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June 19, 1978

ADMINISTRATIVE PROCEEDINGS

U.S. SECURITIES AND
EXCHANGE COMMISSION

DECISION DISMISSING PROCEEDING AGAINST PATRICK B. MCGINNIS FINAL

The decision of an administrative law judge dismissing proceedings against Patrick B. McGinnis, of Portland, Oregon, has become final. McGinnis was formerly a salesman for Hinkle Northwest, Inc., a Portland broker-dealer firm.

The law judge found that McGinnis solicited a purchase of securities at a time when trading in those securities had been suspended by the Commission. Because the solicitation occurred during the second consecutive ten-day trading suspension imposed by the Commission, the law judge imposed a sanction on McGinnis that was conditioned on the Supreme Court's affirmance of the Commission's practice of imposing consecutive trading suspensions. The law judge provided for dismissal of the proceedings against McGinnis in the event the Court invalidated the Commission's practice, which the Court in fact did in SEC v. Sloan. (Rel. 34-14831)

COMMISSION ANNOUNCEMENTS

COMMISSIONER KARMEK SPEAKS BEFORE THE FEDERAL BAR ASSOCIATION

Commissioner Karmel spoke before the Securities Law Committee, Federal Bar Association at the National Lawyers Club in Washington, D.C., on Friday, June 16, 1978. The title of her address was "Reflections on the Revolving Door."

STOCKHOLDINGS OF INSTITUTIONAL INVESTORS AND OTHERS, 1977

Eleven major groupings of institutional investors combined held \$341.5 billion or 34.3 percent of total stock outstanding in the United States at the end of 1977, according to preliminary estimates released by the Securities and Exchange Commission. This represents absolute declines from \$375.2 billion and 35.4 percent a year earlier. In contrast, the value of stockholdings of other domestic investors (primarily individuals) declined less than institutional stockholdings and the share of outstanding stock held by this group increased from 58.6 percent at year-end 1976 to 59.6 percent at the end of last year. Foreign investors held 6.0 percent of total stock outstanding as of December 31, 1976, the same as a year before. For further details, see the June issue of the SEC Statistical Bulletin.

FARM CREDIT INVESTMENT BONDS DESIGNATED AS EXEMPTED SECURITIES

The Commission announced that pursuant to Section 3(a)(12) of the Securities Exchange Act of 1934, the Secretary of the Treasury has designated the Farm Credit Investment Bonds issued by the thirteen Banks for Cooperatives as exempted securities under the Act. As noted by the Secretary in his letter on the matter, this designation may be revoked, modified or amended at any time with respect to any securities not issued prior to such time. (Rel. 34-14853)

FOR FURTHER INFORMATION CONTACT: Peter Romeo at (202) 755-1240

COURT ENFORCEMENT ACTIONS

GLENN T. ARBUCKLE SENTENCED

The Fort Worth Regional and Houston Branch Offices announced that on June 2 Federal District Court at Houston, Texas, sentenced Glenn T. Arbuckle, San Antonio, Texas, to three years' supervised probation following the Court's acceptance of Arbuckle's plea of nolo contendere to one count of securities fraud. The Court found Arbuckle guilty of his plea of nolo contendere. (U.S. v. Glenn T. Arbuckle, USDA SD TEX - CR-NO. 77-96) (J.R.-R432)

PHARMACO, INC., OTHERS ENJOINED

The Chicago Regional Office announced that final orders of permanent injunction by consent were issued against Pharmaco, Inc., Roger R. Larson, Clifford Moody and Jeremiah O'Connor on May 30 by Judge Stanley Roszkowski of the U.S. District Court for the Northern District of Illinois. The defendants consented to the orders without admitting or denying the allegations contained in the Commission's complaint. The Court also ordered Larson to make an accounting of all funds received from the sale of his personally-owned stock. The complaint, filed on April 27, alleged violations of the registration and antifraud provisions of the securities laws in the defendants' sales of Pharmaco common stock without such stock's being registered with the Commission. The complaint also alleged that in course of such sales, material misstatements and omissions were made regarding the ownership of, and the uses of proceeds from the sale of Pharmaco stock. The complaint further alleged that investors were not informed about Pharmaco's history of substantial losses. (SEC v. Pharmaco, Inc., et al., N.D. Ill., Civil Action No. 78-C-1667). (LR-8433)

DONALD D. GARDNER FOUND GUILTY

The Fort Worth Regional Office announced that on June 2 the Federal District Court at Shreveport, Louisiana, found Donald D. Gardner, of Shreveport, guilty of securities fraud following his plea of guilty to one count of a four-count criminal indictment. The indictment returned by the grand jury on March 24 alleged that Gardner, from February, 1976, to September, 1976, offered and sold securities in five Louisiana oil and gas wells raising in excess of \$171,000. Sentencing was set for Friday, July 7. (U.S. v. Donald D. Gardner, W.D. La., Shreveport, Div., Criminal Action No. 78-50036-01). (LR-8434)

INVESTMENT COMPANY ACT RELEASES

FARM BUREAU MUTUAL FUND

An order has been issued declaring that the Farm Bureau Mutual Fund, Inc. has ceased to be an investment company. (Rel. IC-10278 - June 15)

BUILDERS RESOURCES CORPORATION

An order has been issued on amendments to an application of Builders Resources Corporation, a Delaware corporation, rescinding an earlier order which, pursuant to Section 6(c) of the Investment Company Act of 1940, conditionally exempted Applicant from all provisions of the Act. (Rel. IC-10279 - June 15)

SELF-REGULATORY ORGANIZATIONS

APPROVAL OF PROPOSED RULE CHANGE

The Commission has approved a proposed rule change filed by American Stock Exchange, Inc. The rule change (SR-Amex-77-36) amends certain Constitutional and rule provisions relating to recordkeeping and other matters to bring the rules into compliance with the Securities Exchange Act of 1934. (Rel. 34-14856)

NOTICE OF PROPOSED RULE CHANGE

The following stock exchanges have filed proposed rule changes pursuant to Rule 19b-4: The Philadelphia Stock Exchange, Inc. (SR-PHLX-78-11) stipulating attendance and trading requirements for registered options traders. (Rel. 34-14855) and The Municipal Securities Rulemaking Board (SR-MSRB-78-9) to amend its interdealer uniform practice rule to extend the time at which a confirming party in a "when, as and if issued" transaction must initiate the verification and comparison procedures prescribed by that rule. (Rel. 34-14858)

Publication of the above proposals are expected to be made in the Federal Register during the week of June 19.

MISCELLANEOUS

PARKER, MILLIKEN, CLARK & O'HARA

A notice has been issued giving interested persons until July 10 to request a hearing on an application of Parker, Milliken, Clark & O'Hara, pursuant to Section 3(a)(2) of the Securities Act of 1933, for an order exempting interests or participations in the Parker, Milliken, Clark & O'Hara Retirement Plan and Trust Agreement from the provisions of Section 5 of the Act. (Rel. 33-5937)

SECURITIES ACT REGISTRATIONS

The following registration statements have been filed with the SEC pursuant to the Securities Act of 1933. The information noted below has been taken from the cover page and the facing sheet of the prospectus and registration statement and will appear as follows: Form; Name, address and phone number (if available) of the issuer of the security; Title and the number or face amount of the securities being offered; Name of the managing underwriter (if applicable); Whether the offering is a rights offering; and File number and date filed.

- (S-6) WEEDEN TAX EXEMPT BOND TRUST, SERIES 10, 25 Broad St., New York, N.Y. 10004 - 15,000 units. Depositor: Weeden & Co. (File 2-61896 - June 16)
- (S-7) FIRST SECURITY CORPORATION, 79 South Main St., Salt Lake City, Utah 84111 (801) 350-5317 - 1,200,000 shares of common stock. Underwriters: The First Boston Corporation and Dean Witter Reynolds Inc. The company is a bank holding company. (File 2-61897 - June 16)
- (S-8) WOLOHAN LUMBER CO., 1740 Midland Rd., Saginaw, Mich, 48603 - 105,058 shares of common stock. (File 2-61898 - June 16)
- (S-11) AMERICAN PROPERTY INVESTORS IX, 660 Newport Center Dr., Suite 1420, Newport Beach, Fla. 92660 - 110,000 units of limited partnership interest. Underwriter: Kelly & Morey, Inc. (File 2-61899 - June 16)
- (S-7) THE DIAMOND STATE TELEPHONE COMPANY, One Parkway, Philadelphia, Pa. 19102 (215) 466-9900 - \$10 million of forty-year debentures, due June 15, 2018. The company is an associated company of Bell Telephone. (File 2-61900 - June 16)
- (S-7) THE PACIFIC TELEPHONE AND TELEGRAPH COMPANY, 140 New Montgomery St., San Francisco, Cal. 94105 (415) 421-9000 - \$300 million of forty-year debentures, due May 15, 2018. The company is an associated company of Bell System. (File 2-61901 - June 16)
- (S-14) RALSTON PURINA COMPANY, Checkerboard Sq., St. Louis, Mo. 63188 (314) 982-0111 - 192,857 shares of common stock. The company is a producer of dry dog and dry and soft-moist cat food, and of commercial feeds for livestock and poultry. (File 2-61902 - June 16)
- (S-16) MARTIN PROCESSING, INC., P.O. Box 5068, Martinsville, Va. 24112 (703) 629-1711 - 81,057 shares of common stock. (File 2-61903 - June 16)
- (S-8) COMMUNICATIONS SATELLITE CORPORATION, 950 L'Enfant Plaza, S.W., Washington, D.C. 20024 (202) 554-6185 - 15,705 shares of common stock. (File 2-61905 - June 16)
- (S-1) VEECO INSTRUMENTS INC., 515 Broad Hollow Rd., Melville, L.I., New York 11746 - 518,587 shares of common stock. Underwriter: Blyth Eastman Dillon & Co. Inc. The company designs, manufactures and markets a broad line of power supply products. (File 2-61906 - June 16)
- (S-16) COLUMBIA PICTURES INDUSTRIES, INC., 711 Fifth Ave., New York, N.Y. 10022 (212) 751-4400 - 484,300 shares of common stock. (File 2-61907 - June 16)
- (S-8) OGILVY & MATHER INTERNATIONAL INC., 2 East 48 St., New York, N.Y. 10017 (212) MU8-6100 - 42,000 shares of common stock. (File 2-61909 - June 16)
- (S-8) THE STANLEY WORKS, 195 Lake St., New Britain, Conn. 06050 - 100,000 shares of common stock. (File 2-61910 - June 19)

NOTICE

Many requests for copies of documents referred to in the SEC News Digest have erroneously been directed to the Government Printing Office. Copies of such documents and of registration statements may be ordered from the Public Reference Section, Securities and Exchange Commission, Washington, D.C. 20549. The reproduction cost is 10c per page plus postage (7 days) (\$3.50 minimum); 20c per page plus postage for expedited service (4 days) (\$5.00 minimum) and 30c per page plus postage for priority service overnight (\$5.00 minimum). Cost estimates are given or request. All other reference material is available in the SEC Docket.

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SEC STATISTICAL BULLETIN is published monthly. Subscription rates: \$15.00/yr in U.S. first class mail: \$18.75 elsewhere.

The News Digest, the Docket, and the Statistical Bulletin are for sale by the Superintendent of Documents, Government Printing Office, Washington, D.C. 20402.

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