

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

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



Washington, D.C. 20549

(In ordering full text of Releases from SEC Publications Unit cite number)

(Issue No. 71-98)

FOR RELEASE May 20, 1971

COMMISSION ANNOUNCEMENT

TRADING IN PHILPOT INDUSTRIES SUSPENDED. The Commission yesterday ordered the temporary suspension of over-the-counter trading in the securities of R. D. Philpot Industries, Inc. for a 10-day period commencing May 19, 1971. The suspension will terminate on May 28, 1971. The suspension was ordered because of the recent rapid rise in the price of Philpot stock which appears to be based on false and misleading financial information being circulated concerning the financial condition and operations of Philpot. Organized on March 9, 1970, Philpot has never filed any reports with the Commission, nor has a registration statement ever been filed with the Commission for any securities of Philpot pursuant to the Securities Act of 1933. Thus the public information normally provided by the reporting and registration requirements of the Commission are not available. The only financial information available to the public is a financial statement dated March 31, 1970, which does not fairly present the financial position of R. D. Philpot Industries, Inc. in conformity with generally accepted accounting principles. (Release 34-9181)

COURT ENFORCEMENT ACTION

FORMER ORETEK AND GEONICS PRESIDENT ENJOINED. The Commission has announced that the Federal court in New York permanently enjoined by default, Donald E. Gentry, Fullerton, Calif., former president of Oretex, Inc., and Geonics Inc., of Cocoa Beach, Fla., and Los Angeles, respectively, from violating the registration and anti-fraud provisions of the Federal securities laws. (LR-5010)

INVESTMENT COMPANY ACT RELEASES

U. S. ELECTRIC LIGHT & POWER SHARES. The Commission has issued an order declaring on its own motion that United States Electric Light & Power Shares, Inc., Trust Certificates Series A, has ceased to be an investment company. (Release IC-6528)

PAUL BUNYAN FUND. The Commission has issued an order giving interested persons until June 10 to request a hearing on the application of Paul Bunyan, Inc., of Fort Lauderdale, Fla. for an order declaring that it has ceased to be an investment company as defined in the Investment Company Act. The company was merged into GAC Growth Fund, Inc., with GAC being the surviving corporation and all outstanding shares of the company were exchanged on a one-for-one basis for shares of GAC.1/ (Release IC-6529)

PARK WESTLAKE ASSOCIATES HEDGEFUND. The Commission has issued an order giving interested persons until June 10 to request a hearing on the application of Park Westlake Associates Hedge Fund, Inc., declaring that it has ceased to be an investment company as defined in the Investment Company Act. At a meeting of the shareholders in Sept. 1970, a majority (approved the wind up and dissolution of the company and in November 1970 a final liquidation distribution was made in cancellation of all issued and outstanding shares.1/ (Release IC-6530)

PURITAN FUND. The Commission has issued an order exempting from certain provisions of the Investment Company Act a transaction whereby U. S. Smelting Refining and Mining Company will sell to Puritan Fund, Inc. and then repurchase from the Fund 11,600 shares of Smelting and Refining's \$5.60 cumulative preferred stock; both the sale and the repurchase will be at a net price of \$66.50 per share. (Release IC-6531)

THE SAN FRANCISCO FUND. The Commission has issued an order declaring that the San Francisco Fund, has ceased to be an investment company. (Release IC-6532)

COOKE & BIELER GROWTH FUND. The Commission has issued an order giving interested persons until June 8 to request a hearing on the application of Cooke & Bieler Growth Fund, Inc., Philadelphia open-end management investment company, for an order declaring that it has ceased to be an investment company as defined in the Investment Company Act. Applicant represents that it has been dissolved by filing a certificate of dissolution December 14, 1970 and is in the process of winding up its affairs.1/ (Release IC-6533)

HOLDING COMPANY ACT RELEASES

POTOMAC EDISON CO. The Commission has issued an order authorizing Potomac Edison Company, Hagerstown, Md., to increase the authorized shares of its capital stock by the amounts stipulated in an application filed earlier with the Commission. In addition Potomac Edison, Pa., Potomac Edison, Virginia and Potomac Edison, West Virginia, subsidiary companies of Potomac Edison, Maryland propose to issue and sell additional shares of their authorized but unissued capital stocks; and Potomac Edison, Md. proposes to acquire such shares, in each case in amounts also stipulated in its earlier application filed with the Commission. (Release 35-17133)

OVER

CENTRAL INDIANA GAS CO. The Commission has issued an order giving interested persons until June 16 to request a hearing on the application of Central Indiana Gas Company to issue and sell to the American Fletcher National Bank and Trust Company beginning June 23 and from time to time prior to June 16, 1972, its unsecured promissory notes not to exceed \$9 million outstanding at any one time; Central proposes to use the amounts borrowed to repay \$4.5 million of notes due June 1971, to prepay \$1.5 of notes expected to be issued to the Bank, and to finance in part its 1971 construction program currently estimated at \$3.6 million. (Release 35-17134)

INDIANA & MICHIGAN ELECTRIC CO. The Commission has issued an order authorizing Indiana & Michigan Electric Company to acquire all the common stock of Indiana & Michigan Power Company, a new company incorporated for the purpose of acquiring, completing the construction of, owning and operating the Donald C. Cook Nuclear Generating Plant which I&M is presently constructing at Bridgeman, Mich., and selling the power output to I&M. (Release 35-17135)

CONN. LIGHT & POWER CO. The Commission has issued an order giving interested persons until June 18 to request a hearing on the application of the Connecticut Light and Power Company and Hartford Electric Light Company, subsidiaries of Northeast Utilities. Connecticut and Hartford propose to acquire subordinated promissory notes of the Greater Hartford Community Development Corporation, a nonassociation and non-utility company in amount of up to \$90,000 and \$22,000 respectively. The latter proposes to issue and sell to various business organizations in the greater Hartford area up to \$2 million of subordinated promissory notes in order to cover initial expenses and working capital needs to establish a program to implement needed community and growth and change to improve the quality of life in that area. (Release 35-17136)

SECURITIES ACT REGISTRATIONS

MUNICIPAL TRUST FUND PROPOSES OFFERING. Municipal Investment Trust Fund, Series 1J, filed a registration statement with the SEC on May 14 seeking registration of \$39,375,000 of units. The Fund was created by a trust agreement under which Merrill Lynch, Pierce, Fenner & Smith Inc., Bache & Co. Inc., and Walston & Co., Inc., act as sponsors, United States Trust Company of New York acts as trustee and Standard & Poor's Corporation acts as evaluator. Its objectives are tax exempt income and conservation of capital through a diversified investment in revenue and general municipal bonds rated "BBB" or better by Standard & Poor's Corporation or "Baa" or better by Moody's Investors Service. It consists of the diversified tax-exempt bond portfolio of interest-bearing obligations issued by or on behalf of states, counties, territories or municipalities of the United States and authorities and political subdivisions thereof, the interest on which is, in the opinion of counsel, exempt from all Federal income tax. (File 2-40424)

RESORTS INTERNATIONAL SHARES IN REGISTRATION. Resorts International, Inc. 767 Fifth Ave., New York 10022, filed a registration statement with the SEC on May 14 seeking registration of 225,000 outstanding shares of Class A common stock. Such shares may be offered for sale from time to time by the holders thereof at prices current at the time of sale (** \$8.50 per share maximum).

The Company is engaged primarily in the ownership, development and operation of tourist and resort facilities, including gaming, and in the development and sale of residential, resort and commercial property in the Bahama Islands. In addition to indebtedness, the company has outstanding 4,144,228 Class A and 348,192 Class B common shares. James M. Crosby is board chairman and I. G. Davis, Jr., is president. American National Insurance Company may sell all of 150,000 shares held and eight others the remaining shares being registered. (File 2-40425)

SONDERLING BROADCASTING SHARES IN REGISTRATION. Sonderling Broadcasting Corporation, 680 Fifth Ave. New York 10019, filed a registration statement with the SEC on May 14 seeking registration of 41,120 outstanding shares of common stock. Such shares may be offered for sale from time to time by the holders thereof at prices current at the time of sale (** \$30-7/8 per share maximum). Egmont Sonderling, board chairman and president, may sell 25,000 of 199,750 shares held and five others the remaining shares being registered. (File 2-40426)

INTERNATIONAL MULTIFOODS CORP. PROPOSES OFFERING. International Multifoods Corporation, 1200 Investors Bldg., Minneapolis, Minn. filed a registration statement with the SEC on May 14 seeking registration of \$25 million of sinking fund debentures, due 1996, and 440,000 shares of common stock. The debentures and 300,000 shares are to be offered for public sale by the company and 140,000 shares (being outstanding shares) by the holders thereof. The offering is to be made (** at \$30 per share maximum) through underwriters headed by Kidder, Peabody & Co., Inc., 20 Exchange Place, New York 10005.

The company is a diversified food company engaged in processing a variety of food products for distribution. Net proceeds of its financing will be applied to repayment of long-term notes due 1978 and 1980 (\$3 million), to repayment of borrowings under a revolving credit agreement (\$18 million) and for working capital and other corporate purposes. In addition to indebtedness and preferred stock, the company has outstanding 2,987,061 common shares. William G. Phillips is board chairman and president. F. A. Bean Foundation Incorporated proposes to sell 50,300 of 168,159 shares held, Atherton Bean, a director, \$15,000 of 193,360 and ten others the remaining shares being registered. (File 2-40413)

CONTINUED

***WESTERN ELECTRIC TO SELL DEBENTURES.** Western Electric Company, Incorporated, 195 Broadway, New York 10007, filed a registration statement with the SEC on May 14 seeking registration of \$100 million of sinking fund debentures, due 1996, to be offered for public sale through underwriters headed by the First Boston Corporation, 20 Exchange Place, and Goldman, Sachs & Co., 55 Broad St., both of New York. A wholly-owned subsidiary of AT&T, the company will use a portion of the net proceeds of its debenture sale to pay all outstanding commercial paper (estimated at \$25 million at the time proceeds are received), \$50 million toward reduction of bank credit agreement notes and the balance for other corporate purposes. Working capital and plant and equipment requirements for 1971 are estimated at \$500 million. (File 2-40414)

MASSACHUSETTS MUTUAL FUND PROPOSES OFFERING. Massachusetts Mutual Life Insurance Company, depositor for Massachusetts Mutual Variable Annuity Fund 2, 1295 State Street, Springfield, Mass. 01101, filed a registration statement with the SEC on May 17 seeking registration of \$20 million of variable annuity contracts. Fund 2 is a separate investment account established by Massachusetts Mutual. Its assets are invested in shares of Massachusetts Mutual Life Investment Company, Inc., a diversified mutual fund for which Massachusetts Mutual acts as investment manager. Charles H. Schaaff is board chairman and James R. Martin is president of Massachusetts Mutual. (File 2-40428)

FIRELITE INDUSTRIES TO SELL STOCK. Firelite Industries, Ltd., 280 Route 109, Farmingdale, New York., filed a registration statement with the SEC on May 17 seeking registration of 100,000 shares of common stock, to be offered for public sale at \$4 per share. The offering is to be made by Vaisman and Company, Inc., 59 Main St., Millburn, New Jersey 07041.

The company is engaged in the design, manufacture and distribution of doors, prefabricated fireplaces and related items. Of the net proceeds of its stock sale, \$100,000 will be used for expansion of plant facilities and purchase of additional tools and machinery and the balance for working capital and other corporate purposes. The company has outstanding 330,000 common shares, of which Charles Gingold, board chairman and president, owns 93.3%. Purchasers of the shares being registered will sustain an immediate dilution of \$2.95 in per share book value from the offering price. (File 2-40432)

ATLAS ENGINEERING TO SELL STOCK. Atlas Engineering Company, 416 West Litchfield, Willmar, Minn. 56201, filed a registration statement with the SEC on May 14 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 by company officials and participating NASD members.

Organized in January 1968, the company is engaged in the manufacture and marketing of construction machinery. Net proceeds will be used for general corporate purposes. The company has outstanding 1,181,275 common shares, of which Thomas A. Hellander owns 1,025,000. Purchasers of the shares being registered will sustain an immediate dilution of \$1.68 in per share book value from the offering price. (File 2-40433)

PILOT SEPARATE ACCOUNT PROPOSES OFFERING. Pilot Life Insurance Company, depositor for Pilot Separate Account A, 5300 High Point Road, Greensboro, N. C. 27407, filed a registration statement with the SEC on May 17 seeking registration of \$5 million of individual variable annuity contracts. The Separate Account was established to offer contracts designed to fund benefits under annuity purchase, pension or profit-sharing plans qualified for special tax treatment under the Internal Revenue Code and for sale to individuals for retirement planning where no special tax treatment is available. Pilot Life is a stock life insurance company, wholly-owned by Jefferson-Pilot Corporation. (File 2-40434)

JEFFERSON STANDARD SEPARATE ACCOUNT PROPOSES OFFERING. Jefferson Standard Life Insurance Company, depositor for Jefferson Standard Separate Account A, 101 N. Elm St., Greensboro, N. C. 27401, filed a registration statement with the SEC on May 17 seeking registration of \$5 million of individual variable annuity contracts. Separate Account A was established to offer contracts designed to fund benefits under annuity purchase, pension or profit-sharing plans qualified for special tax treatment under the Internal Revenue Code and for sale to individuals for retirement planning where no special tax treatment is available. Jefferson Standard Life is a stock life insurance company wholly-owned by Jefferson-Pilot Corporation. Howard Holderness is board chairman and W. Roger Soles is president of Jefferson Standard Life. (File 2-40435)

COMPUTER IMAGE TO SELL STOCK. Computer Image Corporation, 260 S. Beverly Dr., Beverly Hills, Calif. 90212, filed a registration statement with the SEC on May 17 seeking registration of 150,000 shares of common stock, to be offered for public sale (**at \$18.50 per share maximum). The offering is to be made through underwriters headed by Boettcher and Company, 828 17th St., Denver, Colo. 80202.

The company was organized in 1967 to develop and produce and market a computer system for generating animated images. Of the net proceeds of its stock sale, \$950,000 will be used to purchase electronic equipment and the balance for working capital and other corporate purposes. The company has outstanding 750,510 common shares, of which Lee Harrison III, board chairman and president, owns 21.36% and management officials as a group 37.16%. (File 2-40436)

STOCK PLANS FILED. The following have filed Form S-8 registration statements with the SEC seeking registration of securities to be offered pursuant to employee stock and related plans:

Fabri-Centers of America, Inc., Beechwood, Ohio (File 2-40411) - 75,000 shares
 Allegheny Ludlum Industries, Inc., Pittsburgh, Pa. (File 2-40412) - 300,000 shares
 INA Corporation, Philadelphia, Pa. (File 2-40415) - 16,297 shares
 The Lehigh Press, Inc., Pennsauken, N. J. (File 2-40417) - 50,000 shares
 A. O. Smith Corporation, Milwaukee, Wis. (File 2-40419) - 100,000 shares
 Data Instruments Company, Sepulveda, Calif. (File 2-40423) - 184,500 shares

Global Marine, Inc., Los Angeles, Calif. (File 2-40427) - 250,000 shares
 Textiles Incorporated, Gastonia, N. C. (File 2-40429) - 70,000 shares
 Capital Funding Corporation, San Rafael, Calif. (File 2-40430) - 260,000 shares
 Indian Head Inc., New York (File 2-40431) - 309,709 shares

MISCELLANEOUS

RECENT FORM 8-K FILINGS. The companies listed below have filed Form 8-K reports for the month indicated and responding to the item of the Form specified in parentheses. Photocopies thereof may be purchased from the Commission's Public Reference Section (in ordering, please give month and year of report). Invoice will be included with the requested material when mailed. An index of the captions of the several items of the form was included in the May 10 News Digest.

8K Reports for Feb 1971

Greyhound Corporation (7,13)	1-2117-2	Great Southwest Corp Jan 71 (6,10,13)	0-100-2
Hart Shaffner & Marx (7)	1-3236-2	International AeroProducts Inc (4,7,12,13)	0-4630-2
International Standard Electric Corp (7,13)	1-5205-2	Iowa Beef Processors, Inc (11,13)	1-6085-2
Kentucky Fried Chicken Corp (12)	1-6017-2	Jays Industries, Inc 9,13)	2-31784-2
May Exploration Ventures, Inc Series A Drilling Program (11,13)	2-36773-2	Husky Exploration Ltd. (12)	2-34985-2
Mr. Steak, Inc (12)	0-4280-2	Intermountain Industries, Inc (12,13)	0-2172-2
Montana Dakota Utilities Co (12)	1-3480-2	Michigan Consolidated Gas Co (3,11,13)	1-3071-2
National Compactor & Technology Systems, Inc (12,13)	2-36808-2	Katy Industries (2,4,7)	1-5558-2
International Chemical & Nuclear Corp (7)	1-5965-2	MTS Systems Corporation (7)	0-2382-2
Love Oil Co., Inc (2,7,9,13)	1-6209-2	Hydraulic Co (10) Dec 70 (12,13)	0-4831-2 0-4831-2
Goren Foods Co (8,13)	0-3208-2		
Invesco International Corp (1,12)	0-4878-2		
Jan 71 (3)	0-4878-2		
North American Data Systems Inc (12,13)	2-29312-2		
Hemisphere Hotels Corporation (2,3,12,13)	0-5329-2		
Kinney National Service Inc (11,12,13)	1-4671-2		
Lehigh Coal & Navigation Co (7,8)	0-1760-2		
Herbert Arthur Morris Advertising Inc (2,7)	1-6195-2		

Amdt 8K Reports

Kaiser Cement & Gypsum Corp #1 for Dec 70 (13)	1-4598-2
Kaiser Steel Corp #1 for Dec 70 (13)	0-433-2
Oil Resources Incorporated #1 for Jan 70 (7)	0-5417-2
International Patents & Development Corp Sept 70 (1,13)	2-30850-2

SECURITIES ACT REGISTRATIONS. Effective May 18: Eagle Clothes, Inc., 2-40094.

Effective May 19: American All-Servus Corp., 2-39201 (90 days); Bunker Ramo Corp., 2-40196; Coastal Caribbean Oils & Minerals, Ltd., 2-39741 (40 days); Conn. General Mortgage & Realty Investments, 2-40151; Educational Development Corp., 2-39978; Natomas Co., 2-40214; Niagara Mohawk Power Corp., 2-39984; San Diego Gas & Electric Co., 2-40301; Siliconix Inc., 2-39721; Sunset Funding Corp., 2-39514; World Airlines, Inc., 2-40446 and 2-40447; Union Tank Car Co., 2-40002; The Webb Publishing Co., 2-39681 (90 days).

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.

* This is a reporting company and further information with respect to its business and operations is available in the Commission's Public Reference files.

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

1/ Pending distribution of this Release by the Commission to the appropriate mailing lists, interested persons should consult the Federal Register for more details of the release.