

# 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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FOR RELEASE November 14, 1969

**MAINE YANKEE SEEKS ORDER.** The SEC has issued an order under the Holding Company Act (Release 35-16516) giving interested persons until December 9 to request a hearing upon a proposal of Maine Yankee Atomic Power Company, Augusta, to issue and sell \$120,000,000 of subordinated notes to its sponsor companies, for the purpose of obtaining funds from time to time as may be required to meet construction expenses, including payment of borrowings from banks or sponsors, the proceeds of which have been applied to such expenses. The sponsors seek to acquire 44% of the \$120,000,000 of subordinated notes in the following percentages: New England Power Company, 20%; The Connecticut Light & Power Company, 8%; Maine Public Service Company, 5%; The Hartford Electric Light Company, 4%; Montaup Electric Company, 4%, and Western Massachusetts Electric Company, 3%. The remaining amounts will be issued to other sponsor companies and the acquisitions thereof are not subject to approval of the Commission.

**VERMONT YANKEE SEEKS ORDER.** The SEC has issued an order under the Holding Company Act (Release 35-16517) giving interested persons until December 5 to request a hearing upon an application of Vermont Yankee Nuclear Power Corporation, Rutland, to issue and sell \$84,000,000 of subordinated notes to its sponsor companies for the purpose of obtaining funds from time to time as may be required to meet construction expenses, including payment of borrowings from banks or sponsors, the proceeds of which had been applied to such expenses. The sponsors seek to acquire 34.5% of the \$84,000,000 of subordinated notes in the following percentages: New England Power Company, 20%; The Connecticut Light & Power Company, 6%; The Hartford Electric Light Company, 3.5%; Montaup Electric Company, 2.5%; and Western Massachusetts Electric Company, 2.5%. The remaining amounts will be issued to other sponsor companies and acquisitions thereof are not subject to approval of the Commission.

**LOUISIANA P&L RECEIVES ORDER.** The SEC has issued an order under the Holding Company Act (Release 35-16519) authorizing Louisiana Power & Light Company, New Orleans subsidiary of Middle South Utilities, Inc., to issue and sell \$25,000,000 of first mortgage bonds, due 1999, at competitive bidding. Louisiana P&L will apply the net proceeds of its bond sale towards payment of some \$18,000,000 of short-term bank loans and commercial paper notes and to its 1969 construction program, estimated at \$61,200,000.

**TUESDAY CAPITAL CORP. RECEIVES ORDER.** The SEC has issued an order under the Investment Company Act (Release IC-5880) declaring that Tuesday Capital Corporation, Oakland, Calif., has ceased to be an investment company and that its registration as such shall cease to be in effect.

**U. S. CENTRAL BANCOMMONS RECEIVES ORDER.** The SEC has issued an order under the Investment Company Act (Release IC-5881) declaring that United States Central Bancommons, Incorp., Clarksville, Ind., has ceased to be an investment company as defined in the Act.

**OCCIDENTAL OVERSEAS CAPITAL CORP. RECEIVES ORDER.** The SEC has issued an order under the Investment Company Act (Release IC-5882) authorizing Occidental Overseas Capital Corporation, New York, to issue \$20,000,000 of 8 $\frac{1}{4}$ % guaranteed sinking fund debentures, due 1979. The offering of the debentures was made on September 23 and the Interest Equalization Tax, which lapsed on September 30, was not extended by the time of the completion of the issue of the debentures, October 7.

**E L KRUMM INDICTED.** The SEC New York Regional Office announced November 13 (LR-4471) that a Federal grand jury in New York had returned an indictment charging Ernest Louis Krumm of New York with fraud in the sale of stock of Commercial Finance Corporation of New Jersey.

**TRADING SUSPENSIONS CONTINUED.** The SEC has ordered the further suspension of over-the-counter trading in the securities of Liberty Equities Corporation for the period November 15-24, 1969, inclusive, in the securities of Pacific Fidelity Corporation for the period November 16-25, 1969, inclusive, and in the securities of Commercial Finance Corporation of New Jersey and Liquid Optics Corporation for the period November 17-26, 1969, inclusive.

**WILLOW FUND PROPOSES OFFERING.** The Willow Fund, Inc., 1 Chase Manhattan Plaza, New York 10005, filed a registration statement (File 2-35311) with the SEC on November 7 seeking registration of 3,000,000 shares of common stock, to be offered for public sale at net asset value (\$20 per share maximum\*) with no sales load. The Fund is an open-end non-diversified management investment company with the objective of long-term capital appreciation. Wertheim & Co. will serve as investment adviser and distributor of Fund shares. Frederick A. Klingenstein is president of the Fund and partner of Wertheim & Co.

OVER

**IDS/MCCULLOCH OIL PROGRAM PROPOSES OFFERING.** IDS/McCulloch Oil Exploration Program-1970 ("Partnership"), 6151 West Century Blvd., Los Angeles, Calif. 90045, filed a registration statement (File 2-35312) with the SEC on November 7 seeking registration of \$20,000,000 of limited partnership interests, to be offered for public sale at \$5,000 per unit. Investors Diversified Services, Inc. ("IDS") has agreed to act as underwriter on an agency, best efforts basis, IDS Oil Program, Inc. ("IDS Oil") will pay IDS a 5½% selling commission. Units will also be offered through company officials of McCulloch Oil Corporation ("McCulloch") who will receive no commission, and on a best efforts basis through broker-dealers selected by McCulloch; McCulloch will pay such broker-dealers up to a 5½% selling commission. The Partnership will engage primarily in the exploration for and production of oil and gas. McCulloch and IDS Oil (a wholly-owned subsidiary of Investors Diversified Services, Inc.) will serve as general partners. Pursuant to an agreement between IDS Oil and McCulloch, McCulloch shall have preliminary responsibility for suggesting fundamental Partnership policies and will be in charge of day-to-day oil and gas activities. Merlin M. Witte is general manager of McCulloch and Stuart F. Silloway is president of IDS Oil and of IDS.

**SMITH BROTHERS TO SELL STOCK.** Smith Brothers Manufacturing Company, 526 Howard St., Carthage, Mo., filed a registration statement (File 2-35313) with the SEC on November 10 seeking registration of 300,000 shares of common stock, to be offered for public sale through underwriters headed by Stifel, Nicolaus & Co. Inc., 314 N. Broadway, St. Louis, Mo. 63102. The offering price (\$11 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company is primarily engaged in the design, production and sale of work and casual clothing for men and boys. Of the net proceeds of its stock sale, \$1,500,000 will be used to finance increased inventories and receivables and \$500,000 to repay a portion of short-term bank debt incurred to provide working capital; the balance will be used to acquire additional fixed assets, comprising, in general, sewing machinery and related equipment. In addition to indebtedness and preferred stock, the company has outstanding 413,168 common shares, of which Clayton E. Smith, president, owns 73.6%. Clayton Smith is board chairman.

**VENTURES IN PETROLEUM PROPOSES OFFERING.** Ventures in Petroleum Corporation, 9460 Wilshire Blvd., Beverly Hills, Calif., filed a registration statement (File 2-35314) with the SEC on November 10 seeking registration of \$5,000,000 of participations in its Ventures in Petroleum 1970 Program ("Program"), to be offered for public sale at \$5,000 per unit. Subscriptions may be solicited by company officials of the Program and others may be solicited by selected NASD members, who will receive up to a 6% selling commission. California Time Petroleum Inc. ("Operating Company") will be engaged by the Program to explore for oil and gas and to attempt to purchase existing production of oil and gas. R. R. Greenbaum is board chairman of the Program and president and board chairman of Operating Company. Greenbaum owns 30% and management officials as a group 90% of the outstanding common stock of the Program; he owns 24% and management officials as a group 28% of the outstanding common stock of Operating Company.

**CONTINENTAL TELEPHONE OF CALIF. TO SELL BONDS.** Continental Telephone Company of California, 1350 Norris Road, Bakersfield, Calif. 93308, filed a registration statement (File 2-35316) with the SEC on November 10 seeking registration of \$10,000,000 of first mortgage bonds, Series G, due 1994, to be offered for public sale at competitive bidding. A subsidiary of Continental Telephone Corporation, the company will use the net proceeds of its bond sale to discharge or reduce some \$10,000,000 of short-term bank loans, incurred to finance temporarily a portion of its construction program. Construction expenditures are estimated at \$26,783,000 for 1969 and \$21,800,000 for 1970.

**HUNT CHEMICAL FILES FOR OFFERING AND SECONDARY.** Philip A. Hunt Chemical Corporation, Roosevelt Place, Palisades Park, N. J. 07650, filed a registration statement (File 2-35317) with the SEC on November 10 seeking registration of 209,778 shares of Class A common stock, of which 150,000 are to be offered for public sale by the company and 59,778 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters headed by C. E. Unterberg, Towbin Co., 61 Broadway, New York 10006, the offering price (\$40 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company manufactures and sells color photographic chemical systems and photographic developers and fixers for black-and-white photography processes. Of the net proceeds of its sale of additional stock \$2,790,000 will be used to repay bank indebtedness, incurred for working capital purposes and to finance in part the construction and equipping of a color photographic chemical plant at Rolling Meadows, Ill., and \$2,000,000 is to be applied to the cost of constructing and equipping new facilities on land the company owns adjoining existing plants in the Providence, R. I. area and to the purchase of additional land in that area; the balance will be added to the company's working capital. In addition to mortgage indebtedness and preferred stock, the company has outstanding 2,322,553 Class A and 323,438 Class B common shares. Of the A shares, Jerome S. Coles, president, owns 18.5% and his wife, 22.7%; of the B shares, Jerome Coles owns 39.9% and his wife 51.5%. Jerome Coles proposes to sell 11,250 A shares of 428,920 A shares held, his wife 13,750 of 527,993, Paul L. Tobey (vice president) 16,906 of 67,402 and 5 others the remaining shares being registered.

**SEVEN KINGS TO SELL PREFERRED STOCK.** Seven Kings, Inc., 1036 Eastland Shopping Center, Lexington, Ky. 40505, filed a registration statement (File 2-35320) with the SEC on November 10 seeking registration of 250,000 shares of 6% income convertible preferred stock, to be offered for public sale at \$10 per share. No underwriting is involved; participating broker-dealers will receive a 10% selling commission.

The company was organized in May 1968 for the purpose of establishing a system of company-owned or franchised restaurants. Of the net proceeds of its stock sale, \$1,700,000 will be used for the acquisition of sites and the construction and equipping of company-owned Seven Kings Restaurants, The Lobster Net

Restaurants and Jiffy Drive-Ins, \$200,000 to finance franchisees' leasing or purchasing sites, the construction of buildings and the purchasing of equipment and \$100,000 for reduction of short-term and/or long-term indebtedness; the balance will be added to the company's working capital and used for general corporate purposes. In addition to indebtedness and preferred stock, the company has outstanding 1,633,748 common shares, of which Young Industries, Inc., owns 68.9% and management officials as a group 22%. George A. Young is board chairman and Frank D. Peterson president. George A. Young and family members own 90% of Young Industries, Inc.

**TELEVISION COMMUNICATIONS FILES FOR OFFERING AND SECONDARY.** TeleVision Communications Corporation, 630 Fifth Ave., New York 10020, filed a registration statement (File 2-35319) with the SEC on November 10 seeking registration of 447,837 shares of capital stock, of which 100,000 are to be offered for public sale by the company and 347,837 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters headed by Cogan, Berlind, Weill & Levitt, Inc., 767 - 5th Ave., New York 10022; the offering price (\$20 per share maximum\*) and underwriting terms are to be supplied by amendment.

Organized in July 1962, the company and certain of its subsidiaries are engaged primarily in the community antenna television ("CATV") business, which involves the distribution of signals received from television broadcasting stations and the provision of special information programs to the homes or places of business of subscribers by means of a closed coaxial cable network. Net proceeds of its sale of additional stock will be added to the company's general funds, to be available for working capital and other corporate purposes. Such proceeds are expected to be used principally for the acquisition of CATV franchises and systems and the construction of new systems and the acquisition of television and radio stations and companies operating in other areas of the communications business. In addition to indebtedness, the company has outstanding 2,705,328 capital shares, of which Alfred R. Stern, president and board chairman, owns 27% and management officials as a group 42%. Cowles Communications, Inc., proposes to sell 133,000 shares of 160,000 shares held, John Hancock Mutual Life Insurance Company and Massachusetts Mutual Life Insurance Company 100,000 each of 249,957 shares held each and 5 others the remaining shares being registered.

**BLUE CHIP STAMPS FILES FOR SECONDARY.** Blue Chip Stamps, 5801 S. Eastern Ave., Los Angeles, Calif. 90022, filed a registration statement (File 2-35318) with the SEC on November 10 seeking registration of 1,821,240 outstanding shares of common stock, to be offered for public sale by the present holders thereof. The offering is to be made through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith Inc., 70 Pine St., New York 10005; the offering price (\$26 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company is engaged primarily in furnishing a trading stamp service to retail merchants and their customers. In addition to indebtedness, it has outstanding 4,871,110 common shares, of which management officials as a group own 13.6%. Donald A. Koepfel is board chairman and president. Buffett Partnership Ltd. proposes to sell all of 371,700 shares held, Von's Grocery Co. and Safeway Stores, Incorporated all of 312,000 held each and 5 others the remaining shares being registered.

**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 November 12 News Digest.

8K Reports for Sept 69

Tyson's Foods, Inc. (8)	0-3400-2	Cramer Electronics, Inc. (7,10,11,13)	1-5391-2
First National Realty & Constr Corp (2,7,13)	1-4410-2	Ryerson & Haynes, Inc.(1)	1-2740-2
Orbanco, Inc. (11,13)	0-3907-2	"Shell" Transport & Trading Co., Ltd. 6K for Oct 69	1-4039-2
United Founders Corp. Oct 69(2,13)	0-974-2	Audiotronics Corp. Aug 69 (2,13)	0-3298-2
Clayton Mark & Co. (1,7,9,13)	0-2464-2	Roan Selection Trust Ltd (6K for Aug & Sept 69)	1-3873-2
Daylin Inc. (7,13)	1-5018-2	First Banc Group of Ohio, Inc. (12)	0-3644-2
Pages, Incorporated June 69(11)	2-32122-2	Flxible Co. Oct 69(11,13)	0-1828-2
Ventures Research & Development Corp(11)	2-31726-2	Bankers Trust Sept 69(3,13)	0-1610-2
Ward Foods, Inc.(7,13)	1-1042-2	Fidelity Real Estate Invest Tr Sept 69(3,13)	0-1929-2
Wm. E. Wright Company(11)	2-32005-2		

Jiffy Foods Corp Sept 69(3)	0-146-2	Jeta Power Inc Aug 69(12,13)	2-28058-2
Reclamation Systems Inc Sept 69 (12)	2-31095-2	Pennsylvania Engineering Corp Amdt #1 for Mar 69(7)	0-3066-2
Consolidated Educational Publishing Inc Sept 69(7)	2-32383-2	Bevis Industries Inc Amended for Jul 69 (7)	0-1462-2
SCI Corp Feb thru Sept 69(1,2,7, 9,13)	2-30397-2	Sta-Rite Industries Inc Amdt #1 for May 69(7)	1-1058-2
Atlanta Motor Lodges Inc Feb thru Stpt 69 (2,8,11,13)	0-1995-2	Glen Alden Corp Amdt #1 for Sept 69 (7)	1-5448-2
Alumacraft Marine Products Corp Apr 69(2,4,13)	0-3526-2	Lums Inc Aug 69(7,8)	1-5976-2
Simplex Development Corp June 69 (10,11,13)	2-27123-2	Metb Inc Oct 69(12)	0-2442-2
Webb Resources Inc Sept 69(7,12)	0-1945-2		
Institute of Broadcast Arts Inc Sept 69(7,11)	2-30747-2		
Simon Stores Inc Oct 69(12,13)	0-1635-2		
Fleetwood Enterprises Inc Oct 69 (7)	1-5602-2		
KLM Royal Dutch Airlines(6K) Oct 69(	1-4059-2		
Metropolitan Atlanta Real Estate Invst Trust Apr, May & Jun 69(7)	2-30408-2		
Polaroid Corp Oct 69(13)	1-4085-2		
Union Pacific Corp Sept 69(1)	1-6075-2		
Equitable Real Estate Invst Trust Sept 69(3,13)	0-1605-2		

Amended 8K Reports

Aguirre Co. Amdt for Aug 69(2,13)	1-510-2
Universal Container Corp Amdt #1 for Mar 69(13)	1-4277-2
Superior Computer Corp Amdt #1 for July 69(13)	2-25386-2

RICO ENTERPRISES OFFERING SUSPENDED. The SEC has issued an order temporarily suspending a Regulation A exemption from registration under the Securities Act of 1933 with respect to a public stock offering by Rico Enterprises, of Salt Lake City, Utah. The order provides an opportunity for hearing, upon request, on the question whether the suspension should be vacated or made permanent.

Regulation A provides a conditional exemption from registration with respect to public offerings of securities not exceeding \$300,000 in amount. In a notification filed on May 9, 1969, Rico Enterprises proposed the public offering of 6,000,000 common shares at 5c per share; the offering commenced in late October. The Commission asserts in its suspension order that it has reasonable cause to believe that Rico Enterprises failed to comply with the terms and provisions of Regulation A by reason (among other things) of its alleged failure to disclose (a) certain agreements or arrangements between the company, its officials and certain others by which monies received from its stock sale would be "siphoned off from the company for little or nominal consideration and primarily for the ultimate benefit of certain insiders of the issuer" and (b) that the purchase price of the principal assets to be acquired by Rico Enterprises with the proceeds of its stock sale was not determined by arm's-length bargaining between the company and the seller thereof, Darrell W. Jensen.

Effective November 13:

SECURITIES ACT REGISTRATIONS. / Atico Mortgage Investors, 2-33312 (90 days); Boston Edison Co., 2-35073; Charnita, Inc., 2-33232 (90 days); Clinton Oil Co., 2-34245 (Dec 23); Columbia Pictures Industries, Inc., 2-35087; Compumedic Controls Corp., 2-30896 (90 days); Duquesne Light Co., 2-35000; General Telephone of Upstate New York, Inc., 2-34622; The B. F. Goodrich Co., 2-35180; Montgomery Wards Credit Corp., 2-35189 (Dec 24); Province of Nova Scotia, 2-35113; Puget Sound Power & Light Co., 2-35009; Sabine Royalty Corp., 2-33547 (90 days); Scanlan's Literary House, Inc., 2-34010 (90 days); Sentinel Resources Corp., 2-34366 (90 days); Sirco International Corp., 2-34436 (90 days); Southwestern Electric Service Co., 2-35042 (40 days); Town and Country Nursing Centers, Inc., 2-33296 (90 days); Tuftco Corp., 2-34933 (90 days); Visual Graphics Corp., 2-33808 (90 days); The Winde Group Inc., 2-33706 (90 days).

Effective November 14: Petcoa Industries, Inc., 2-33940.

Withdrawn November 13: Electro-Learner Corp., 2-32052; Drummer Boy Inc., 2-33008; Dudley Sports Co. Inc., 2-32420; Hager Inc., 2-33743; Master Hosts Inns, Inc., 2-34388; Ocean Industries, Inc., 2-32327; Rapid-American Corp., 2-33641; STV, Inc., 2-32119.

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.