

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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VT. YANKEE NUCLEAR POWER STOCK OFFERING CLEARED. The SEC has issued an order under the Holding Company Act (Release 35-16287) authorizing Vermont Yankee Nuclear Power Corporation (Rutland) to issue and sell an additional 200,000 shares of common stock to its sponsor companies at \$100 per share, or for an aggregate consideration of \$20 million. The additional shares will be issued and sold from time to time prior to July 1971; and the proceeds thereof will be used for the purpose of financing the issuer's business as an electric utility. The stock will be purchased by the sponsor companies (including New England Power Company) in proportion to their present holdings, which will purchase the net energy output of the nuclear electric generating plant now under construction by the issuer. The requests for hearing thereon filed by the Municipal Electric Association of Massachusetts and the cities and municipal utility departments of Shrewsbury and Wakefield, Mass., and the Chicopee, Mass., Municipal Lighting Plant were denied.

THREE SENTENCED, SUSPENDED. The SEC Chicago Regional Office announced January 29 (LR-4230) that G. N. Van Horn of Pompano Beach, Fla., and Bert Chestnut of Indianapolis had received five-year sentences on their pleas of "nolo" to securities violations in the sale of stock of Air & Space Underwriters, Inc., of Muncie, Ind.; the sentences were suspended and defendants were placed on probation for five years on condition that they not engage in the securities business during the period of the probation. On motion of the Government, Commercial Capital Corporation was dismissed as a defendant. Previously, Herman J. Kennelly had received a four-year prison sentence on his "nolo" plea; the court modified this sentence and placed Kennelly on probation for four years on condition that he not engage in the securities business during that time.

FOUR TRADING SUSPENSIONS CONTINUED. The SEC has suspended exchange and/or over-the-counter trading in the securities of BSF Company, Capitol Holding Corporation, Mountain States Development Company and Telstar, Inc., for the further ten day period February 14-23, 1969, inclusive.

UNLISTED TRADING REPORTED. The SEC has issued an order under the Securities Exchange Act (Release 34-8516) granting applications of the Philadelphia-Baltimore-Washington Stock Exchange for unlisted trading privileges in the common stocks of the following companies: Continental Corporation, Hemisphere Fund, Inc., National General Corporation (New Warrants - Expiring 1978), Scudder Duo-Vest, Inc., Sybron Corporation and Victoreen, Inc.

VENCAP PROPOSES OFFERING. Vencap, Inc., 10 Post Office Square, Boston, Mass. 02109, filed a registration statement (File 2-31688) with the SEC on February 10 seeking registration of 500,000 shares of common stock, to be offered for public sale at net asset value (\$10 per share maximum*) with no sales charge. The Fund was organized under Massachusetts law in November 1968 as a diversified, open-end, management investment company. Franklin Management Corporation ("FMC") is investment adviser and manager of the Fund. Seaboard Corporation (beneficially owned by Henry E. Kingman, board chairman of FMC) and Donald Falvey, Jr. (president of FMC) are principal stockholders of FMC. Jackson O. Welsh is president of the Fund and a vice president of FMC.

BRANIFF AIRWAYS FILES FOR SECONDARY. Braniff Airways, Inc., Braniff Airways Bldg., Dallas, Tex. 75235, filed a registration statement (File 2-31689) with the SEC on February 10 seeking registration of 2,000,000 outstanding shares of Special Stock, Class A (convertible into common shares prior to December 31, 1969, at the rate of 0.95 of a share of common for each share of Class A, and thereafter on a share for share basis). The holder thereof, Ling-Temco-Vought, Inc., of Dallas, proposes to offer the shares for public sale through underwriters headed by Lehman Brothers, 1 William St., New York, and Goldman Sachs & Co., 55 Broad St., New York; the offering price (\$21½ per share maximum*) and underwriting terms are to be supplied by amendment. In addition to indebtedness, Braniff has outstanding 14,856,738 shares of the Class A stock and 3,121,510 common shares. LTV owns 11,957,889 shares of the Class A stock, or about 80.5% of the outstanding Class A shares and 66.5% of the total voting power of the company.

IPC MANAGEMENT PROPOSES OFFERING. IPC Management Corporation, 60 East 42nd St., New York 10017, sponsor of the IPC Management Corporation Plans for the Accumulation of Shares of Fund of America, Inc., filed a registration statement (File 2-31690) with the SEC on February 10 seeking registration of \$125,000,000 of systematic investment plans and \$6,000,000 of single payment investment plans. The sponsor is a subsidiary of Equity Funding Corporation of America and investment adviser to the Fund.

EXCHANGE ACT RULES PAMPHLET AVAILABLE. A reprint of the General Rules and Regulations of the Commission under the Securities Exchange Act of 1934, as in effect October 16, 1968, may be purchased from the Superintendent of Documents, Government Printing Office, Washington, D. C. 20402, at \$1.25 per copy.

OVER

CONNECTICUT GENERAL PROPOSES OFFERING. Connecticut General Life Insurance Company, 900 Cottage Grove Road, Bloomfield, Conn. 06002, filed a registration statement (File 2-31674) with the SEC on February 7 seeking registration of \$15,000,000 of individual variable annuity contracts under CG Variable Annuity Account I. These contracts are designed for use in connection with pension and profit-sharing plans or annuity plans qualified under Section 401 or 403(a) of the Internal Revenue Code of 1954, as amended, including plans established by persons entitled to the benefits of the Self-Employed Individuals Tax Retirement Act of 1962, as amended, commonly called "HR 10 Plans," and annuity purchase plans adopted by public school systems and certain tax exempt organizations pursuant to Section 403(b) of the Code. Connecticut General (a stock life insurance company and wholly-owned subsidiary of Connecticut General Insurance Corporation) established Account I as a separate account on March 12, 1968. The contracts are to be sold primarily by insurance agents or brokers for Connecticut General who, for the most part, are registered representatives of CG Equity Sales Company, a wholly-owned subsidiary of CG Investment Management Company, wholly-owned by Connecticut General Insurance Corporation, and may be sold through other registered broker-dealers. Henry R. Roberts is president of Connecticut General and of its parent.

GOMAR INDUSTRIES TO SELL STOCK. Gomar Industries, Inc., 200 Broadhollow Road, East Farmingdale, N. Y. 11735, filed a registration statement (File 2-31675) with the SEC on February 7 seeking registration of 300,000 shares of common stock, to be offered for public sale at \$3 per share. The offering is to be made through Charles Plohn & Co., 200 Park Avenue, New York 10017, which will receive a 35¢ per share commission plus \$15,500 for expenses. On December 5, the company sold the underwriter, for \$300, 30,000 common shares, non-transferable for two years.

Organized under New York law in November 1968, the company plans to manufacture and sell clear rigid plastic containers for use by the food, drug, cosmetic and household chemical industries. It is in its initial stage of development and to date has not manufactured or sold any of its products. Of the net proceeds of its stock sale, \$500,000 will be used to purchase machinery and equipment and \$100,000 for additional plant facilities; the balance will be added to working capital and used for general corporate purposes. The company has outstanding 495,500 common shares (with a 23¢ per share book value), of which George Gould, chairman, and Paul Marcus, president, own 26.44% each and management officials as a group 93.54%. Upon completion of this offering, the present shareholders will own 62% of the then outstanding common stock, for which they paid \$115,800, and the purchasers of the shares being registered will own 38%, for which they will have paid \$900,000.

TELESCIENCES TO SELL STOCK. Telescience, Inc., 351 New Albany Road, Moorestown, N. J., filed a registration statement (File 2-31676) with the SEC on February 7 seeking registration of 150,000 shares of common stock, to be offered for public sale through underwriters headed by Stanley Heller & Co., 44 Wall St., New York, N. Y. The offering price (\$5.50 per share maximum*) and underwriting terms are to be supplied by amendment. The company has agreed to pay the Heller firm \$17,500 for expenses and Ernest Ettinger \$22,000 in consideration for his services as a finder; it has also agreed to sell to the Heller firm, for \$150, three-year warrants to purchase 15,000 common shares, exercisable after one year.

Organized under New Jersey law in May 1966 under the name "Teleproducts, Inc.," the company is engaged in the development, design, manufacture and sale of a line of systems analysis equipment, which employs digital techniques to analyze and solve maintenance problems of switched networks, particularly as employed by the telegraph and telephone industries. Of the net proceeds of its stock sale, the company will use \$185,000 to purchase production equipment and the balance for working capital. The company has outstanding 850,000 common shares (with a \$1.17 per share book value), of which Fred Cohen, president, Michael A. Petrozzo, secretary, and Dony Crowder each owns 15.78%.

SCIENTIFIC COMPONENTS PROPOSES OFFERING. Scientific Components, Incorporated, 350 Hurst St., Linden, N. J. 07036, filed a registration statement (File 2-31681) with the SEC on February 7 seeking registration of 300,000 shares of common stock, to be offered for public sale at \$5 per share. The offering is to be made through Charles Plohn & Co., 200 Park Ave., N. Y., which will receive a 56¢ per share commission plus \$18,000 for expenses. The company has agreed to sell the Plohn firm 30,000 common shares for \$3,000, non-transferable for two years.

The company was organized under Delaware law in June 1968 to develop, design, manufacture and sell semiconductor components and assemblies. It is in an early stage of development and has not yet commenced any substantial operations. Of the net proceeds of its stock sale, \$375,000 will be used to acquire additional production facilities intended to automate the manufacture of products to be marketed by the company, \$425,000 for research and development costs incident to new products now being developed and \$80,000 for retention and training of sales representatives, sales promotion and advertising expenses; the balance will be used as working capital. The company has outstanding 630,000 common shares (with a 38¢ per share book value--assuming cancellation of the \$240,000 of convertible debentures and interest thereon upon completion of this offering), of which Edmond H. Borneman, president, owns 10% and management officials as a group 20%. Upon completion of the offering, the purchasers of the shares being registered will have contributed \$1,500,000 for 31% of the then outstanding common stock, the present stockholders will have contributed \$300,000 for 66% of the then outstanding shares, and the underwriter will have contributed \$3,000 for 3% of the then outstanding shares.

NASHUA CORP. FILES FOR SECONDARY. Nashua Corporation, 44 Franklin St., Nashua, N. H. 03060, filed a registration statement (File 2-31682) with the SEC on February 7 seeking registration of 340,000 outstanding shares of common stock, to be offered for public sale through underwriters headed by Kidder, Peabody & Co. Incorporated, 20 Exchange Place, and Merrill Lynch, Pierce, Fenner & Smith Incorporated, 70 Pine St., both of New York 10005. The offering price (\$45 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is engaged in the production of office copy paper and related products, toners, office copy machines and recording charts and coated label papers and printed labels, printed packaging materials, newspaper color advertising inserts, sealing tapes and other paper specialties. In addition to indebtedness, it has outstanding 3,975,536 common shares, of which descendants of the late James Richard Carter (of whom three are company officials) and their spouses own 41%. James R. Carter is board chairman and William E. Conway president. Duane H. Hillmer proposes to sell 102,044 shares (of 202,044 shares held) and ten others 46,728 shares (together representing shares acquired by the holders in connection with the company's acquisition of Paramount Paper Products Co. in 1965); eleven others propose to sell the remaining shares being registered.

FEDDERS FILES FOR OFFERING AND SECONDARY. Fedders Corporation, Woodbridge Ave., Edison, N. J., filed a registration statement (File 2-31683) with the SEC on February 7 seeking registration of 510,000 shares of common stock, of which 300,000 are to be offered for public sale by the company and 210,000 (being outstanding shares) by Borg-Warner Corporation (selling stockholder). The offering is to be made through underwriters headed by Allen & Co., 30 Broad St., New York 10004; the offering price (\$60 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is principally engaged in the manufacture and sale of air conditioners, gas and electric furnaces for use in conjunction with its central-type air conditioners, automotive radiators and automotive heater cores, refrigerators, automatic clothes washing and drying machines, gas and electric ranges and coin-operated clothes washing, drying and dry cleaning equipment and the sale of hot water heaters and dish-waters. Of the net proceeds of its sale of additional stock, approximately one-half will be applied to the reduction of outstanding short-term bank borrowings and the balance will be added to working capital for general corporate purposes. Under terms of its loan agreement with Metropolitan Life Insurance Company and The Prudential Insurance Company of America of December 1968, the company is obligated to sell to unaffiliated persons prior to July 1 such number of newly issued common shares as shall result in net cash proceeds to the company of at least \$11,000,000. In addition to indebtedness, it has outstanding 4,493,296 common shares, of which management officials as a group own 2.75%. The 210,000 outstanding shares being registered were acquired by Borg-Warner in connection with Fedders' purchase, pursuant to a July 1968 agreement, of all the assets and properties of Borg-Warner's Norge Division. Salvatore Giordana is board chairman and president.

HOUSTON OIL & MINERALS PROPOSES FINANCING. Houston Oil & Minerals Corporation, 242 The Main Bldg., Houston, Tex. 77002, filed a registration statement (File 2-31684) with the SEC on February 10 seeking registration of \$2,000,000 of convertible subordinated debentures, due 1984, and 140,000 shares of common stock. These securities are to be offered for public sale through underwriters headed by Eppler, Guerin & Turner, Inc., 3900 1st National Bank Bldg., Dallas, Tex; the interest rate on the debentures, offering prices (\$10 per share maximum*) and underwriting terms are to be supplied by amendment. The company has sold the Eppler firm, for \$100, five-year warrants to purchase 10,000 common shares.

The company is primarily engaged in the exploration for and the production of crude oil and natural gas and operations incidental thereto, including the purchasing, holding and selling of oil, gas and sulphur leasehold, royalty and mineral interests. It also recently initiated an exploration program for uranium and through a subsidiary engages in the drying and storing of rice and in selling fertilizer, herbicides and seed rice. Of the net proceeds of its financing, \$1,545,000 will be used to retire outstanding indebtedness to banks and others, \$62,500 to purchase all of the oil and gas properties of Sunflower Royalties Company and \$400,000 to develop oil and gas properties now owned; the balance will be added to the company's general funds and used for general corporate purposes. In addition to indebtedness and preferred stock, the company has outstanding 382,750 common shares, of which J. C. Walter, Jr., president, owns 9.96%, and management officials as a group 27.89%.

TRANS-PACIFIC LEASING TO SELL STOCK. Trans-Pacific Leasing, Inc., Boise Cascade Bldg., 1600 S. W. 4th Ave., Portland, Ore. 97201, filed a registration statement (File 2-31685) with the SEC on February 10 seeking registration of 175,000 shares of common stock, to be offered for public sale through underwriters headed by Herron Northwest, Inc., IBM Bldg., Seattle, Wash. 98101. The offering price (\$15 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is engaged primarily in the long-term vehicle and equipment leasing business; also, through a subsidiary, in the motor truck and parts sales and service business in southwestern Oregon. Net proceeds of its stock sale will be added to the company's working capital; a portion thereof may be used for future acquisitions. In addition to indebtedness, the company has outstanding 138,160 common shares (with a \$7.81 per share book value), of which management officials as a group own 23.2%. Richard S. Zahniser is president.

NUCLEAR EXPLORATION AND DEVELOPMENT FILES FOR OFFERING AND SECONDARY. Nuclear Exploration and Development Co., Nicholas Bldg., 268 Main St., Lander, Wyo. 82520, filed a registration statement (File 2-31686) with the SEC on February 10 seeking registration of 354,600 shares of common stock, to be offered for public sale at \$6 per share. The offering is to be made through underwriters headed by Boettcher and Co., 828 17th St., Denver, Colo. 80202, which will receive a 60¢ per share commission.

Organized under Wyoming law in July 1967 under the name, "Buffalo Uranium Co.," the company contemplates exploration for uranium in the Powder River Basin, Shirley Basin, and Gas Hills Area of Wyoming and for gold and other minerals in the South Pass Area of Wyoming. Of the net proceeds of its sale of additional stock, \$619,000 will be used for the initial exploration of the Powder River Basin, Shirley Basin and Gas Hills Area and for geological surveys of the South Pass Area, \$117,000 for rentals on fee mining and oil and gas leases for 1969 and 1970, \$80,000 to retire an obligation to Richard L. Peterson, vice president, \$120,000 for administrative costs through 1970, and \$65,000 to retire bank borrowings; the balance will be added to the company's general funds and would be available for exploration upon properties beyond the initial exploratory work contemplated. The company has outstanding 470,396 common shares (with an 80¢ per share book value), of which Richard L. Peterson owns 12.3%, John C. Dilts, a director, 11.9% and management officials as a group 55.1%. A. E. Edwards is president. Upon completion of this offering, the purchasers of the shares being

registered will own a 45% stock interest in the company, for which they will have paid \$2,127,600; the officers, directors and promoters of the company will own 41%, for which they contributed services, cash advances of \$15,000, equipment costing \$8,000 and property interests in which their costs were \$79,000; and 16 others will own 113,689 shares for which they contributed property interests, legal services and \$15,000 cash. C. W. Edwards proposes to sell 9,200 shares of 30,000 shares held, Nicholas A. and Charleen Sasso 6,000 of 27,334 and ten others the remaining shares being registered.

OWEN LABS FILES FOR OFFERING AND SECONDARY. Owen Laboratories, Inc., 8911 Directors Row, Dallas, Tex. 75247, filed a registration statement (File 2-31687) with the SEC on February 10 seeking registration of 160,000 shares of common stock, of which 150,000 are to be offered for public sale by the company and 10,000 (being outstanding shares) by the present holders thereof. The offering is to be made by Eppler, Guerin & Turner, Inc., 3900 1st National Bank Bldg., Dallas, Tex. 75202; the offering price (\$7.25 per share maximum*) and underwriting terms are to be supplied by amendment. The company has sold the underwriter, for \$50, five-year warrants to purchase 5,000 common shares.

The company is engaged in the manufacture and sale of a line of ethical and proprietary pharmaceutical specialties. Its principal products are hair and scalp products, skin care products and decongestants. Of the net proceeds of its sale of additional stock, \$200,000 will be used to retire the company's short-term bank debt and the balance to finance the construction of a new plant and laboratory facility. The company has outstanding 423,500 common shares, of which Mary Wright Evans, a director, owns 15.8% and management officials as a group 32.8%. Douglas Owen Brown is president and board chairman. Juanita Love Wayne, as trustee of a trust for the benefit of her minor children, proposes to sell 5,000 shares of 34,288 shares held and Thomas Stafford Love, Jr., as trustee of a trust for the benefit of his minor children, 5,000 of 30,288.

CAVITRON STOCK PLAN FILED. Cavitron Corporation, 11-40 Borden Ave., Long Island City, N. Y. 11101, filed a registration statement (File 2-31665) with the SEC on February 5 seeking registration of 30,000 shares of common stock, to be offered under employee stock option and related plans.

SECURITIES ACT REGISTRATIONS. Effective February 11: Syntex Corp., 2-31407 (40 days).

Effective February 12: Aberle Industries, Inc., 2-31229 (90 days); American Oil Shale Corp., 2-30074 (90 days); Caldwell Computer Corp., 2-30639 (90 days); Ceil Chapman, Inc., 2-30724 (90 days); Commercial Metals Co., 2-31423; Denny's Restaurants, Inc., 2-30720; Dolphin Oil Corp., 2-30494 (90 days); Ennis Brandon Computer Services, Inc., 2-30961 (May 14); Fairfield-Noble Corp., 2-31359 (Mar 24); Feld Leasing Co., Inc., 2-30739 (90 days); Management Recruiters International, Inc., 2-31179 (90 days); Plant Industries, Inc., 2-31355 (May 14); Public Leasing Corp., 2-30276 (90 days); Sinclair Oil Corp., 2-31616; Twin Americas Agricultural and Industrial Developers, Inc., 2-28197 (90 days); Utilities Leasing Corp., 2-30854 (90 days); Zirconium Technology Corp., 2-30835 (90 days).

Withdrawn February 11: General Telephone Co. of Michigan, 2-29803.

*As estimated for purposes of computing the registration fee.

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