

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

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



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JERSEY CENTRAL P&L RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16271) authorizing Jersey Central Power & Light Company, Morristown, N. J., subsidiary of General Public Utilities Corporation, to increase the amount of exempt short-term borrowings from 5% to 10% of the principal amount and par value of other securities to be outstanding up to December 31, 1969. This would permit Jersey Central to have outstanding an aggregate of \$36,200,000 of short-term notes. Net proceeds of its borrowings will be used to finance its business as a public utility, including the temporary reimbursement of its treasury for 1968 construction expenditures and the repayment of other short-term borrowings; the balance will be used for Jersey Central's 1969 construction program or temporarily to reimburse its treasury for funds expended therefrom for such purposes.

CONTINENTAL GROWTH FUND RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-5583) declaring Continental Growth Fund, Inc., and Plans for Accumulation of Shares of Continental Growth Fund, Inc., have ceased to be investment companies and their registrations as such are no longer in effect.

AMERICAN UNITED LIFE FUND RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-5584) exempting American United Life Insurance Company and American United Life Pooled Equity Fund B of Indianapolis, Ind., from certain provisions of the Act. Fund B was established by the Insurance Company as the facility through which Insurance Company will set aside and invest assets attributable to variable annuity contracts initially qualifying for federal tax benefits under Section 401 or 403 of the Internal Revenue Code of 1954.

IOWA BUSINESS DEVELOPMENT CREDIT RECEIVES ORDER. The SEC has issued an exemption order under the Investment Company Act (Release IC-5585) exempting Iowa Business Development Credit Corporation, Des Moines, from all provisions of the Act. The company was formed to accomplish the public purposes of the Economic Development Act, and its primary function is to supply needed capital to Iowa businesses unable to obtain capital from conventional lending sources.

ELECTRONICS CAPITAL RECEIVES ORDER. The SEC has issued an exemption order under the Investment Company Act (Release IC-5587) with respect to a proposal of Electronics Capital Corporation ("ECC"), New York, to exchange its stock for stock of Capital Bancorporation ("Capital"). According to the application, Joseph E. Cole, board chairman of ECC, owns 145,500 shares (6.9%) of ECC's outstanding common stock; he also is board chairman of Capital and owns 110,660 shares (29.6%) of its outstanding common shares. Seth C. Taft, a director of ECC, owns 342 shares of Capital common and is a director of a subsidiary of that company. ECC has made a general offer to all shareholders of Capital to exchange its shares for outstanding shares of Capital common, at a ratio of 1.3 shares of ECC common for each share of Capital common. The exchange offer is contingent upon its acceptance by holders of at least 80% of the outstanding shares of Capital common. By reason of their relationship to ECC, Cole and Taft may not accept the exchange offer absent the issuance of the requested exemption order.

PENNZOIL SEEKS EXTENSION. Pennzoil United, Inc., successor by consolidation to Pennzoil Company and United Gas Corporation, has applied to the SEC for an additional year to comply with a provision of the Commission's order of February 7, 1968, requiring the disposition of all gas utility properties owned by United Gas; and the Commission has issued an order (Release 35-16273) giving interested persons until February 6 to request a hearing thereon. The application relates various steps taken by Pennzoil United to comply with such requirement, but states that it will be unable in the exercise of due diligence to comply with the order within the one year period initially provided.

UNLISTED TRADING SOUGHT. The SEC has issued orders under the Securities Exchange Act giving interested persons until February 6, 1969, to request a hearing upon applications of the Detroit Stock Exchange for unlisted trading privileges in the common stock of Liggett & Myers, Inc., of the Philadelphia-Baltimore-Washington Stock Exchange for such privileges in the common stock of Indian Head, Inc., and of the Pittsburgh Stock Exchange for such privileges in the common stock of Santa Fe Industries, Inc.

In addition, the Commission has issued an order granting a request of the Boston Stock Exchange for withdrawal of its application for unlisted trading privileges in the common stock of Crucible Steel Corporation. (Release 34-8495)

SEC COMPLAINT NAMES STATEWIDE OIL. The SEC Chicago Regional Office announced January 16 (LR-4213) the filing of a complaint in the U. S. District Court in Detroit seeking to enjoin violations of the Securities Act registration provisions by the following in the offer and sale of interests in oil and gas leaseholds: Duane F. Smith, of Mason, Mich.; Billy W. Chrisman, of Weston, W. Va.; Don Boone, of Lansing, Mich.; and Paul M. Baker, of Westland, Mich., individually and d/b/a Statewide Oil and Gas Company.

OVER

SEC COMPLAINT V. GRIFFIN DISMISSED. The SEC Atlanta Regional Office announced January 20 (LR-4214) that the U. S. District Court in Jackson, Miss., denied the Commission's motion for a preliminary injunction and dismissed the Commission's complaint against Ray N. Griffin which charged violations of the Securities Act registration provisions in the sale of certain oil interests. Previously, a co-defendant consented to a permanent injunction.

RIVIERE & BERENS SECURITIES ENJOINED. The SEC Washington Regional Office announced January 22 (LR-4215) that the U. S. District Court (D.C.) on January 21 issued an order permanently enjoining Riviere & Berens Securities Corporation, Inc., and J. D. Riviere & Co., Inc. (both of D.C.), from violations of the Securities Act registration provisions in the sale of interests in real estate syndications and in notes secured by real estate. The court order also enjoined the said Riviere & Co. from violations of the broker-dealer registration provisions of the Securities Exchange Act. The defendants consented to the injunction, but without admitting the violations alleged.

DIGITAL INFORMATION DEVICES TO SELL STOCK. Digital Information Devices, Inc., 306 West Logan St., Norristown, Pa. 19401, filed a registration statement (File 2-31387) with the SEC on January 16 seeking registration of 300,000 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 (\$15 per share maximum*) and underwriting terms are to be supplied by amendment. The company will grant to the Dempsey-Tegeler firm a five-year non-transferable warrant to purchase 30,000 common shares.

Organized under Delaware law in July 1968, the company has developed an engineering model of a data input preparation device for use in the transcription of raw data directly onto computer compatible magnetic tape (the "Data Transcriber") and has entered into pilot production of the Data Transcriber. Part of the net proceeds of its stock sale will be used for general operational purposes, including financing \$300,000 of start-up costs, \$470,000 for tooling and other capital items, \$1,650,000 for inventory, \$620,000 for continued development and research expenses, and \$685,000 for establishment of a marketing and field service organization; the balance will be added to working capital and used for general corporate purposes. In addition to indebtedness, the company has outstanding 1,997,500 common shares, of which Data Packaging Corporation owns 52% and management officials as a group 15.4%. Otto Morningstar is board chairman and chief executive officer and Leon J. Staciokas president.

COMPU-SORT SYSTEMS INC. PROPOSES OFFERING. Compu-Sort Systems Inc., 299 Broadway, Suite 605, New York 10007, filed a registration statement (File 2-31388) with the SEC on January 16 seeking registration of 270,000 shares of capital stock, to be offered for public sale at \$2 per share. The offering is to be made by Kureen & Cooper, Inc., 26 Broadway, New York 10004, which will receive a 24¢ per share commission. Subject to completion of this offering, the company has agreed to pay the underwriter \$27,000 for expenses and to sell to it, for \$270, six-year warrants to purchase 27,000 capital shares, exercisable (after one year) at prices ranging from \$2.40 to \$3 per share. In addition, the company has agreed to issue to Joseph & Ruggero, special counsel, and to Scope Incorporated, at no cost, warrants to purchase 12,000 and 40,000 common shares, respectively.

The company was organized under Delaware law in May 1968 to engage in the business of servicing the "returns" of the paperback book publishing industry and furnishing it with prompt information and analysis relating to the marketing of its paperback books. Vincent N. Vulcano, president, founder and principal stockholder, designed and built a prototype of the company's paperback book sorting system which he transferred to the company after its formation. The company entered into a contract with Scope Incorporated for the construction of two paperback book sorting systems. Of the net proceeds of its stock sale, \$300,000 will be applied to payment of the two book sorting systems on order, \$54,000 to establish two paperback book processing centers, and \$69,200 for working capital and general corporate purposes. The company has outstanding 629,000 common shares (with a 1¢ per share book value), of which Vulcano owns 63.5% and management officials as a group 95.3%. Upon completion of this offering, the purchasers of the shares being registered will own 30% of the then outstanding capital stock, for which they will have paid \$540,000*, and the original organizers and founders of the company will own 70%, in consideration for which the company received \$6,290 cash (or 1¢ per share), services and a prototype of the paperback book sorter.

SHOWBOAT FILES FOR OFFERING AND SECONDARY. Showboat, Inc., 2800 Fremont St., Las Vegas, Nev. 89104, filed a registration statement (File 2-31389) with the SEC on January 17 seeking registration of 250,000 shares of common stock, of which 125,000 are to be offered for public sale by the company and 125,000 (being outstanding shares) by the present holders thereof. The offering is to be made at \$8 per share through underwriters headed by Roman Securities, Inc., 2701 E. Sunrise Blvd., Ft. Lauderdale, Fla. 33304, and Love, Douglas & Roberts, Inc., 80 Broad St., New York 10004, which will receive an 80¢ per share commission plus up to \$5,000 for expenses. Upon completion of this financing, the company has agreed to deliver to the two named firms, at 1¢ per warrant, five-year warrants to purchase 20,000 common shares, exercisable after 11 months at prices ranging from \$8 to \$9.60 per share. The two firms have agreed to pay \$4,000 to William W. Mayfield as a finder's fee.

The company is engaged in the operation of a hotel and casino and related facilities in Las Vegas. Of the net proceeds of its sale of additional stock, \$475,000 will be used for the complete re-design and construction of the entrance to the Showboat Hotel, \$37,000 for resurfacing the Showboat Hotel parking area, \$100,000 to acquire additional furniture and fixtures for the hotel facility and additional gaming devices, \$125,000 to reduce the company's 6½% mortgage indebtedness, and \$102,000 to retire mortgage indebtedness on the Lamplighter Motel; the balance will be added to the company's general funds and will be available to provide additional working capital and for other corporate purposes. In addition to indebtedness, the company has outstanding 875,000 common shares, of which J. K. Houssels, Sr., board chairman, owns 31.5% and management officials as a group 100%. Houssels, Sr. proposes to sell 39,375 shares of 275,625 shares held, Houssels, Jr. 22,500 of 157,500 and eight others the remaining shares being registered.

ROSENFELD INDUSTRIES PROPOSES OFFERING. Henry Rosenfeld Industries, Inc., 670 West 20th St., Hialeah, Fla., filed a registration statement (File 2-31390) with the SEC on January 17 seeking registration of 100,000 shares of common stock, to be offered for public sale at \$5.75 per share. The offering is to be made by Greenman & Co., 32 Broadway, New York 10004, which will receive a \$.5175 per share commission plus \$15,750 for expenses. The company has agreed to sell to the underwriter, at 1¢ each, five-year warrants to purchase 10,000 common shares, exercisable after one year at \$6 per share.

Organized under Florida law in late 1968, the company manufactures junior dresses and ladies sportswear in the moderate price range. Net proceeds of its stock sale will be added to the company's working capital, to be used primarily for publicity, sales promotion, production and general operations. The company has outstanding 750,000 common shares (with a \$.685 per share book value), of which Henry Rosenfeld, board chairman, owns 50%, Marvin Singer, president, 16-2/3% and management officials as a group 83-1/3%. Upon completion of this offering, the purchasers of the shares being registered will own 11.76% of the then outstanding stock, for which they will have paid \$575,000, or \$5.75 per share, and executive officers and directors will own 88.24%, for which they paid the company \$100,000, or \$.13-1/3 per share.

WHITTAKER FILES FOR SECONDARY. Whittaker Corporation, 9229 Sunset Blvd., Los Angeles, Calif. 90069, filed a registration statement (File 2-31391) with the SEC on January 17 seeking registration of 156,701 outstanding shares of common stock. These shares may be offered for sale from time to time, by the holders thereof, at prices current at the time of sale (\$70.25 per share maximum*).

The company is engaged in the development, production and distribution of "high-performance" materials and in the design, fabrication and distribution of aircraft, aerospace, marine, industrial and commercial products. In addition to indebtedness and preferred stock, it has outstanding 14,070,513 common shares, of which management officials own 16.3%. Wm. R. Whittaker is board chairman and William M. Duke, president. The prospectus lists 68 selling shareholders. The largest block (30,900 shares) is to be sold by Eugene Gatti, who owns 130,293 shares. Arma Corporation proposes to sell 24,856 of 99,242 shares held, and M. E. Shiflett, 21,953 of 87,820.

SCL INDUSTRIES PROPOSES EXCHANGE OFFER. SCL Industries, Inc. ("Industries"), 3600 West Broad St., Richmond, Va. 23230, filed a registration statement (File 2-31405) with the SEC on January 21 seeking registration of 8,717,516 shares of common stock. It is proposed to offer these shares in exchange for all of the outstanding shares of common stock of Seaboard Coast Line Railroad Company ("Railroad"), on a share-for-share basis. The exchange offer is conditioned upon acceptance by holders of at least 80% of Railroad's outstanding shares. The Atlantic Coast Line Company, a non-railroad corporation, which controls Railroad through ownership of about 15.25% of its outstanding stock, has indicated its intention to tender its shares. Subject to approval of the Interstate Commerce Commission and pursuant to a plan of merger dated October 1967, Railroad proposes to issue and exchange 336,495 shares of its common stock for the outstanding capital stock of Piedmont and Northern Railway Company ("P&N"), at the rate of 1.5 common shares for each P&M common share. Directors and stockholders of both Railroad and P&M have approved the proposed merger. In this connection and upon final approval of the proposed exchange of Railroad and P&N stock, Industries proposes to offer holders of the additional 336,495 Railroad common shares a like number of Industries shares in exchange therefor.

Industries was organized under Virginia law in August 1968 and is an inactive, wholly-owned subsidiary of Railroad. If the exchange offer is consummated, Industries will become a holding company and the parent of Railroad, will have power to issue securities and incur debt for non-railroad purposes and to engage in a program of increased diversification into non-railroad business activities. Railroad is in the principal business of furnishing transportation services. In addition to indebtedness, Railroad has outstanding 16,136 common shares. John W. Smith is board chairman and W. Thomas Rice president of Railroad and Industries.

MELEDANDRI ENTERPRISES TO SELL STOCK. Meledandri Enterprises Incorporated, 38 East 57th St., New York, filed a registration statement (File 2-31392) with the SEC on January 17 seeking registration of 100,000 shares of common stock, to be offered for public sale through underwriters headed by Bertner Bros., 80 Wall St., and North American Planning Corp., 230 Park Ave., both of New York. The offering price (\$4 per share maximum*) and underwriting terms are to be supplied by amendment. The company has sold 10,000 shares for an aggregate consideration of \$2,500 to Sidney Bertner, sole proprietor of Bertner Bros., George Robinson & Co. and North American Planning Corp.

The company was organized in March 1968 under the name Designs By Roland, Ltd., for the purpose of engaging in the design, production and sale of high fashion and contemporary men's wear. Of the net proceeds of its stock sale, \$150,000 will be applied to the manufacture of men's shirts and ties and \$50,000 for the purchase of men's pants; the balance will be added to working capital and used for the payment of salaries, rental of office space, advertising and general corporate purposes. The company now has outstanding 310,000 shares of common stock, of which Roland Meledandri, president and board chairman, owns 96.7%. Purchasers of the stock being registered will acquire a 24% stock interest in the company for an investment of \$400,000*; Meledandri will own 300,000 shares for which he paid \$24,000, and others will own 10,000 shares for which they paid \$2,500.

FIDUCIARY EQUITY SHARES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-5589) granting an application of Fiduciary Equity Shares, Inc., and Fiduciary Income Shares, Inc., of Columbus, Ohio, for exemption from the \$100,000 minimum net worth and certain other provisions of the said Act. Each intends to offer its shares to banks and trust companies in Ohio.

TEXAS URANIUM SUSPENSION CONTINUED. The SEC has ordered the suspension of over-the-counter trading in the common stock of Texas Uranium Corporation, for the further ten-day period January 24 to February 2, 1969, inclusive.

TWO DELISTINGS APPROVED. The SEC has issued orders under the Securities Exchange Act granting applications of the New York Stock Exchange to strike from listing and registration the common stocks of The Ryan Aeronautical Company and The Seeburg Corporation effective at the opening of business January 24. Ryan has only 112,598 shares publicly held exclusive of tenders for approximately 2,338,800 shares received by Teledyne Inc., as of December 3, 1968, and 119,500 shares purchased by Teledyne, Inc., in the open market. Seeburg has approximately 271,648 shares publicly held exclusive of shares tendered to Commonwealth United Corporation. (Release 34-8495)

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 "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 January 2 News Digest.

Educator & Executive Co (13)	0-1161-2	Atlantic Richfield Co Dec 68(2,3, 4,7,11,13)	1-1196-2
Golden United Invst. Co(7)	2-29642-2	Chemway Corp Dec 68(4,7,13)	1-261-2
Monongahela Power Co (11,13)	1-5164-2	Fluor Corp Ltd Dec 68(2,4,7,12,13)	1-4084-2
The Dayton Power & Light Co(12)	1-2385-2	Richardson-Merrell Inc Dec 68(3)	1-1029-2
Fair Lanes, Inc(2,13)	0-1858-2	Rockwell Mfg Co Dec 68(7)	1-5726-2
Giddings & Lewis Inc(7,8)	1-5372-2	Sentry Mfg Co Nov 68(9,11,13)	2-26331-2
Investors Unlimited, Inc (3,12)	0-2202-2	Tidelands Capital Corp Dec 68(2, 7,12,13)	0-1487-2
Echlin Mfg. Co(11)	1-4651-2	Walttek Inc Dec 68(9)	0-2401-2
Elizabeth Gas Co(3,12,13)	0-683-2	Boeing Co Dec 68(7,10)	1-442-2
Hyatt Corp(7,13)	0-3149-2	Clark Equipment Co Dec 68(13)	1-5646-2
Lynch Corp(12,13)	1-106-2	Guidance Technology Inc Nov 68(3,4, 7,8)	0-1768-2
Virginia Commonwealth Bankshares Inc Dec 68(7)	0-591-2	Hartford Fire Insur Co Dec 68(12, 13)	2-26153-2
American Medicorp Inc Dec 68(2,7,13)	2-28313-2	Liggett & Myers Inc Dec 68(11, 13)	1-5759-2
Amtel Inc Dec 68(12)	1-5826-2	Milgo Electronic Corp Oct 68(12)	1-5045-2
Arnav Industries Inc Dec 68(7,9, 12,13)	0-3158-2	Pittston Co Dec 68(7,13)	1-304-2
Bro-Dart Industries Dec 68(7,11,13)	1-5852-2	Randolph Computer Corp Employees Plan Dec 68(11,13)	2-29129-2
Colgate Palmolive Co Dec 68(8)	1-644-2	J P Stevens & Co Inc Dec 68(13)	1-3434-2
Holly Corp Dec 68(11,13)	1-3876-2	Unitec Industries Inc Dec 68(2,4,7, 11,13)	0-3302-2
Jefferson Lake Petrochemicals of Canada Ltd Dec 68(12)	1-4588-2	White Eagle International Inc Dec 68(7)	1-3977-2
Laguna Niguel Corp Dec 68(11)	1-4871-2	Whittaker Corp Dec 68(7,13)	1-5407-2
Ramcor Inc Dec 68(4,7,10,11,13)	0-3118-2	Univis Inc Dec 68(2,13)	0-1197-2
Robert Reis & Co Dec 68(6)	0-2175-2	Acme Precision Products Inc Dec 68(8)	1-3327-2
Reynolds Metals Co Dec 68(7,12)	1-1430-2	Big Three Industrial Gas & Equipment Co Dec 68(2,8,13)	1-5357-2
T F H Publications Inc Dec 68(11)	0-2245-2	Gelman Instrument Co Dec 68(2,13)	0-2297-2
		General Research Corp Dec 68 (2,13)	0-3226-2

SECURITIES ACT REGISTRATIONS. Effective January 17: U. S. Plywood-Champion Papers Inc., 2-31167 (40 days).

Effective January 22: Agway Inc., 2-30790; Consolidated Refining Co., Inc., 2-31003 (90 days); Cyclops Corp., 2-31115 (Mar 5); Cyprus Mines Corp., 2-30748; Osias Organization, Inc., 2-30509 (Apr 22); H. G. Parks, Inc., 2-31038 (90 days); SSI Computer Corp., 2-30067 (Mar 3); United Refining Co., 2-30807 (Apr 21); Washington Real Estate Investment Trust, 2-30786 (Mar 3).

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.