

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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SUSPENSION OF FIBERCRAFT PRODUCTS MADE PERMANENT. The SEC today made permanent its 1965 order temporarily suspending a Regulation A exemption from Securities Act registration with respect to a proposed public offering of some \$50,000 of outstanding common stock of Fibercraft Products Corporation by two selling stockholders, Thomas C. Bennett, Jr., president and board chairman, and Jacqueline W. Bennett, secretary-treasurer.

The Commission found that shortly after the November 1964 filing of the proposed offering the firm, over Bennett's signature as president, sent a letter described as an "Interim Report" to its stockholders (which in fact was sales material within the meaning of the Securities Act), containing misleading statements as to its sales and net worth. It was not disclosed that such figures included the assets of a subsidiary being acquired or that the firm was obligated to issue an additional 125,000 shares of stock for the subsidiary. The firm and the Bennetts conceded that the Regulation A notification and offering proposal were deficient in various respects, including misrepresentations concerning the firm's contemplated offering of \$150,000 of 5% convertible debentures, the issuance of stock for said subsidiary, and the issuance of 14,800 shares of unregistered stock within the previous year in payment of the company's obligations. The Commission further held that Regulation A was not complied with in that the filing failed to disclose that Michael A. Light was an affiliate of the firm and, in actuality, was one of the persons in control of the firm. Moreover, according to the decision, Fibercraft stock was sold by Light in violation of the Securities Act registration requirement. This when added to the \$50,000 of stock to be sold by the Bennetts exceeded the \$50,000 limitation of SEC Rule 257, thereby precluding an offering of stock by the Bennetts without the use of an offering circular.

Fibercraft and the Bennetts had requested permission to withdraw the Regulation A offering proposal, urging various extenuating circumstances. The request was denied by the Commission.

SEC CITES CANADIAN FORECASTER. The SEC has ordered administrative proceedings under the Investment Advisers Act of 1940 involving Southern Brokerage & Holding Co., Inc., publisher of "The Canadian Forecaster," of 100 Adelaide Street, W., Toronto, Ontario, Canada. Also named as respondents are Alan McDonald Munro, president, and Peter Jeffery, an employee.

The proceedings are based upon staff charges that Southern Brokerage and the two individuals violated provisions of the Investment Company Act in connection with their recommendation in "The Canadian Forecaster" of unseasoned and speculative securities of Victoria Algoma Mineral Company, Ltd., Columbia River Mines, Ltd. and Far East Minerals, Ltd.

A hearing will be scheduled by further order to take evidence on the staff charges and afford the respondents an opportunity to offer any defenses thereto, all for the purpose of determining whether the alleged violations in fact occurred and, if so, whether any action of a remedial nature should be ordered by the Commission.

JOSEPH L. SMITH ENTERS "NOLO" PLEA. The SEC Denver Regional Office announced September 15 (LR-3583) that Joseph L. Smith, Clarkston, Wash., entered a plea of nolo contendere to an indictment which charged Smith and a co-defendant, R. Dean Baird, with violating and conspiracy to violate the Securities Act anti-fraud provisions in the sale of securities of International Sales Co-op, Ltd., Inc., SW Fros-T-Pup, Inc., and MW Fros-T-Dog, Inc. (USDC, Boise, Ida.).

COMPLAINT CITES DONALD McDANIEL, OTHERS. The SEC Seattle Regional Office announced September 16 (LR-3584) the filing of a complaint (USDC, WD Wash.) seeking to enjoin Donald Leslie McDaniel of Tulsa, Okla., individually and dba Aetna Oil; James C. Ricksecker of Portland, Ore., and Reno, Nev., individually and dba Western Gulf Oil; and Inter-Continent Oil Corp. from violating the Securities Act registration and anti-fraud provisions in the sale of interests in oil and gas leases located in Oklahoma.

UNLISTED TRADING GRANTED. The SEC has issued an order under the Securities Exchange Act (Release 34-7960) granting applications of (1) the Detroit Stock Exchange for unlisted trading privileges in the common stock of American Seating Company and (2) the Philadelphia-Baltimore-Washington Stock Exchange for such privileges in the common stocks of Itek Corp., Emerson Electric Co., United Whelan Corp., Massey-Ferguson, Ltd., Walter Kidde & Co., Inc., Consolidated Foods Corp., and Bucyrus-Erie Co.

PARKER-HANNIFIN PROPOSES OFFERING. Parker-Hannifin Corporation, 17325 Euclid Ave., Cleveland, Ohio 44112, filed a registration statement (File 2-25521) with the SEC on September 19 seeking registration of 125,000 shares of common stock. The stock is to be offered for public sale through underwriters headed by Kidder, Peabody & Co. Inc., 20 Exchange Pl., New York. The public offering price (\$40 per share maximum*) and underwriting terms are to be supplied by amendment.

The company produces components for hydraulic and pneumatic power systems, aerospace fuel systems, and other fluid systems. Net proceeds of its stock sale will be used to pay short-term loans incurred to meet current cash requirements. In addition to indebtedness, the company has outstanding 2,754,592 common shares, of which management officials own 11.8%. James A. Weeks (director), as executor of the Estate of Helen M. Parker, deceased, holds 273,761 common shares and has the right to receive 97,440 shares in 1967 and 67,200 shares in 1977 upon the termination of trusts of which he and The Cleveland Trust Co. are co-trustees; in

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addition, Weeks, as trustee of three trusts, holds 85,760 shares; and he owns an additional 9,840 common shares. It is also stated that The Cleveland Trust Co., in various fiduciary capacities, holds 509,740 common shares (including 164,640 shares as co-trustee with Weeks). S. B. Taylor is board chairman and R. W. Cornell is president of the company.

GIDDINGS & LEWIS MACHINE TOOL FILES FOR SECONDARY. Giddings & Lewis Machine Tool Company, 142 Doty St., Fond du Lac, Wisc. 54936, filed a registration statement (File 2-25522) with the SEC on September 19 seeking registration of 177,964 outstanding shares of common stock. According to the prospectus, the shares were issued pursuant to a plan and agreement of merger whereby Gisholt Corp., a Wisconsin corporation, was merged into the company on June 30. Wm. L. Saunders proposes to sell 130,262 shares; ^{except} for Saunders, the selling stockholders have no present intention to sell their holdings but may do so during the period in which this registration is in effect. The shares may be offered for public sale in the over-the-counter market at prices current at the time of sale (\$25 per share maximum*).

Giddings is engaged in the manufacture of heavy-duty metalcutting machine tools, cutting tools, electronic controls and gray iron castings. Gisholt manufactures and sells machine tools. In addition to indebtedness, Giddings has outstanding 1,264,191 common shares, of which management officials own 12.1%. Ralph J. Kraut is president.

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 (please give News Digest's "Issue No." in ordering). 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 8 News Digest.

Charter N Y Corp Aug 66 (7,13)	2-24907-2	American Tobacco Co Aug 66 (13)	1-92-2
Commonwealth Gas Corp Aug 66 (3)	0-728-2	Harsco Corp Aug 66 (7)	1-3970-2
The Deltona Corp Aug 66 (7)	1-4719-2	Mount Vernon Natl Life Insur Co	
Eastern Air Lines Inc		Aug 66 (12,13)	2-22273-2
Aug 66 (7,8)	1-3049-2	Alabama Great Southern RR Co	
Holiday Inns of Amer Inc		Aug 66 (7,13)	1-745-2
Aug 66 (3)	1-4804-2	Cin New Orleans & Tex Pac Ry Co	
R G LeTourneau Inc Aug 66 (4,7)	2-6205-2	Aug 66 (7,13)	1-746-2
Chesapeake & Ohio Ry Co		Deltown Foods Inc Aug 66 (3,13)	1-4891-2
Aug 66 (8)	1-1261-2	Husky Oil Canada Ltd	
Citadel Inds Inc Aug 66 (7,12)	0-331-2	Aug 66 (2,7,12,13)	1-4307-2
Jul 66 (11,13)	0-331-2	Hycon Mfg Co Aug 66 (13)	1-4375-2
Felmont Oil Corp Aug 66 (7,12,13)	1-5092-2	Livingston Oil Co Dec 65 (1)	1-4539-2
Levine's Inc Aug 66 (12)	1-4509-2	N J Power & Lgt Co Aug 66 (10)	1-3221-2
Mich Gas Utilities Co Aug 66 (12)	1-4919-2	The Rucker Co Aug 66 (12)	2-19797-2
Frank G Shattuck Co Aug 66 (13)	1-485-2	Simplicity Pattern Co Inc	
Spencer Packing Co Aug 66 (12)	0-2035-2	Aug 66 (12,13)	1-2873-2
Northeast Airlines Inc		Standard Milling Co Aug 66 (11)	2-6137-2
Aug 66 (7,13)	1-3200-2	Tel Service Co of Ohio Aug 66 (12)	0-575-2
Roanwell Corp Aug 66 (11)	2-18482-2	Trans Internatl Airlines Corp & Inc	
Cowles Communications Inc		Aug 66 (12)	0-2110-2
Aug 66 (12,13)	1-5221-2	Waste King Corp Aug 66 (11)	0-1568-2
Cumis Insur Society Inc Aug 66 (11)	2-22616-2	Alabama Power Co Aug 66 (3,11,13)	1-3164-2
Mississippi River Corp		Athlone Inds Inc	
Aug 66 (3)	1-3599-2	Aug 66 (2,4,7,9,10,12,13)	0-54-2
Natl Distillers & Chemical Corp		Bobbie Brooks Inc Aug 66 (11,12,13)	1-4168-2
Aug 66 (3,13)	1-963-2	Caldor Inc Aug 66 (7,8)	1-4824-2
Tracor Inc Aug 66 (7)	0-528-2	Compco Shoe Machinery Corp	
Bemis Co Inc Aug 66 (7)	1-5277-2	Aug 66 (12)	1-2076-2
Oil Recovery Corp Aug 66 (11)	2-15599-2	Connecticut Yankee Atomic Power Co	
Pauley Petroleum Inc Aug 66 (2,8,13)	0-52-2	Aug 66 (7)	2-22958-2
		Kay Windsor Inc Aug 66 (7,8)	0-1971-2
		Mississippi Power Co Aug 66 (7,13)	0-393-2

SECURITIES ACT REGISTRATIONS. Effective September 19: Idaho Power Co., 2-25479 (40 days); Public Service Company of New Hampshire, 2-25452.
Withdrawn September 19: Pioneer Aerodynamic Systems, Inc., 2-24915; Randolph Computer Corp., 2-25397.
Withdrawn September 20: Consolidated Laundries Corp., 2-25203.

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.