



SECURITIES AND EXCHANGE COMMISSION
NEWS DIGEST

A Daily Summary of
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FOR RELEASE September 17, 1971

DECISIONS IN ADMINISTRATIVE PROCEEDINGS

D. H. THOMAS COMPANIES REVOKED, ASSOCIATES SANCTIONED. The SEC has revoked the broker-dealer registration of D. H. Thomas & Co. and D. H. Thomas & Co., Inc., of New York City, and sanctioned David Hugh Treherne-Thomas and Robert J. Gallic, partners, sole stockholders and officers of the two firms. Thomas is barred and Gallic is suspended, with the provision that Thomas after three years and Gallic after six months may make application to the Commission to be associated with a broker or dealer in a non-supervisory and non-proprietary position upon a showing that they will be adequately supervised.

The actions were based on findings that between September 1967 and February 1969 the partnership, Thomas and Gallic violated and aided and abetted violations of antifraud provisions of the Securities Act and the Exchange Act in connection with a distribution of unregistered shares of stock of National Home Products, Inc. (formerly Power-Pak Industries, Inc.), diverting approximately \$331,000 in funds belonging to NHP to a person not entitled thereto, and during various periods from May 1964 to July 1969 the partnership, aided and abetted by Thomas and Gallic, violated net capital, hypothecation, credit and recordkeeping provisions of the Exchange Act and rules thereunder. The Commission also found that the partnership and the corporation, aided and abetted by Thomas and Gallic, violated reporting provisions of the Exchange Act during 1968 and 1969 respectively, and that Thomas, Gallic and the partnership failed reasonably to supervise other persons under their supervision with a view to preventing various of the above violations.

The Commission's order was issued pursuant to offers of settlement filed by the respondents in which, without admitting or denying the allegations in the orders for proceedings, they consented to findings of violations and the imposition of the specified sanctions. (Release 34-9333)

RANKIN CO. AND RANKIN SANCTIONED. The SEC has issued an order barring Rankin & Company, formerly a registered broker-dealer, Atlanta, Ga., from association with any broker dealer without approval of the Commission, and barring John R. Rankin III from such association for 30 days from the date of the order and from acting in a supervisory capacity with any broker-dealer for the remainder of one year from such date. The order further provided that the bar as to Rankin will after such year be removed upon a satisfactory showing that he has received satisfactory training or is otherwise qualified to act in a supervisory capacity.

The action was based on findings that from about April 7 to October 7, 1969, Rankin Co. sold unregistered shares of stock of Glas-Foam Corporation and made false entries in certain books and records, and that Rankin Co. and Rankin failed reasonably to exercise supervision to prevent violations of the registration, record-keeping and antifraud provisions of the securities acts.

Respondents consented to the indicated findings and remedial sanctions for the purpose of settlement of the administrative proceedings and without admitting or denying the charges. (Release 34-9335)

SANCTIONS IMPOSED ON HIRSCH & CO. The SEC has issued an order with respect to Hirsch & Co., a New York broker-dealer firm in dissolution, censuring the firm and suspending for 10 days any over-the-counter brokerage activities by it. Upon conclusion of the suspension, a notice of withdrawal from registration previously filed by the firm is to become effective. According to the decision Hirsch & Co. violated the registration provisions of the Securities Act in connection with the offer and sale of 15,900 shares of common stock of Mastercraft Electronics Corp. between March and August 1968 and failed to exercise reasonable supervision to prevent such violations.

The Commission's order was issued pursuant to an offer of settlement on which Hirsch & Co., without admitting or denying the allegations in the order for proceedings, consented to the indicated findings and sanctions. (Release 34-9336)

COMMISSION ANNOUNCEMENT

SEC ORDER CITES RAKKIND & CO., ET AL. The Commission has ordered administrative proceedings against Rakkind & Co., Inc. (New York City); William Weiner, Arnold Levy, Gardner Securities Corp. (New York City); Michael Gardner, Morgan, Kennedy & Co., Inc. (New York City); Zia Eddin Marashi Zadeh, Fischl Planning Co. (New York City); Gabor Fischl, Koss Securities Corp. (New York City); Theodore Koss and Robert Cea.

The Commission's Division of Trading and Markets alleges in the order for proceedings that in connection with transactions in the common stock of Spectrum, Ltd. certain of the aforementioned respondents violated the securities registration provisions of the Securities Act of 1933, and that certain of the respondents violated the antifraud provisions of the Federal securities laws.

A hearing will be scheduled by further order to afford the respondents an opportunity to refute the staff's allegations, to establish any defenses, and to determine what, if any, remedial action is appropriate in the public interest.

OVER

HOLDING COMPANY ACT RELEASES

COLUMBIA GAS. The SEC has issued an order under the Holding Company Act authorizing The Columbia Gas System, Inc., Wilmington, Del., to issue and sell \$60 million of debentures, due 1996, at competitive bidding. Net proceeds will be added to the company's general funds and, together with funds then available and funds to be generated from operations, will be used by the company to finance, among other things, part of the cost of its subsidiaries' 1971 construction program, estimated at \$235 million. (Release 35-17269)

MONONGAHELA POWER. The SEC has issued a notice under the Holding Company Act giving interested persons until October 4 to request a hearing upon an application of Monongahela Power Company, Fairmont, West Virginia, subsidiary of Allegheny Power System, Inc., to issue and sell until December 31, 1973 up to \$29,950,000 of short-term notes to banks and to dealers in commercial paper. Net proceeds will be used by Monongahela to reimburse its treasury for past expenditures made in connection with its construction program and that of its subsidiary company, to pay in part the cost of future construction and for other corporate purposes. Construction expenditures of Monongahela and its subsidiary for the years 1971 through 1973 are estimated at \$173 million. 1/ (Release 35-17270)

SECURITIES ACT REGISTRATIONS

COLLINS & AIKMAN CORPORATION, 210 Madison Ave., New York 10016, filed a registration statement on September 10 seeking registration of 442,208 outstanding shares of common stock, which may be offered for sale from time to time by the holders thereof at prices current at the time of sale (*\$26.50 per share maximum). (File 2-41732)

FMC CORPORATION, 1105 Coleman Ave., San Jose, Calif. 95110, filed a registration statement on Sept. 13 seeking registration of \$75 million of sinking fund debentures due 2001, to be offered for public sale through underwriters headed by Kidder, Peabody & Co., Inc., 20 Exchange Pl., and Lehman Brothers, Inc., One William St., both of New York. The company manufactures and sells products in four lines of business-machinery, fiber and film, chemical and ordnance. Net proceeds of its debenture sale will be added to the company's general funds and used for repayment of domestic short-term borrowings and general corporate purposes. Such borrowings totaled \$21,345,000 at June 30 and were incurred principally to finance working capital for facilities expansion. (File 2-41733)

SHASTINA PROPERTIES, INC., 251 South Lake Ave., Pasadena, Calif. 91101, filed a registration statement on September 13 seeking registration of 1,200,000 shares of common stock, of which 500,000 are to be offered for public sale by the company and 700,000 (being outstanding shares) by the company's parent and sole stockholder, Beverly Enterprises. The offering is to be made (*at \$12.50 per share maximum) through underwriters headed by W.E. Hutton & Co., 14 Wall St., New York 10005. The company is engaged in the acquisition planned recreational development and sale of real estate for primary and "second home" use. Of the net proceeds of its stock sale, some \$2,424,000 will be used to repay the parent for advances on behalf of the company and the balance for working capital and other corporate purposes. (File 2-41734)

BEVERLY HILLS BANCORP., 336 North Foothill Rd., Beverly Hills, Calif. 90210, filed a registration statement on September 13 seeking registration of 350,000 shares of common stock, of which 200,000 are to be offered for public sale by the company and 150,000 (being outstanding shares) by the holders thereof. The offering is to be made (*at \$23 per share maximum) through underwriters headed by Shields & Co., Inc., 44 Wall St., New York 10005, and Mitchum, Jones & Templeton, Inc., 510 South Spring St., Los Angeles, Calif. 90013. A one bank holding company, the company is engaged in financial, management, real estate and other activities. Of the net proceeds of its stock sale, \$500,000 will be used to purchase capital equipment for leasing and to enable its leasing business to develop additional bank credit lines and the balance for working capital and other corporate purposes. (File 2-41735)

BRUNO'S INC., 2620 W. 18th St., Birmingham, Ala. 35218, filed a registration statement on September 13 seeking registration of 321,000 shares of common stock, of which 220,862 shares are to be offered for public sale by the company and 100,138 (*at \$16 per share maximum) through underwriters headed by J.C. Bradford & Co., Inc., 140 Fourth Ave., North Nashville, Tenn. 37219. The company operates 29 supermarkets, six discount drug stores and one convenience food stores, in Alabama. Of the net proceeds of its stock sale, some \$2,460,000 will be used to finance the company's planned expansion program for fiscal 1972 and 1973 and the balance for working capital and other corporate purposes. (File 2-41736)

DART INDUSTRIES INC., 8480 Beverly Blvd., Los Angeles, Calif. 90048, filed a registration statement on September 13 seeking registration of 10,509 outstanding shares of common stock, which may be offered for sale from time to time by the holders there at prices current at the time of sale (*\$44-1/8 per share maximum). (File 2-41737)

CAROLINA POWER & LIGHT COMPANY, 336 Fayetteville St., Raleigh, N.C. 27602, filed a registration statement on September 13 seeking registration of \$70 million of first mortgage bonds, due 2001, to be offered for public sale at competitive bidding. Net proceeds will be applied to the reduction of short-term loans incurred for corporate purposes, primarily for the construction of additional electric plant facilities. Such loans are expected to approximate \$110 million at the time of the bond sale. Construction expenditures are estimated at \$264,541,000 for 1971. (File 2-41738)

COLONIAL STORES INCORPORATED, 2251 N. Sylvan Rd., East Point, Ga. 30344, filed a registration statement on September 13 seeking registration of \$15 million of sinking fund debentures, due 1996, to be offered for public sale through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith, Inc., 70 Pine St., New York 10005. The company is primarily engaged in the operation of self-service supermarkets. Net proceeds of its debenture sale will be added to the company's general funds and, together with funds generated from operations will be used to redeem all of the 4.9% sinking fund debentures prior to December 31, 1971, and to prepay all of the 3-3/8% and 3-3/4% unsecured notes prior to December 31, 1972, and to finance its supermarket development program. (File 2-41739)

MISCELLANEOUS

TRADING SUSPENSION CONTINUED. The SEC has ordered suspension of over-the-counter trading in the securities of Continental Vending Machine Corporation for the further ten-day period, September 18-27, 1971, inclusive.

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 September 3 News Digest.

8K's for July 1971

Fuqua Industries Inc (7,12,13)	1-5706-2	Cavanaugh Communities Corp (3,7,13)	0-4868-2
Scottex Corporation (2,13)	1-6644-2	Triangle Corp June 71 (11,13)	0-3673-2
Trans Atlas Corp June 71 (7)	2-38189-2	Specialty Converters Inc (12)	2-35196-2
Reclamation Systems Inc (12)	0-4800-2	Tal-Cap Inc May 71 (2,13)	0-941-2
Vance, Sanders & Co., Inc (3,12)	0-229-2	Heritage Rembrandt Corp	0-4199-2
June 71 (3)	0-229-2	Invesco International Corp (11,13)	0-4878-2
Alcon Laboratories Inc (7,12)	0-1662-2	Maule Industries Inc (3,12)	1-4081-2
Drug Fair Inc Sept 70 (7,12,13)	1-4387-2	Hemisphere Hotels Corp (3,6,12,13)	0-5329-2
RSC Industries Inc (2,13)	1-4184-2	C.F. Kirk Laboratories Inc (2,13)	0-3266-2
Shulman Transport Enterprises Inc	2-36882-2	Sunshine Mining Co (3)	1-678-2
June 71	2-36882-2	Viking General Corp (1,3,7,9)	1-6212-2
Smithfield Foods Inc May 71 (3,13)	0-2258-2	LTV ElectroSystems Inc June 71 (13)	1-5237-2
Winde Group Inc (13)	2-33706-2	Udyco Industries Inc (7,9,13)	0-2821-2
June 71 (11,13)	2-33706-2		
Reading Industries Inc (7,13)	1-5700-2		
Royal Dutch Petroleum Co 6K for Aug 71	1-3788-2		
Sony Corp 6K for Aug 71	1-6439-2		
Tower Products Inc May 71 (4,13)	2-33999-2		
Pennsylvania Co (8)	1-4954-2		
Carpenter Technology Corp Aug 71 (3,8,12,13)	1-5828-2		
Cooper Tire & Rubber Co (3)	1-4329-2		
Precision Instrument Co (9,12)	0-96-2		
Hydro Nuclear Corp (3,13)	0-4395-2		
IFC Collateral Corp (7)	2-19513-2		
Kentucky Fried Chicken Corp (2,4,8,11,12,13)	1-6017-2		

Amended 8K Reports

Petro-Lewis Funds, Inc. Amdt #1 for Apr 71(12)	2-36386-2
Amdt #1 for May 71(12)	2-36386-2
Cavanaugh Communities Corp. Amdt to 8K for Apr 71 (12,13)	0-4868-2
Great Equity Life Ins. Co. Amdt #1 for Mar 71(13)	2-15668-2
Far-Mar-Co., Inc. Amdt #1 for Mar 71(7,11)	2-30822-2
Mid-Iowa Lakes Corp Amdt #1 for Apr 71(1)	0-3014-2
Northern Illinois Gas Co. Amdt #1 for Apr 71(7)	1-3821-2

Amended 8K Reports

Silco Inc Amdt #1 to 8K for Oct 70 (13)0-3751-2		
Seaboard Coast Line RK Co Amdt #1 to 8K for Jun 71(1) 1-3359-2	Tennant Company #1 for May 71 (11)	0-4804-2
United Record & Tape Inds Inc Amdt #1 to 8K for Mar 71(1) 2-36263-2	Pan American Sulphur Co June 71 (1,13)	1-4319-2
Turbodyne Corp Amdt #1 to 8K for Jul 71 (8) 0-5557-2		
Cramer Electronics Inc Amdt #1 to 8K for Jun 71(11) 1-5391-2	Image Systems Inc #1 for Apr 71 (2)	0-4331-2
Genge Inds Inc Amdt #1 to 8K for Oct 70 (7) 1-6082-2 Amdt #1 to 8K For Apr 70 (7) 1-6082-2	Morrison-Knudsen Co., Inc #1 for June 71 (13)	0-880-2
Real Eight Co., Inc #1 for July 71 (3) 1-5504-2	Huntington Health Services Inc #3 for Oct 70 (7,13)	0-4239-2
	Upjohn Co #1 for July 71 (12)	1-4147-2

SECURITIES ACT REGISTRATIONS. Effective September 15: Bic Pen Corporation, 2-41225(90 days); Deseret Pharmaceutical Company, Inc., 2-41539; Essex International, Inc., 2-41521; Great American Industries, Inc., 2-40586 and 2-39178; Gyrojet Corporation, 2-34175; Leaseway Transportation Corp., 2-41449; Medical Scientific International Corp., 2-37846 (90 days); Mid-Continent Telephone Corp., 2-41391; Mobil Oil Corp., 2-41598; Piper Industries, Inc., 2-41129 (90 days); Polyanalyt, Inc., 2-33911 (90 days); J.M. Smucker Co., 2-41500; Tucson Gas & Electric Co., 2-41563.

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 issuer.

* As estimated for purpose 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 details of the release.

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