

sec news digest

a daily summary from the securities and exchange commission

Issue 73-130

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July 6, 1973

DECISIONS IN ADMINISTRATIVE PROCEEDING

NASD SANCTIONS AGAINST SAFECO SECURITIES INC., AND WALLACE E. OPDYCKE SET ASIDE AND MODIFIED AS TO KIRBY L. CRAMER. The SEC has issued an order setting aside the sanctions imposed by the National Association of Securities Dealers, Inc. ("NASD") against Safeco Securities, Inc., Seattle, Wash., and Wallace E. Opdycke, a registered principal, and modifying the censure, 10-day suspension and \$20,000 fine imposed against Kirby L. Cramer, former vice-president and registered principal, by reducing the fine to \$15,000.

The Commission sustained findings that Cramer had violated the NASD's Rules of Fair Practice by purchasing and selling "hot issue" securities through accounts opened with other broker-dealers. The Commission's opinion stated that since Cramer during 1968-1969 obtained hot issues with a view to resale, he was a participant in the distributions and, therefore, under the NASD's Free-Riding and Withholding Interpretation then in effect, he was obliged to make a bona fide public offering of them at the public offering price. The Commission's reduction of the fine was based in part on its view that the NASD's District Committee had improperly considered other violations, not charged in the complaint, in aggravation of the Free-Riding violations.

In setting aside the NASD's findings that Safeco Securities had failed to exercise proper supervision to prevent the violations, the Commission stated that Safeco had no obligation to supervise Cramer's hot issue transactions because they were "outside activities" which were not effected on behalf of the member but for Cramer's private gain. With respect to Opdycke, who was found by the NASD to have participated in the Free-Riding violations, the Commission held that the NASD had no jurisdiction to discipline him. The Commission found that Opdycke had registered as a principal of Safeco Securities at the request of the member's parent corporation because of the possibility of his being employed by the member but remained an employee of the parent corporation, which was not an NASD member, and was therefore not "a person associated with a member" within the meaning of the jurisdictional provisions of the NASD's By-Laws or its Rules of Fair Practice. (Rel. 34-10257)

COMMISSION ANNOUNCEMENTS

TRADING SUSPENDED IN SECURITIES OF FIVE COMPANIES. The SEC has announced the suspension of over-the-counter trading in the securities of BISI, Inc., of Sudbury, Massachusetts; Display Sciences, Inc., of Upper Saddle River, New Jersey; Hetra Computer & Communications Industries, Inc., of Melbourne, Florida; Multitech, Inc., of Monterey Park, California; and Progressive National Industries, Inc., of Minneapolis Minnesota for a ten-day period commencing at 10:00 a.m. on July 6 and terminating at midnight on July 15.

The Commission initiated the suspensions because the companies failed to comply with the reporting provisions of the Exchange Act resulting in the lack of current and accurate information available to the public. (Rel. 34-10271)

COURT ENFORCEMENT ACTIONS

CHARNITA, INC. ENJOINED. The SEC has announced that the Federal court in the District of Columbia permanently enjoining Charnita, Inc. of Fairfield, Pa. from violations of the reporting provisions of the Federal securities laws and required Charnita to file delinquent period reports on Form 10-K and 10-Q with the Commission on or before August 15, 1973. (LR-5956)

ROBERT CARAN PLEADS NOLO CONTENDERE. The SEC Chicago Regional Office announced that on June 26 Robert Caran entered a plea of nolo contendere before the Federal court in Chicago to one count of an information charging him with violation of the registration provisions of the Federal securities laws in connection with the sale of securities of

U. N. Industries, Inc. The court dismissed an indictment, charging Caran with violations of the antifraud and registration provisions of the Federal securities laws in connection with his sales of securities of U. N. Industries. (LR-5959)

INVESTMENT COMPANY ACT RELEASES

CARDINAL INCOME SECURITIES, INC. The SEC has issued a notice giving interested persons until July 30 to request a hearing on an application of Cardinal Income Securities, Inc. for an order declaring that it has ceased to be an investment company. (Rel. IC-7889)

IDS NEW DIMENSIONS FUND. The SEC has issued a notice giving interested persons until July 23 to request a hearing on an application by IDS New Dimensions Fund, Inc., a Minneapolis mutual fund, for an order permitting its shares to be offered in Japan at prices which may be based on previously determined net asset values plus sales charges that are different from those described in the prospectus of the Fund that is used in the United States. (Rel. IC-7887)

SECURITIES ACT REGISTRATIONS FILED

(Note: "Per share maximum" prices referred to in the following summaries of registration statements are prices estimated for the purpose of computing the registration fee and are not necessarily prices at which the securities will be sold.)

ATLANTIC CITY ELECTRIC COMPANY, 1600 Pacific Ave., Atlantic City, N.J. 08404 - \$30 million of first mortgage bonds, due 2003, to be offered for sale at competitive bidding. Net proceeds will be applied to the prepayment of outstanding short-term unsecured notes payable to banks (totaling \$27 million at May 1), proceeds of which were used for construction purposes, and the balance for construction purposes. Construction expenditures are estimated at \$77,579,000 for 1973. (File 2-48082 - May 18)

INVEST CO., 621 North Lake Parker Ave., P. O. Drawer AT, Lakeland, Fla. 33801 - 1,100,000 shares of Class A common stock, to be offered for sale in minimum amounts of 60 shares and in multiples of 20 shares, and at \$5 per share. Organized in March, the company proposes to organize a subsidiary, United Sun Life Insurance Co., to engage in the life insurance business. Of the net proceeds, \$1,250,000 will be invested in the life insurance subsidiary and the balance used for working capital purposes. (File 2-46085 - May 18)

ADRS FOR TRANSPORT DEVELOPMENT GROUP FILED. First National City Bank, 111 Wall St., New York, N. Y. 10015, filed a registration statement seeking registration of 100,000 American Depositary Receipts for ordinary shares of Transport Development Group Limited, a United Kingdom corporation. (File 2-48086 - May 18)

HILLSIDE METAL PRODUCTS, INC., 300 Passaic St., Newark, N.J. 07104 - 500,000 shares of common stock, of which 200,000 are to be offered for sale by the company and 300,000 by certain stockholders. The offering is to be made (at \$10 per share maximum) through underwriters headed by Roberts, Scott & Co., Inc., First National Bank Bldg., San Diego, Calif. 92112. The company manufactures and sells steel office and library furniture. Net proceeds will be used for expansion of the recently acquired Art Metal product line of office furniture (\$500,000) and for working capital purposes. (File 2-48084 - May 18)

CARLSBERG INCOME PROPERTIES, LTD.-'73B (the Partnership), 1801 Century Park West, Los Angeles, Calif. 90067 - \$10 million of partnership interests, to be offered for sale at \$500 per unit with a minimum purchase of five units in certain states and ten units in other states. The offering is to be made on a best efforts basis by Carlsberg Securities Corporation, 1801 Century Park West, Los Angeles, Calif. 90067. The Partnership is to be formed to invest in a variety of income-producing commercial, industrial or residential properties (excluding mobile home parks). Carlsberg Resources Corporation is the general partner. (File 2-48090 - May 21)

PRESIDIO OIL FUNDS, INC. (the general partner) 1901 Avenue of the Stars, Los Angeles, Calif. 90067 - \$2,500,000 of partnership interests in 1973 Presidio Mid-Year Program (the Partnership), to be offered for sale at \$5,000 per interest through selected NASD members. The Partnership is to be formed to drill for and produce oil and gas. Louis A. Walstrom, Jr., is also a general partner. (File 2-48162 - May 29)

SENSORMATIC ELECTRONIC CORPORATION, 2040 Sherman St., Hollywood, Fla. 33020 - 145,000 shares of common stock. Of these shares, up to 100,000 may be issued in connection with reacquisitions of franchises and dealerships in accordance with the terms of a recent settlement of a class action against the company by the franchisees and dealers. The remaining 45,000 shares may be offered for sale by certain shareholders at prices prevailing at the time of sale (\$8 per share maximum) or in private transactions. The company primarily produces and markets electronic article surveillance systems designed for use primarily by retail stores. (File 2-48163 - May 29)

DUQUESNE LIGHT COMPANY, 435 6th Ave., Pittsburgh, Pa. 15219 - \$35 million of first mortgage bonds, due 2003, to be offered for sale at competitive bidding. Net proceeds will be used to pay short-term indebtedness incurred for construction purposes and the balance will be applied to construction expenditures. Construction expenditures are estimated at \$178 million in 1973 and \$130 million in 1974. (File 2-48164 - May 29)

HAMILTON BROTHERS PETROLEUM CORPORATION, 1600 Broadway, Denver, Colo. 80202 - 9,955 shares of common stock, which may be offered for sale by certain shareholders at prices prevailing at the time of sale (\$30 per share maximum). (File 2-48165 - May 29)

MISCELLANEOUS

IRVING TRUST COMPANY. The SEC has issued an order under the Trust Indenture Act of 1939 finding the trusteeship of the Irving Trust Company under the 1966, 1968, 1972 and 1973 indentures is not so likely to involve a material conflict of interest as to make it necessary in the public interest or for the protection of investors to disqualify the Irving Trust Company from acting as trustee under the indenture. (Rel. TI-342)

UNLISTED TRADING SOUGHT. The SEC has issued notices giving interested persons until July 19 to request a hearing upon applications of the Midwest Stock Exchange, Inc. for unlisted trading privileges in the common stocks of The Clorox Company, Kellogg Company and Hughes Tool Co. (Rel. 34-10270)

RECENT FORM 8-K FILINGS

Form 8K is a report which must be filed with the SEC by the 10th of the month after any of the following important events or changes changes in control of the registrant, acquisition or disposition of assets, legal proceedings, changes in securities (i.e., collateral for registered securities), defaults upon senior securities, increase or decrease in the amount of securities outstanding, options to purchase securities, revaluation of assets; submission of matters to a vote of security holders.

The companies listed below have filed Form 8-K reports for the month indicated, responding to the item of the form specified. Photocopies may be purchased from the Commission's Public Reference Section (in ordering, please give month and year of report). An index of the captions of the items of the form was included in Monday's News Digest.

COMPANY	ITEM NO.	MONTH
SUPERSCOPE INC	11	05/73
SYCOR INC	11,14	05/73
SYSTEMS ENGINEERING LABORATORIES INC	7,14	05/73
TELESCIENCES INC	7,13	05/73
TEXAS ELECTRIC SERVICE CO	11	05/73
TEXTURED PRODUCTS INC	3	05/73
TIMES MIRROR CO	13	05/73
TOLEDO EDISON CO	7	05/73
TRACOR INC	2,8,14	05/73
TRANS INDUSTRIES INC	11,14	05/73
TRANS WORLD AIRLINES INC	6,13,14	05/73
TRIANGLE PACIFIC CORP	14	05/73
TWENTIETH CENTURY FOX FILM CORP	10,11,14	05/73
UIP CORP	10,11	05/73

8K REPORTS CONT.

ULTIMAC SYSTEMS INC	11,13,14	05/73
UMC INDUSTRIES INC	8	05/73
UNAGUSTA CORP	3,7,13	05/73
UNICARE HEALTH SERVICES INC	6,7,14	05/73
UNIGN SPECIAL MACHINE CO	11,14	05/73
UNISHOPS INC	4,7,14	05/73
UNITED BRANDS CO	10,11,14	05/73
UNITED INDUSTRIAL CORP	11	05/73
UNITED MCGILL CORP	11	05/73
UNITED PIECE DYE WORKS	10,11,14	05/73
UNITED STATES STEEL CORP	11,14	05/73
UNITED TELECOMMUNICATIONS INC	13,14	05/73
UNIVERSAL RUNDLE CORP	11,14	05/73
UPJOHN CO	3,7,13,14	05/73
UPLAND CORP	11	05/73
USLIFE CORP	7,8,11,13,14	05/73
UV INDUSTRIES INC	11	05/73
VALERON CORP	8	12/72
VARI CARE INC	7,14	05/73
VERNITRON CORP	3,14	05/73
VIKING GENERAL CORP	9	05/73
VORNADO INC	7,8,11,14	05/73
WABASH RAILROAD CO	11,14	05/73
WALTER JIM CORP	3,8,13	05/73
WARD FOODS INC	11,12,14	05/73
WASHINGTON GROUP INC	7	05/73
WASTE MANAGEMENT INC	1,11,14	05/73
WATSCO INC	11,13	05/73
WAVECOM INDUSTRIES	10,13	05/73
WAVERLY PRESS INC	3	05/73
WEAN UNITED INC	11	04/73
WEIGHT WATCHERS INTERNATIONAL INC	13	05/73
WEISFIELDS INC	2,10	05/73
WELLS FARGO & CO	7,13	05/73
WELSH CORP	11	05/73
WEST PENN POWER CO	3	05/73
WESTERN BEEF INC	7	05/73

TRADING SUSPENSIONS CONTINUED. The SEC has ordered the suspension of (a) exchange and over-the-counter trading in the securities of Equity Funding Corporation and Giant Stores Corporation and over-the-counter trading in the securities of Trionics Engineering Corporation and Industries International for the further ten-day period July 6-15, inclusive, (b) exchange and over-the-counter trading in the securities of Goodway, Inc. and over-the-counter trading in the securities of Aaden Corporation for the further ten-day period July 7-16, inclusive, and (c) over-the-counter trading in the securities of Continental Vending Machine Corporation for the further ten-day period July 9-18, inclusive.

SECURITIES ACT REGISTRATIONS. Effective July 5: AVX Ceramics Corp., 2-48192; First National Charter Corp., 2-48217 (40 days); Goodall Rubber Co., 2-47950; Hexcel Corp., 2-48221; ICN Pharmaceuticals, Inc., 2-47635; Marcor Inc., 2-48028; Marine Colloids, Inc., 2-48260; Minneapolis Gas Company Employees' Trusted Stock Purchase Plan, 2-48285; New Mexico and Arizona Land Co., 2-48371; SB Partners, 2-45135; Southern Union Production Co., 2-48294; Ups 'N Downs, Inc., 2-48335; ADR's for Whiteread and Company Ltd., 2-48361.

NOTE TO DEALERS. The period of time dealers are required to use the prospectus in trading transactions is shown in parentheses after the name of the issuer.

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