstanding shares of beneficial interest. The notes are to be offered at 100% of principal amount\* and the shares at prices prevailing at the time of sale (\$25 per share maximum\*). The Trust is engaged primarily in the business of investing in real estate and first mortgages. In addition to indebtedness, it has outstanding 627,991 shares. Thomas H. Quinn is chairman of the board of trustees.

**REPUBLIC SYSTEMS FILES OFFERING PROPOSAL.** Republic Systems and Programming, Inc., 100 Plaza Center, Secaucus, N. J., filed a registration statement (File 2-31251) with the SEC on December 30 seeking registration of \$1,000,000 of 7½% subordinated debentures, due 1984, and 80,000 common stock purchase warrants. It is proposed to offer these securities for public sale in units, each consisting of a \$1,000 debenture and 80 warrants. The offering is to be made at \$1,000 per unit through Mayflower Securities Co., Inc., 32 Broadway, New York, N. Y.; the underwriting terms are to be supplied by amendment. The company has agreed to pay the underwriter \$15,000 for expenses and to sell it, for \$250, five-year warrants for the purchase of 25,000 shares; warrants for 2,500 shares are to be issued by the company to its general counsel.

The company is engaged in the business of providing consultative services on data processing operations, primarily as to commercial applications systems and programming. It has recently completed the development of its first proprietary program; and it also performs software development, feasibility and equipment selection studies, operations evaluations and other computer related services. Of the net proceeds of this financing, the company intends to apply some \$400,000 towards the expansion of its sales program (principally the opening of new offices and the hiring of personnel therefor), \$50,000 for the expansion of educational activities in advanced computer management and \$50,000 towards the development of a management science division; the balance will be added to the company's general funds and used for working capital. The company now has outstanding 511,555 common shares, of which American Creative Enterprises, Inc., owns 53.4%; that company is controlled by the company's officers and directors. Myron Saxon, president and board chairman of the company, owns 53% of American and other officials 27%.

**CHERRY HILL FOODS TO SELL STOCK.** Cherry Hill Foods, Inc., 1739 Country Club Drive, Cherry Hill, N. J. 08034, filed a registration statement (File 2-31252) with the SEC on December 30 seeking registration of 200,000 shares of common stock, to be offered for public sale at \$2.50 per share. The offering is to be made on a "best efforts" basis by Contes & Company, 30-96 42d St., Long Island City, N. Y. 11103, for which it will receive a commission of 30¢ per share plus \$15,000 for expenses. The company has agreed to sell to the underwriter, for \$200, six-year warrants to purchase 20,000 shares, exercisable after one year at \$2.50 per share.

The company was organized on December 18; on December 27 it acquired all of the outstanding stock of Shooster's Inc., and is engaged in the marketing of specialty frozen foods under the brand name "Shooster's". Of the net proceeds of its stock sale, the company will use \$6,849 for repayment of a loan from Herman Shooster, its president, and \$12,500 for repayment of a bank loan guaranteed by him; \$50,000 will be used for advertising and marketing and \$100,000 for acquisition of addition inventories; and the balance will be added to general funds of the company and used for working capital purposes, including a \$30,000 per year salary for Shooster. The company now has outstanding 520,000 shares, of which 270,000 were issued to Shooster for the outstanding stock of Shooster's Inc. (which had a net worth of \$6,330) and 250,000 were issued to Henry C. Malon, vice president, for a cash consideration of \$5,000. Purchasers of the stock being registered will acquire a 27.8% stock interest in the company for an investment of \$500,000; Shooster and Malon will then own 72.2%, for an investment of \$11,330, or an average price of 2¢ per share.

**IPAC RESTRAINED.** The SEC Boston Regional Office announced January 6 (LR-4198) that the U. S. District Court (Vermont) had entered a temporary injunction, after hearing and pursuant to a stipulation, restraining the sale of IPAC securities by the following, unless registered with the Commission, pending final determination of this action: IPAC, Inc., a Vermont corporation; its president, M. Keith Wright of South Burlington, Vermont; Edward P. LaForce of South Burlington, Vermont; J. E. LaRiviere, Treasurer, of Burlington, Vermont; Omer St. Sauveur, Vice President and Director, of Holyoke, Mass.; and Attorney John F. Wagner, Director and Counsel, of Chicopee, Mass. IPAC, Inc. is to be distinguished from and not be confused with the IPAC Group, Inc., a Pennsylvania corporation based in Pittsburgh, Pa.

**LOUISVILLE BOND SUSPENDED.** In a decision under the Securities Exchange Act announced today (Release 34-8486), the SEC modified the NASD's expulsion from membership of Louisville Bond and Share Corporation and the revocation of the registration of its president, Thomas L. Marshall; the Commission ordered the suspension of both for a period of 30 days, commencing January 20, with the proviso that Marshall shall not thereafter act in a supervisory capacity with a member of the NASD.

The Commission sustained the NASD's finding that the Louisville firm engaged in securities transactions during the period December 31, 1965 - February 7, 1966 despite net capital deficiencies amounting to as much as \$31,000. The NASD's District Business Conduct Committee had suspended the firm and Marshall for 30 days and imposed fines of \$1,000 on each; upon review pursuant to its own motion, the NASD's Board of Governors remitted the fines, expelled the firm and revoked Marshall's registration. The firm and Marshall urged that the sanctions were excessive.

The Commission found that, although Marshall had curtailed the securities activities of his firm after learning of the net capital deficiency on or about December 31, 1965, he should have been aware of the requirement of an immediate cessation of the firm's operations; and that personal problems in which Marshall was then involved could not be accepted as an adequate excuse for his failure to take the required action, or for the failure by him to furnish the District Committee with information which it had requested concerning the firm's affairs for a period of over a year. Taking the facts as a whole, however, including the factors that Marshall provided funds to pay the obligations of the firm, and that Marshall had an otherwise good record, the Commission did not consider that expulsion and revocation were required in the public interest. However, it viewed Marshall's conduct as evidencing a lack of responsibility necessary to supervise others in the securities business.

**TRIMATRIX TO SELL STOCK.** Trimatrix, Inc., Two Penn Plaza, New York, filed a registration statement (File 2-31253) with the SEC on December 30 seeking registration of 500,000 shares of common stock, to be offered for public sale at \$5 per share. The offering is not underwritten; shares will be offered for sale through NASD members, who will receive a selling commission of 50¢ per share.

The company was organized in May for the purpose of developing marketable products based upon two ideas, one a credit card verification device and the other a "pick-proof" lock. The latter proposal has been abandoned, and the company is now concentrating wholly and solely on the development of a marketable credit card verification device system consisting of a device and specially coded cards. Net proceeds of the stock sale are to be used for research, operating expenses and initial inventory, and for working capital (\$1,486,000). The company now has outstanding 1,500,000 common shares, were were issued to Michael Hellerman, promoter and president, in consideration of his assignment to the company of all patent rights, etc., to the credit card device; 420,000 shares were transferred to Martin Handweiler for the assignment of such patent rights, and Hellerman sold 140,000 to Morris Winter, secretary and general counsel to the company, at his cost, 5¢ per share, and 70,000 to other persons at \$2 per share. Purchasers of the shares being registered will acquire a 25% stock interest in the company for an investment of \$2,500,000; present shareholders will then own the remaining 75% interest, for which the company received approximately \$274,000.

**SECURITIES ACT REGISTRATIONS.** Effective January 7: Alumacraft Marine Products Corp., 2-30449 (90 days); American Foods, Inc., 2-30294 (90 days); Amfre-Grant, Inc., 2-30206 (90 days); Arkansas Power & Light Co., 2-30777 (40 days); Arkansas Valley Industries, Inc., 2-29957 (40 days); Diamond Shamrock Corp., 2-30826 (Feb 16); Electro-Mechanical Corp., 2-30373 (Apr 8); Famous Artists Schools, Inc., 2-30873 (Feb 16); Futurronics Corp., 2-30007 (90 days); Information and Computing Centers Corp., 2-30657 (Apr 7); Jerrico, Inc., 2-30376 (Apr 7); Virginia Electric and Power Co., 2-30847; Seeman Brothers, Inc., 2-30831. Withdrawn January 7: Anixter Bros. Inc., 2-30290; Tape/Net Inc., 2-30347.

**NOTE TO DEALERS.** The period of time dealers are required to use the prospectus in trading transactions is shown above in parentheses after the name of the issuer.

\*As estimated for purposes of computing the registration fee.

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