

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

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



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E A ALLEN BARRED. The SEC today announced a decision under the Securities Exchange Act (Release 34-8168) barring E. A. Buz Allen, of Denver, from further association with any broker-dealer. In proceedings authorized by the Commission in May, Allen was charged along with others with violating provisions of the Federal securities laws. He defaulted in the filing of an answer to the charges; accordingly, under the Commission's rules, the allegations may be deemed to be true.

For several months prior to November 11, 1966, Allen was vice-president, secretary-treasurer and a director of Western Guaranty Management Corporation ("Western") and of Investors Associates, Inc. ("IAI"), Denver broker-dealer firms. Western and IAI along with Fred M. Frazier, president and controlling stockholder of the two firms, also were named as respondents in these proceedings; they have filed answers to the charges against them. Western is principal underwriter and investment adviser for National Western Fund, Inc. ("Fund"), a registered open-end investment company; and IAI is sponsor of and sells interests in National Western Investment Plans ("Plans"), a registered unit investment trust which invests in Fund's shares. In its decision, the Commission held that Allen, who with others dominated and controlled Fund and Plans, violated the anti-fraud provisions of the Federal securities laws in the purchase, offer and sale of portfolio securities and shares of Fund and interests in Plans, in that he caused Fund to effect the purchase of certain highly speculative stocks unsuitable as an investment for Fund including those of Circle Corporation ("Circle") and Southern Equitable Life Insurance Company ("Southern"), which was inconsistent with Fund's investment policies as stated in its prospectus, and made no disclosure of such purchases; caused Fund to purchase shares of Circle on or about July 6, 1966 when there was no market for the stock, and interposed certain broker-dealers between Fund and the seller of the shares; caused Fund to purchase Southern stock during the period December 1965 to February 1966 without disclosing the relationship between Southern and an official of Fund; failed to disclose that certain fees had been collected from Fund despite the fact that the services for which they were paid, as specified in Fund's prospectus, had not been performed; failed to disclose that certain of these actions were taken for his own benefit rather than that of Fund, Plans and their shareholders; and used prospectuses which contained representations concerning fees, services, investment policies and objectives which were false and misleading in the respects above indicated.

STOCK PLANS FILED. The following companies have filed Form S-8 registration statements with the SEC proposing the issuance of stock under employee stock option and related plans:

- M. Lowenstein & Sons, Inc., New York 10018 (File 2-27299) - 150,000 shares
- Zale Corporation, Dallas, Texas 75202 (File 2-27338) - 750,000 shares
- "21" Brands, Inc., New York 10019 (File 2-27343) - 65,655 shares
- Engelhard Minerals & Chemicals Corporation, Newark, N. J. 07114 (File 2-27344) - 1,011,485 shares of common stock and 54,323 shares of \$4.25 cumulative convertible preferred stock
- Tektronix, Inc., Beaverton, Oregon 97005 (File 2-27347) - 200,000 shares

NABISCO INTERNATIONAL GRANTED EXEMPTION. The SEC has issued an order under the Investment Company Act (Release IC-5106) granting an application of Nabisco International Finance Company, New York subsidiary of National Biscuit Company, for exemption from all provisions of the said Act.

TILNEY CO. ENJOINED. The SEC New York Regional Office announced September 27 (LR-3814) that, following the filing on August 18 of a complaint charging certain violations of the Federal securities laws by Tilney & Company, a New York broker-dealer firm, and its general partner, Frederick Tilney, the defendants on August 31 consented to a preliminary injunction and a preliminary mandatory injunction. The court order provides a temporary restriction on the transfer of assets of the defendants.

MID-CONTINENT MANUFACTURING FILES FOR OFFERING AND SECONDARY. Mid-Continent Manufacturing Co., 920 Michigan Ave., Columbus, Ohio 43215, filed a registration statement (File 2-27362) with the SEC on September 27 seeking registration of 300,000 shares of common stock. Of this stock, 100,000 shares are to be offered for public sale by the company and 200,000 (being outstanding shares) by the present holders thereof. The public offering price (\$17.50 per share maximum*) and underwriting terms are to be supplied by amendment. Eastman Dillon, Union Securities & Co., 1 Chase Manhattan Plaza, New York 10005, is listed as the principal underwriter.

The company is a broadly based company with its activities organized under the following product groups: electrical-electronic, construction-equipment, industrial, and consumer. Net proceeds of its sale of additional stock will be used in part to repay some \$1,400,000 of short-term bank loans incurred in connection with the acquisition of the assets of Huyck Systems Company in October 1966; the balance will be used to reduce short-term bank borrowings incurred by Huber Corp. for working capital purposes (Huber was recently merged with the company). In addition to indebtedness, the company has outstanding 1,313,460 common shares, of which management officials own 15.43%. Edward L. Smith is board chairman and Mark J. O'Friel is president. The prospectus lists two selling shareholders. Albert W. Hartman, Sr., proposes to sell 22,500 of his holdings of 115,222 shares, and The Ohio Company, 177,500 of 211,990 shares.

OVER

AUTOMATION TECHNOLOGY PROPOSES OFFERING. Automation Technology, Inc., 11141 Georgia Ave., Wheaton, Md. 20902, filed a registration statement (File 2-27363) with the SEC on September 27 seeking registration of 100,000 shares of common stock, to be offered for public sale through John G. Kinnard & Co., Inc. The public offering price (\$5 per share maximum*) and underwriting terms are to be supplied by amendment.

Organized under Maryland law in June 1966 by Chris A. Clark II, president, the company is engaged in providing computer programming services, computer systems analysis, and related consulting services to commercial, industrial and governmental clients. Of the net proceeds of its stock sale, the company intends to spend \$150,000 "to penetrate new market areas," including the employment of additional sales and technical personnel and, perhaps, the acquisition of companies in such market areas. An additional \$100,000 will be expended for the design and development of new and existing proprietary software products; the balance will be used for working capital and other general corporate purposes. The company now has outstanding 539,330 common shares, of which Clark owns 46.5% and management officials as a group 76.4%.

SQUIBB SHARES IN REGISTRATION. Squibb, Inc., 745 Fifth Ave., New York 10022, filed a registration statement (File 2-27366) with the SEC on September 27 seeking registration of 469,988 shares of \$2 cumulative convertible preferred stock. According to the prospectus, in October Beech-Nut Life Savers, Inc., is to be merged with Squibb Enterprises, Inc., a wholly-owned subsidiary of Squibb, Inc. Prior to consummation of the merger, all then-outstanding shares of capital stock of Squibb, Inc., are to be distributed by Olin Mathieson Chemical Corporation to its stockholders. In connection with these transactions, Squibb, Inc.'s name is to be changed to Squibb Beech-Nut, Inc., which will have two principal subsidiaries, E. R. Squibb & Sons, Inc., and Beech-Nut, Inc. (the new name of Squibb Enterprises, Inc.). Upon consummation of the merger, each outstanding share of Beech-Nut Life Savers common is to be exchanged for one share of common stock of Squibb Beech-Nut, Inc.; and each outstanding share of \$2 cumulative convertible preferred of Beech-Nut Life Savers is to be exchanged for 1.03 shares of \$2 cumulative convertible preferred stock of Squibb Beech-Nut. The 469,988 preferred shares being registered are to be issued pursuant to the merger to 16 former stockholders of Beech-Nut Life Savers. Among such recipients are Frederick Smith Enterprises, Inc., 164,800 shares; The First National Bank of Memphis, Trustee under the will of Jacob C. Stedman, 69,010 shares; John H. Dobbs, 52,200 shares; and Cella E. Dobbs, 41,961 shares.

CHILDHOOD PRODUCTIONS PROPOSES OFFERING. Childhood Productions, Inc., 165 W. 46th St., New York, filed a registration statement (File 2-27367) with the SEC on September 28 seeking registration of 110,000 shares of common stock, to be offered for public sale by Morgan, Kennedy & Co., Inc., 1 Chase Manhattan Plaza, New York 10005. The shares are to be offered at \$5 per share with a 50¢ per share commission to the underwriter (which also will receive \$12,500 for expenses). The company has agreed to sell the underwriter, for \$200, five-year warrants for the purchase of 20,000 shares at \$5 per share; and the underwriter will sell 2,000 warrants (at its cost) and pay \$5,000 cash to a finder.

The company is engaged primarily in the distribution of children's motion pictures to the Saturday and Sunday matinee market. Net proceeds of its stock sale, together with the \$278,000 proceeds of the private sale of debentures, will be applied, in part (\$360,000) to pay indebtedness to Pathe Laboratories, Inc., for past processing of film; the balance will be used for the payment of certain other indebtedness and in the development of new products. The company now has outstanding 202,000 common shares, of which management officials own 57.3%. Barry B. Yellen is president. According to the prospectus, the sale of the new shares will result in an increase in the equity of outstanding shares from \$.66 to \$1.93; there would be a dilution in the equity of the purchasers of \$3.07 per share.

DAY-BALDWIN FILES FOR OFFERING AND SECONDARY. Day-Baldwin Inc., 1460 Chestnut Ave., Hillside, N. J. 07205, filed a registration statement (File 2-27368) with the SEC on September 28 seeking registration of 100,000 shares of common stock and 25,000 common stock purchase warrants. It is proposed to offer these securities for public sale in units consisting of 4 shares and 1 warrant. The offering is to be made through underwriters headed by Gregory & Sons, 40 Wall St., New York 10005. The offering price (\$31 per unit maximum*) and underwriting terms are to be supplied by amendment. Of the common shares the subject of this offering, 60,000 are being offered by the company and 40,000 (being outstanding stock) by the present holder thereof. The company has agreed to sell the Gregory firm 16,000 additional warrants at 1¢ per warrant, plus 4,000 warrants at 1¢ per warrant to William Lax, a finder.

The company is principally engaged in the manufacture and distribution of pharmaceutical ointments and dermatological cream specialties. Through a subsidiary it custom manufactures and packages various pharmaceutical items for others. Of the net proceeds of its stock sale, \$100,000 will be used for the purchase and installation of atmospheric control areas and equipment, \$75,000 for expansion of research facilities, \$100,000 for the hiring of additional salesmen and for promotion and marketing, \$100,000 to increase inventories and the balance for working capital and other general corporate purposes. The company now has outstanding 342,160 common shares, of which management officials own 87.6%. Louis Goldfarb, president, owns 164,320 shares and proposes to sell 40,000.

HUDSON LEASING SECURITIES IN REGISTRATION. Hudson Leasing Corporation, 120 Broadway, New York 10005, filed a registration statement (File 2-27369) with the SEC on September 28 seeking registration of \$765,600 of 5½% convertible subordinated capital notes due 1982 and the 95,700 common shares issuable upon conversion of the notes. The notes, now outstanding, were issued and sold in January 1966. The prospectus indicates that the notes and the shares issuable upon conversion thereof may be offered and sold from time to time by the holders thereof.

WEYENBERG SHOE TO SELL DEBENTURES. Weyenberg Shoe Manufacturing Company, 234 E. Reservoir Ave., Milwaukee, Wisc. 53201, filed a registration statement (File 2-27371) with the SEC on September 28 seeking registration of \$7,000,000 of sinking fund debentures due 1982, to be offered for public sale through underwriters headed by White, Weld & Co., 20 Broad St., New York 10005, and Robert W. Baird & Co., Inc., 731 N. Water St., Milwaukee, Wisc. 53201. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

The company produces a broad line of high fashion quality men's dress shoes and a selective line of high grade men's work shoes and boots; in August it acquired the assets and business of Nunn-Bush Shoe Company of Milwaukee, which also engages in the production of high fashion quality men's shoes and, in addition, operates some 140 retail shoe departments and stores. Nunn-Bush was acquired for \$4,854,816 in cash plus the assumption of its liabilities. Proceeds of the debenture sale will be used to reduce short-term bank loans incurred in connection with such purchase, or to replenish treasury funds used for such reduction in advance of receipt of the proceeds. In addition to indebtedness, the company has outstanding 830,625 common shares, of which management officials own 11.068%. Thomas W. Florsheim is president and F. L. Weyenberg board chairman.

CHAMBERLAIN MFG. PROPOSES OFFERING. Chamberlain Manufacturing Corporation, 845 Larch Ave., Elmhurst, Ill. 60126, filed a registration statement (File 2-27372) with the SEC on September 28 seeking registration of 250,000 shares of common stock, to be offered for public sale through underwriters headed by Glore Forgan, Wm. R. Staats Inc., 45 Wall St., New York 10005. The public offering price (\$20 per share maximum*) and underwriting terms are to be supplied by amendment.

The company has three main lines of products: ordnance items, home improvement products, and appliance specialties. In addition, it manufactures a line of machine tool accessories, wood bearings and other wood specialties for industrial and commercial use. Net proceeds of the company's stock sale are to be used for working capital purposes, including the payment of some bank loans incurred for such purposes. The proceeds of the proposed private sale of an additional \$1 million of stock to Aluminum Company of America will be similarly used. In addition to indebtedness and preferred stock, the company has outstanding 1,143,316 common shares, of which Sears, Roebuck & Company owns 13.7%. Thomas G. Cassady, a director, owns 23.1%; and management officials as a group 42%. John A. Hurley is board chairman and Joseph V. Scott president.

PHOTON SHARES IN REGISTRATION. Photon, Inc., 355 Middlesex Ave., Wilmington, Mass. 01887, filed a registration statement (File 2-27374) with the SEC on September 28 seeking registration of 159,480 shares of common stock. Of this stock, 136,750 shares are deliverable in exchange for shares of common stock of International Photon Corporation (also of Wilmington) pursuant to Photon's invitation for tenders of International Photon common, said to be held by less than 75 persons. The remaining 22,730 shares are outstanding and are to be offered for sale by the nine holders thereof, including Allen & Company Inc. (10,230 shares) and Arthur E. Spellissy, company treasurer (7,500 of 44,600 shares held).

Photon, Inc., is engaged, under license agreements with others, in the development, manufacture and sale of phototypesetting machines which create original type composition for reproduction by all printing methods. It proposes to invite tenders of International Photon stock in exchange for Photon stock at the rate of 7/10ths of a share of Photon stock for each share of International Photon (of which 195,100 are outstanding). In addition to indebtedness, Photon has outstanding 724,725 common shares, of which management officials own 8.5%. An additional 240,600 shares are reserved for issuance upon conversion of \$1,203,000 of debentures, of which Spellissy owns 38.7% and management officials as a group 51.9%. Kurtz M. Hanson is board chairman and Robert M. Campbell president.

AMERICAN GUARANTY LIFE PROPOSES OFFERING. American Guaranty Life Insurance Company, 1433 S.W. 6th Ave., Portland, Oregon 97201, filed a registration statement (File 2-27375) with the SEC on September 28 seeking registration of 160,000 shares of common stock, to be offered for public sale through underwriters headed by First California Company, Inc., 300 Montgomery St., San Francisco, Calif. 94120. The public offering price (\$17 per share maximum*) and underwriting terms are to be supplied by amendment.

The company engages in the sale of life and other insurance in Oregon and twelve other states. In October, Transpacific Life Insurance Company is to merge into the company with an exchange of one share of company stock for each six shares of Transpacific stock; as a result of the merger, the company will acquire PHA Life Insurance Company, which writes group life, ordinary life and group medical, surgical and hospital coverage, and Prudential Hospital Association, which writes hospital and medical coverages on a service contract basis. Net proceeds of the company's stock sale will be invested in legal investments, applied to the repayment of short-term bank loans, and used to finance the growth of the company's sales organization and business in force and for general company purposes. In addition to indebtedness, the company now has outstanding 919,404 common shares. Dale L. Woodruff is president and board chairman.

COLUMBIA GAS FINANCING OF SUBSIDIARIES APPROVED. The SEC has issued an order under the Holding Company Act (Release 35-15863) authorizing The Columbia Gas System, Inc., New York holding company, to purchase \$400,000 of notes of Home Gas Company and \$750,000 of notes of Columbia Gas of New York, Inc., and to make an additional \$250,000 investment in the stock of the latter. The two subsidiaries will use the proceeds in connection with their respective construction programs.

MARINDUQUE MINING PROPOSES OFFERING. Marinduque Mining & Industrial Corporation, Ledesma Building, Intramuros, Manila, Philippines, filed a registration statement (File 2-27377) with the SEC on September 28 seeking registration of 300,000 shares of capital stock, to be offered for public sale through underwriters headed by Glore Forgan, Wm. R. Staats Inc., 45 Wall St., New York, 10005. The offering price (\$15 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is primarily engaged in the mining and processing of copper ore and the production of cement. Net proceeds of its stock sale will be added to the company's working capital and, together with other funds, will be used to finance its present expansion and modernization program. In addition to indebtedness, the company has outstanding 3,512,175 shares, of which management officials own 18.42% and the Industrial Enterprises Inc., of Manila 10.26%. Jesus S. Cabarrus is board chairman and president.

PENN-PACIFIC PROPOSES OFFERING. Penn-Pacific Corp., 441 Friendship Road, Harrisburg, Pa. 17111, filed a registration statement (File 2-27379) with the SEC on September 28 seeking registration of 600,000 shares of common stock, to be offered for public sale primarily to residents of California. The offering price (\$7 per share maximum*) is to be supplied by amendment; no underwriting is involved. Company salesmen will be paid a sales commission not exceeding 8%.

The company has been engaged primarily in investing in Penn State Investors Life Insurance Company, a wholly-owned subsidiary. It has recently acquired ownership of all the stock of San Fernando Valley Life Insurance Company, a new California life insurance company which received its license from California in July; and it also performs data processing and similar services. Of the net proceeds of its stock sale, the company will invest \$1,000,000 in the California subsidiary, to be used for working capital purposes in launching its business. Some \$1,175,000 may be used to repay a bank loan, the bulk of which loan was used in acquiring the California subsidiary. The balance will be available for general corporate purposes, and may be used in the formation of new life insurance companies in other states or the acquisition of securities or assets of existing life insurance or other companies. The company now has outstanding 982,331 common shares; and subscriptions are outstanding to acquire 247,100 shares at \$5 per share, due June 30, 1968. Management officials own about 3.2% of the outstanding stock. Louis S. Drewett is president.

GRAY COMMUNICATIONS SYSTEMS FILES FOR OFFERING AND SECONDARY. Gray Communications Systems, Inc., P.O. Box 408, Albany, Georgia 31701, filed a registration statement (File 2-27380) with the SEC on September 28 seeking registration of 205,800 shares of common stock. Of this stock, 101,400 shares are to be offered for public sale by the company and 104,400 (being outstanding shares) by the present holder thereof. The offering is to be made through underwriters headed by Bache & Co., Inc., 36 Wall St., New York 10005 and Courts & Co., 11 Marietta St., N. W., Atlanta, Georgia. The public offering price (\$13 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is engaged in the business of newspaper publishing, television broadcasting, and related communications enterprises. Net proceeds of its sale of additional stock will be used, together with bank loans, to purchase for \$3,250,000 all the common stock of KTVE, Inc., which owns Television Station KTVE-TV in El Dorado, Arkansas - Monroe, Louisiana, and for \$400,000 the real estate on which its television facilities are housed and operated in Monroe. The company now owns and operates The Albany Herald, a daily afternoon newspaper, as well as two VHF television stations, located in Albany, Georgia, and Panama City, Florida. In addition to indebtedness, the company has outstanding 373,600 common shares, of which James H. Gray, president and board chairman, owns 81.5%. Gray proposes to sell 104,400 of his holdings of 304,400 shares.

QUINDAR ELECTRONICS PROPOSES OFFERING. Quindar Electronics, Inc., 60 Fadem Road, Springfield, N. J. 07081, filed a registration statement (File 2-27381) with the SEC on September 28 seeking registration of 125,000 shares of common stock, to be offered for public sale at \$3 per share. No underwriting is involved.

The company designs, manufactures, sells and services electronic products and systems for data transmission, remote supervisory control, and telemetering, using both analog and digital techniques. This equipment is said to be used primarily by utilities engaged in power generation and distribution, water and gas distribution, and communications; and in large industries with widespread facilities such as airlines, pipelines, oil production and steel mills. Net proceeds of its stock sale will be used by the company to retire all or part of its \$311,295 bank indebtedness, and for other purposes. The company now has outstanding 1,800,000 shares, all but 10,000 of which are owned by management officials. Arthur M. Lerner is president.

CORRECTION RE SHAWMUT EXCHANGE OFFER. The SEC News Digest of September 25 reported an offer by Shawmut Association, Boston bank holding company, to issue its shares in exchange for all the outstanding shares of eleven affiliated banks (except directors' qualifying shares) not owned by Shawmut. The exchange ratio was incorrectly stated. For each share of stock of the respective banks, Shawmut will issue its own shares in the amount given in parentheses after the name of each bank: First County National Bank (.95 of share of Shawmut common); The County Bank N.A. (.70); The Everett National Bank (1.0); Lexington Trust Company (1.25); Melrose Trust Company (1.30); Needham National Bank (.80); Newton National Bank (.75); Merchants-Warren National Bank of Salem (1.25); Wakefield Trust Company (1.30); Waltham Citizens National Bank (1.50); and The Winchester National Bank (1.10).

CONSOLIDATED GAS SUPPLY SEEKS ORDER. Consolidated Gas Supply Corporation, Clarksburg, West Virginia subsidiary of Consolidated Natural Gas Company, has applied to the SEC under the Holding Company Act for authorization to purchase not to exceed \$450,000 of notes of Kelly Development Corporation; and the Commission has issued an order (Rel. 35-15862) giving interested persons until October 16 to request a hearing thereon. Kelly has entered into an agreement with Eastern Associated Coal Corp., which has acquired some 157 acres of land in the Wadestown area of West Virginia for the purpose of establishing a new town in the area of a new coal mine which Eastern expects to have in full operation by the end of 1967. Some 350 miners will be required to operate the mine but there are no homes in the vicinity. Kelly will purchase lots from Eastern and

erect homes for sale to the miners. It has arranged for the loan of funds from Mellon National Bank and Trust Company of Pittsburgh to finance the construction of the homes; the construction of streets, sewers and water system is to be financed by the sale of notes to Consolidated Gas Supply.

AVCO FILES TENDER PROPOSAL. Avco Corporation, 750 Third Avenue, New York, N. Y. 10017, filed a registration statement (File 2-27391) with the SEC on September 29 seeking registration of 6,257,896 shares of \$3.20 cumulative convertible preferred stock, \$6 par ("3.20 preferred"), and 4,842,034 shares of common stock. Avco proposes to offer to all holders of common stock of The Paul Revere Corporation, to exchange (i) 1.8 shares of Avco's common stock, plus (ii) one share of the \$3.20 preferred of Avco (convertible at any time into two common shares), for each share of Paul Revere's common stock. Paul Revere presently has issued and outstanding 2,655,543 shares of common stock. Accordingly, Avco will be exchanging an aggregate of 2,655,543 shares of the \$3.20 preferred and about 4,779,977 common shares if each Paul Revere shareholder accepts the offer.

An additional 3,571,325 of the Avco \$3.20 preferred shares are to be issued in exchange for outstanding common shares of Avco, on the basis that each common stockholder may exchange up to one-half of the common shares owned by him on the record date for such exchange for the Avco \$3.20 preferred, receiving one such preferred share for each two common shares exchanged. An additional 31,028 of \$3.20 preferred shares and 62,057 common shares are to be issued in exchange for all of the outstanding shares of Avco's \$4.50 cumulative convertible preferred stock, on the basis that each holder of the \$4.50 preferred may exchange the shares owned by him on the record date for common and \$3.20 preferred, receiving the same number of such common and \$3.20 preferred shares as he would be entitled to receive if such \$4.50 preferred stock were converted into common stock of Avco at its applicable conversion price of \$28.20 per share and exchanged for Avco common as specified above.

PAY LESS DRUG STORES FILES FOR SECONDARY. Pay Less Drug Stores Northwest, Inc., 234 N. W. Fifth Ave., Portland, Oregon 97209, filed a registration statement (File 2-27376) with the SEC on September 28 seeking registration of 500,000 outstanding shares of common stock, to be offered for public sale by the present holders thereof through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith, Inc., 70 Pine St., New York 10005. The public offering price (\$20 per share maximum*) and underwriting terms are to be supplied by amendment.

The company and subsidiaries operate 24 super drug stores and one prescription drug store in Washington, Oregon, Northern California and Central Idaho. It has outstanding 520,968 shares of common stock and 1,038,709 Class B shares, of which management officials own 57.8% in the aggregate. Peyton Hawes, board chairman, proposes to sell all of his holdings of 163,749 common shares (he will retain 327,499 Class B shares); W. B. Armitage, secretary, proposes to sell his holdings of 73,261 common shares (he will retain 146,522 Class B shares); and the others propose to sell stock ranging in amount from 1,505 to 44,991 shares. Management officials will sell a total of 261,664 common shares and will continue to hold 640,369 Class B shares. Edward B. Hart is president.

CUMMINGS, INTERNATIONAL SIGN FILES FOR OFFERING AND SECONDARY. Cummings & Company, The International Sign Service, Inc., 200 12th Avenue, South, Nashville, Tenn. 37203, filed a registration statement (File 2-27382) with the SEC on September 28 seeking registration of 200,000 shares of common stock. Of this stock, 120,000 shares are to be offered for public sale by the company and 80,000 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters headed by J. C. Bradford & Co., Inc., 414 Union St., Nashville, Tenn. 37219; the offering price (\$10 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is primarily engaged in the manufacture, installation and maintenance of electrical signs; it also manufactures nonilluminated metal and plastic signs and sells outdoor advertising. Of the net proceeds of its sale of additional stock, \$400,000 will be used to discharge bank borrowings and the balance to reduce accounts payable. In addition to indebtedness, the company has outstanding 416,418 common shares, of which management officials own 98.1%. Thomas L. Cummings, Jr., president and board chairman, proposes to sell 20,000 of his holdings of 175,502 shares (an additional 32,800 shares are held for the benefit of his children); and Emanuel L. Schneider, vice chairman, 60,000 of 148,000.

PERPETUAL NATIONAL LIFE FILES FOR SECONDARY. Perpetual National Life Insurance Company, Rapid City, South Dakota 57701, filed a registration statement (File 2-27383) with the SEC on September 28 seeking registration of 150,000 shares of common stock. Of this stock, 50,000 shares are to be offered by The South Dakota Corporation to its stockholders of record December 31, 1966, at \$20 per share and on the basis of one share of Perpetual National Life stock for every 50 shares of South Dakota Corp. stock. South Dakota Corp. owns 85.43% of the 293,812 outstanding shares of Perpetual National Life stock. Of the remaining 100,000 shares being registered, 42,812 shares have been issued pursuant to options and are held by various individuals, and if sold by them the proceeds will go to them; of the remaining 57,188 shares, the same are being registered, including the unissued or unexercised options underlying the same, and if sold, the proceeds will inure to the benefit of such holders.

Perpetual National Life has been engaged since 1960 in the business of selling and underwriting life insurance, and is currently licensed to do business in a total of twenty states. Robert W. Brezina is president.

CARVER CORP. FILES FOR OFFERING AND SECONDARY. Carver Corporation, 711 Stierlin Road, Mountain View, Calif., filed a registration statement (File 2-27384) with the SEC on September 28 seeking registration of \$1,500,000 of 5½% convertible subordinated debentures due 1977, to be offered for public sale by the company, and 10,000 outstanding shares of common stock, to be offered by the holders thereof. \$1,103,000 of the debentures are to be offered for public sale at 100% of principal amount; the offering is to be made on a best efforts basis by D. H. Thomas & Co., 54 Wall St., New York, 10005, which will receive a 10% selling commission. The remaining \$397,000 of debentures will be offered to holders of long-term promissory notes in exchange

for their notes. The common shares are to be offered through the Thomas firm at prices current at the time of sale (\$25 per share maximum*), the underwriter to receive a 10% commission. Subject to the sale of at least \$500,000 of debentures, the company has agreed to pay the underwriter an expense allowance not to exceed \$20 for each \$1,000 of debentures sold, and to issue for every \$1,000 debenture sold, 7-year warrants to purchase 175 common shares (but not in excess of 17,500 shares).

The company is engaged in research and development of lasers and laser instruments and accessories, and in manufacturing, research and development in the field of precision optical technology. The prospectus states that sales to date "have been principally limited to the latter phase of its operations. The company has had extremely limited revenues, and as of June 30, 1967, a retained earnings deficit of \$69,931.00." Of the net proceeds of its debenture sale, the company intends to use \$100,000 for expansion of the production and laboratory facilities for its optical division, \$250,000 for research, development and engineering of its current laser products and the research and development of proprietary scientific optical products and processes; and the balance for working capital and other corporate purposes. In addition to indebtedness, the company has outstanding 550,195 common shares and warrants to purchase an additional 128,640 shares (of which 107,040 are exercisable on or prior to May 31, 1973, at \$2.50 per share). Management officials own 29.3% of the outstanding stock. Teung S. Wong, a brother of one of the directors, owns 26.2%. Promoters of the company, some of whom are officers and directors, own about 79.6% of the outstanding shares, at an aggregate investment of \$101,310; they own warrants and options to purchase an additional 82,040 shares at an exercise price of \$186,975.

PANHANDLE EASTERN TO SELL DEBENTURES. Panhandle Eastern Pipe Line Company, One Chase Manhattan Plaza, New York, N. Y. 10005, filed a registration statement (File 2-27385) with the SEC on September 28 seeking registration of \$40,000,000 of debentures due 1987, to be offered for public sale through underwriters headed by Kidder, Peabody & Co., Inc., 20 Exchange Place, New York 10005 and two other firms. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

The company and its major subsidiary, Trunkline Gas Company, are principally engaged in the transmission and sale of natural gas; and the company is also engaged in the production of natural gas. Another subsidiary, Anadarko Production Company is engaged in the exploration for and production of oil and natural gas. The company also owns 12% of the outstanding common stock of National Distillers and Chemical Corporation; and the company and National Distillers each own 50% of the stock of National Helium Corp. Net proceeds to the company from its sale of debentures will be used to reimburse its treasury in part for past construction expenditures; out of the treasury funds as so reimbursed it will pay its presently outstanding short-term bank loans obtained for construction purposes. In addition to indebtedness and preferred stock, the company has outstanding 14,184,312 common shares. Frederick H. Robinson is board chairman and W. K. Sanders president.

FIVE TRADING BANS CONTINUED. The SEC has issued orders under the Securities Exchange Act suspending exchange and/or over-the-counter trading in securities of Continental Vending Machine Corporation, Pakco Companies, Inc., and Westec Corporation for the further ten-day period September 30 through October 9; in securities of Jodmar Industries, Inc., for the further ten-day period October 1-10; and in securities of Power Oil Company for the further ten-day period October 2-11.

INSURANCE INVESTORS TRUST ENJOINED. The SEC Chicago Regional Office announced September 27 (LR-3815) the issuance of a Federal court order (USDC, WD Ky.) of preliminary injunction against Insurance Investors Trust Company, United Brokerage Company and Rick Wolfenbarger, president of both companies. The court appointed George E. Dudley as receiver for the assets of the Trust Company, which was enjoined from operating as an unregistered investment company in violation of Section 7(a) of the Investment Company Act. United and Wolfenbarger were enjoined from aiding and abetting such violation.

SECURITIES ACT REGISTRATIONS. Effective September 28: Brinkmann Instruments, Inc., 2-27069 (90 days); Career Academy, Inc., 2-27071 (40 days); Continental Telephone Corp., 2-27154 (40 days); General Research Corp., 2-27120 (90 days); Orange and Rockland Utilities, Inc., 2-26546 (40 days); Unitec Industries, Inc., 2-27095; White Shield Oil and Gas Corp., 2-27235 (90 days).
Withdrawn September 26: Almost Heaven Corp., 2-25792.

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.

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