

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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STANDARD RESOURCES SEEKS ORDER. The SEC has issued an order under the Investment Company Act (Release IC-5956) giving interested persons until January 26 to request a hearing upon an application of Standard Resources Corporation, Coplague, N. Y. (the surviving corporation of the merger on November 28, 1969, of Standard Resources Corporation and Micro Semiconductor Corporation) for a 60-day extension of the period in which the surviving corporation must submit a certified balance sheet to the Commission. In September 1969, the Commission granted an order exempting the merger of Standard into Micro from the provisions of Section 17(a) of the Act, providing the surviving corporation submits to the Commission not later than 60 days following the merger a certified balance sheet as of the date of the merger (Release IC-5819).

NEW ENGLAND ELECTRIC SEEKS ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16581) giving interested persons until February 6 to request a hearing upon an application of New England Electric System ("NEES"), Westboro, Mass., holding company, and certain of its subsidiary companies, with respect to the issuance by the subsidiaries of \$60,710,000 of short-term notes to banks and/or to NEES. The subsidiaries propose to issue from time to time through December 31, 1970, up to \$37,340,000 of notes to banks and up to \$23,370,000 of notes to banks and/or to NEES. The subsidiaries will use the net proceeds thereof to pay an aggregate of some \$50,080,000 of notes payable to banks and/or to NEES and to provide money for capital expenditures or reimburse its treasury therefor.

COVALT, INTERNATIONAL RESEARCH NAMED IN SEC ACTION. The SEC San Francisco Regional Office announced January 8 (LR-4521) the filing of a Federal court action in Los Angeles seeking to enjoin violations of the Securities Act registration provisions by IRI Incorporated and Frederick A. Covalt, d/b/a International Research Institute, in the offer and sale of securities (investment contracts) related to the purchase of silver bullion through agencies of foreign banks and other foreign business firms in Switzerland and elsewhere.

COMTECH LABORATORIES FILES FOR OFFERING. Comtech Laboratories Inc., 103 Ames Court, Plainview, N. Y. 11803, filed a registration statement (File 2-35910) with the SEC on December 31 seeking registration of 300,000 shares of common stock, to be offered for public sale through underwriters headed by Philips, Appel & Walden, Inc., 111 Broadway, New York. The offering price (\$7.50 per share maximum*) and underwriting terms are to be supplied by amendment. The Philips firm will be entitled to \$20,000 for expenses; it and Daniel Gersen, a finder, also will be entitled to purchase 27,000 and 3,000 shares, respectively, at 10c per share; these shares may not be disposed of for one year.

The company is engaged primarily in the design, manufacture and sale of electronic components and systems; the principal users are engaged in the ground-based and satellite communications, military reconnaissance and aerospace fields. Of the net proceeds of its stock sale, the company will use \$200,000 to purchase additional equipment and \$355,000 for the purchase of land and construction of new engineering laboratories and production facilities; the balance will be available as needed for additional working capital and capital expenditure requirements. The company has outstanding 1,041,200 common shares (with a net tangible book value of \$.78 per share), of which Jack C. Greene, president, owns 15.6% and management officials as a group 58.4%.

PROPERTY TRUST PROPOSES OFFERING. Property Trust of America, 502 Bassett Tower, El Paso, Tex. 79901, filed a registration statement (File 2-35925) with the SEC on January 2 seeking registration of 400,000 shares of beneficial interest, to be offered for public sale at \$10 per share. The offering is to be made on a best efforts basis through salaried salesmen and dealers, who will receive up to a 6% selling commission.

Formerly El Paso Real Estate Investment Trust, a common law business trust established in 1963, the Trust is intended to be operated as a real estate investment trust. It is engaged primarily in investing in real estate or real estate mortgages and has made investments in 12 pieces of real estate located in El Paso. El Paso Investment Advisory Corporation is investment adviser. Net proceeds of the sale of shares will be used for payment of mortgage principal on outstanding mortgages and for purchase of additional real property or other corporate purposes. Claude B. Olney is chairman of the Trustees. Berry H. Edwards owns 26.6% of the outstanding shares of the adviser.

ARTRONIC INFORMATION TO SELL STOCK. Artronic Information Systems, Inc., 155 E. 44th St., New York 10017, filed a registration statement (File 2-35927) with the SEC on January 5 seeking registration of 105,000 shares of common stock, to be offered for public sale on an all or none basis through T. E. Lehman & Co., Inc., 40 Exchange Pl., New York. The offering price (\$2.75 per share maximum*) and underwriting terms are to be supplied by amendment. The company has agreed to pay the underwriter \$12,500 for expenses and to sell it, for \$150, five-year warrants to purchase 15,000 shares. Also included in this statement are 57,500 outstanding shares, which may be offered for sale from time to time by the present holders thereof at prices current at the time of sale.

Organized in July 1969, the company is engaged principally in providing its clients with management consulting services in the fields of electronic data processing and the mathematical formulation of management procedures. Net proceeds of its stock sale will be used for expansion of the company's sales program packages and the contemplated sale of computer terminal equipment, for the development of a combination consulting and programming service, for expansion of its consulting services, for payroll, advertising and other expenses in connection with its seminar activities and for working capital and other corporate purposes. The company has outstanding 347,500 common shares (with a 36¢ per share net tangible book value), of which Arthur A. Katz, president, owns 55.9% and management officials as a group 67.9%. Wellington Computer Systems Incorporated may sell 20,000 shares and six others the remaining shares being registered.

BUFFALO BUSINESS PRODUCTS TO SELL STOCK. Buffalo Business Products Corporation, 5825 Schumacher, Houston, Tex., filed a registration statement (File 2-35932) with the SEC on January 2 seeking registration of 60,000 shares of common stock, to be offered for public sale at \$5 per share. The offering is to be made on an "all or none" basis through Schmitt-Berry & Co., Inc., 3100 W. Alabama St., Houston, Tex., which will receive a 50¢ per share selling commission plus \$3,500 for expenses. The company has agreed to sell the underwriter, for \$5, five-year warrants to purchase 5,000 shares, exercisable after one year at \$6 per share.

The company is engaged in the retail sale of office and stationery supplies and the printing of various business forms. Of the net proceeds of its stock sale, \$95,000 will be used to open and equip an office furniture division in southwest Houston and the balance will be added to the company's working capital and used for general corporate purposes. The company has outstanding 90,800 common shares (with a \$1.81 per share book value), of which Menon Brian Jones, Sr., board chairman, owns 40.99% and Menon Brian Jones, Jr., president, 44.09%. Purchasers of the shares being registered will sustain an immediate dilution of \$2.39 in per share book value from the offering price.

REALTEK COMMUNICATIONS PROPOSES OFFERING. Realtek Communications Inc., 42 Broadway, New York, filed a registration statement (File 2-35933) with the SEC on January 6 seeking registration of 80,000 shares of common stock with warrants to purchase 80,000 shares, to be offered for public sale in units of one share and one warrant. The offering is to be made on a "best efforts, all or none" basis through Charter Planning Corp., 15 William St., New York; the offering price (\$5 per share maximum*) and underwriting terms are to be supplied by amendment. The company has agreed to sell the underwriter, for \$80, five-year warrants to purchase 8,000 shares.

The company was organized in April 1969 for the purpose of developing and implementing Telemart, a remote tele-communications information, marketing and order-entry system primarily for consumers and retailers. Of the net proceeds of its stock sale, \$100,000 will be used to complete the Telemart systems; \$75,000 to outfit the initial central distribution supply base for warehousing of certain merchandise to be sold through Telemart; and the balance will be added to the company's general funds for use as working capital. The company has outstanding 318,000 common shares (with a 16¢ per share book value), of which Realtek Systems, Inc., owns 95.3%. James C. Marlas is president and board chairman. Purchasers of the shares being registered will acquire a 20% stock interest in the company for their investment of \$400,000; present shareholders will then own 80%, for which they will have paid \$50,000 or 16¢ per share.

FIRST CHICAGO FUND PROPOSES OFFERING. First Chicago Investment Fund, 1 First National Plaza, Chicago, Ill. 60670, filed a registration statement (File 2-35934) with the SEC on January 6 seeking registration of \$4,400,000 units of participation, to be offered for public sale at net asset value (\$11 per share maximum*) - in minimum amounts of \$10,000. The Fund is an unincorporated collective investment fund through which the investment advisory services and securities management experience of The First National Bank of Chicago ("Bank") are made available to a larger number of customers. Its investment objective is to achieve long term growth of both principal and income. The Bank serves as investment adviser and manager of the Fund. A five member board supervises the Fund, including three Bank officials, one of whom is James P. Baxter, senior vice president.

FIRST CHICAGO GROWTH FUND PROPOSES OFFERING. First Chicago Growth Fund, 1 First National Plaza, Chicago, Ill. 60670, filed a registration statement (File 2-35935) with the SEC on January 6 seeking registration of \$6,600,000 of units of participation, to be offered for public sale at net asset value (\$11 per share maximum*), with a minimum participation of \$10,000. The Fund is an unincorporated collective investment fund through which the investment advisory services and securities management experience of The First National Bank of Chicago ("Bank") are made available to a larger number of customers. Its investment objective is long-term capital appreciation. The Bank serves as investment adviser and manager of the Fund. A five member board supervises the Fund, including three Bank officials, one of whom is James P. Baxter, senior vice president.

ONTARIO TO SELL DEBENTURES. Province of Ontario (U.S. Agent: J. R. LaPalme, Government of Ontario, Canada, 680 Fifth Ave., New York 10019), filed a registration statement (File 2-35937) with the SEC on January 7 seeking registration of \$100,000,000 of debentures, due 2000, to be offered for public sale through underwriters headed by Drexel Harriman Ripley Inc., 60 Broad St., New York 10004, and eight others. The interest rate, offering price and underwriting terms are to be supplied by amendment. Ontario will advance the net proceeds of its debentures sale to The Hydro-Electric Power Commission of Ontario, to be added to the Commission's cash resources and used, among other things, for capital expenditures in connection with its construction program. Construction expenditures are estimated at \$506,000,000 for 1970.

CREDIT CONTROL TO SELL STOCK. Credit Control Services, Inc., 4471 N. W. 36th St., Miami Springs, Fla., filed a registration statement (File 2-35938) with the SEC on January 7 seeking registration of 500,000 shares of common stock, to be offered for public sale at \$2 per share. No underwriting is involved; participating NASD members will receive a 30c per share selling commission.

Organized in July 1969, the company acquired all the outstanding stock of two corporations organized in 1967 and 1968. It is engaged in credit counseling, accounts adjusting collection of assigned delinquent accounts, the establishment for members of exchange centers for clearing purposes by the credit industry and the sale of franchising plans for all of these services. Of the net proceeds of its stock sale, \$100,000 will be used for promotion and advertising, \$200,000 to establish franchise operations in coordination with exchange centers to be set up, \$200,000 for continued auditing and supervision of procedures of each franchise, and the balance for working capital and general corporate purposes. The company has outstanding 1,275,325 common shares (with a \$.003 per share book value deficit, of which W. Lee Lambert, president, owns 40% and management officials as a group 47%. Purchasers of the shares being registered will acquire a 28.249% stock interest in the company for their investment of \$1,000,000 (they will sustain an immediate dilution of \$1.427 in per share book value from the offering price); present shareholders will then own 71.751%, for which they paid \$38,551 or 3c per share.

PHILADELPHIA ELECTRIC TO SELL BONDS. Philadelphia Electric Company, 1000 Chestnut St., Philadelphia, Pa. 19105, filed a registration statement (File 2-35939) with the SEC on January 8 seeking registration of \$80,000,000 of first and refunding mortgage bonds, due 1995, to be offered for public sale at competitive bidding. A public utility, the company will use the net proceeds of its bond sale for construction. Construction expenditures are estimated at \$263 million in 1969, \$275 million in 1970, \$259 million in 1971, \$221 million in 1972 and \$230 million in 1973.

KAISER INDUSTRIES FILES FOR SECONDARY. Kaiser Industries Corporation, Kaiser Center, 300 Lakeside Dr., Oakland, Calif. 94604, filed a registration statement (File 2-35940) with the SEC on January 8 seeking registration of 862,329 outstanding shares of common stock, to be offered for public sale through underwriters headed by The First Boston Corp., 20 Exchange Pl., New York, and two others.

The company engages in worldwide engineering and construction activities, produces and sell components and systems for the aerospace and electronics industries, owns or has interests in and operates UHF TV and AM and FM radio stations, and produces and distributes sand, gravel and concrete products. In addition to indebtedness and preferred stock, the company has outstanding 25,169,258 common shares, of which The Henry J. Kaiser Family Foundation owns 25.92% and management officials as a group 13.07%. Edgar F. Kaiser is board chairman and E. E. Trefethen, Jr., president. The Kaiser Foundation and Edgar Kaiser propose to sell 350,000 shares each of 6,524,152 and 2,256,961 shares held, respectively, and Kaiser Foundation Hospitals all of 162,329.

TEXAS POWER & LIGHT TO SELL BONDS. Texas Power & Light Company, 1511 Bryan St., Dallas, Tex. 75201, filed a registration statement (File 2-35941) with the SEC on January 8 seeking registration of \$30,000,000 of first mortgage bonds, due 2000, to be offered for public sale at competitive bidding. A utility subsidiary of Texas Utilities Company, the company will use the net proceeds of its bond sale and from the sale of an additional \$10,000,000 of stock to its parent in November 1969, for the construction of new facilities and other corporate purposes. Construction expenditures are estimated at \$92,500,000 in 1970 and \$102,700,000 in 1971.

OSIAS ORGANIZATION FILES FOR OFFERING AND SECONDARY. Osias Organization, Inc., 2455 East Sunrise Blvd., Fort Lauderdale, Fla. 33304, filed a registration (File 2-35942) with the SEC on January 8 seeking registration of 555,000 shares of common stock, of which 327,297 are to be offered for public sale by the company and 227,703 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters headed by D. H. Blair Securities Corp., 66 Beaver St., New York; the offering price (\$16 per share maximum*) and underwriting terms are to be supplied by amendment. The Blair firm will receive \$20,000 for expenses; its affiliate will be entitled to purchase, for \$350, warrants for the purchase of 35,000 shares exercisable for 30 months commencing in one year.

The company and subsidiaries are primarily engaged in the construction and sale of total community permanent housing, and transient housing through the operation of hotels and resort hotels (including condominium communities). Of the net proceeds of its sale of additional stock, \$1,200,000 will be used to complete land development for Century City Condominiums in Fort Lauderdale, Fla., \$1,050,000 for hotel improvements, \$250,000 for completion of a hotel acquisition in Madrid, Spain, and \$598,000 to retire short term indebtedness incurred for working capital requirements; the balance will be used for general corporate purposes including working capital requirements. In addition to indebtedness, the company has outstanding 2,635,998 common shares, of which Richard A. Osias, board chairman and chief executive officer, owns 42% and management officials as a group 49.2%. Martin A. Burns is president. Amherst Associates and Amherst Overseas Equity, both of New York, own 78,750 shares each and propose to sell 33,750 shares each; seven others propose to sell the balance of the shares being registered.

HANOVER PLANNING FILES OFFERING PROPOSAL. Hanover Planning Company, Inc., 8 Hanover St., New York, N. Y. 10004, filed a registration statement (File 2-35943) with the SEC on January 8 seeking registration of 2,000 units in the 1970 Hanover Annual Drilling Fund, Series 3, to be offered for public sale at \$5,000 per unit. The offering is to be made by Hornblower & Weeks-Hemphill, Noyes, 8 Hanover St., New York, N. Y.. The company will administer the Fund as agent for the participants. Net proceeds of the offering will be used largely for drilling and completing exploratory and development wells. William G. Maloney is board chairman and chief executive officer of the company and W. F. West is president and chief operating officer.

STATITECH INDUSTRIES FILES FOR OFFERING. Statitech Industries, Inc., 7th & Ranstead Sts., Philadelphia, Pa. 19106, filed a registration statement (File 2-35945) with the SEC on January 8 seeking registration of 220,000 shares of common stock, to be offered for public sale at \$5 per share. The offering is to be made on a best efforts basis by Willard Securities, Inc., 445 Park Ave., N. Y., N. Y., which will receive a 40¢ per share selling commission plus \$18,000 for expenses. A finder's fee of \$12,000 is payable to D. H. Blair & Co. The Willard and Blair firms will also be entitled to six-year warrants for the purchase of 20,000 and 2,000 shares, respectively, exercisable after one year at \$6.25 per share.

The company was organized in October 1969 for the purpose of acquiring the stock or assets of operating businesses; and the net proceeds of its stock sale will be used for such purposes. The company has outstanding, in addition to a \$150,000 bank note due in April 1971, 675,000 common shares; of these shares, 650,000 were issued to management officials, founders and others at 1¢ per share and 25,000 to certain others at \$1 per share. Robert M. Ramsey, president, owns 23.4% of the outstanding stock and management officials as a group 92.53%.

RADIANT INTERNATIONAL FILES FOR OFFERING. Radiant International, Inc., 200 N. Wall St., Kankakee, Ill. 60901, filed a registration statement (File 2-35946) with the SEC on January 9 seeking registration of 200,000 shares of common stock, to be offered for public sale through underwriters headed by American Western Securities, Inc., Executive Building, Portland, Ore. 97204. The offering price (\$10 per share maximum*) and underwriting terms are to be supplied by amendment. The said underwriter will be entitled to purchase, for \$100, four-year warrants to purchase 10,000 shares.

Organized in May 1969 and successor to a company organized in December 1967, the company's principal business is the research, development, production and sale of equipment utilizing a type of catalyst material developed by the company and comprised of a ceramic base element with a catalyst coating which is applied as part of the manufacturing process. The catalyst is believed to reduce hydrocarbons and other pollutants. Of the net proceeds of its stock sale, the company will use \$250,000 for testing and research equipment for its plant installation, \$100,000 for equipment and personnel, \$100,000 to establish an inventory of materials for production and stock items for resale, \$500,000 for marketing expansion and \$500,000 to purchase an existing tool, die and machine shop for use in constructing commercial light industrial incinerators and a Catalyst muffler; the balance will be used for working capital. The company has outstanding 263,113 common shares (with a net tangible book value deficit), of which Irwin Boscoe, president, owns 20% and management officials as a group 61%.

DOUBLE X RANCH FILES OFFERING PROPOSAL. Double X Ranch, Inc., Grand Junction, Colo. 81501, filed a registration statement (File 2-35948) with the SEC on January 9 seeking registration of 125 units of "Managed Cattle Programs," to be offered for public sale at \$40,000 per unit. Each unit or herd will consist of 10 registered Aberdeen Angus cows and a one-third interest in a breeding bull; each purchaser will be required to enter into a maintenance contract under which the company (among other things) feeds, cares for and breeds the animals in the herd. Thomas B. Neff is president of the company.

FLORIDA GAS TRANSMISSION TO SELL BONDS. Florida Gas Transmission Company, Winter Park, Fla. 32789, filed a registration statement (File 2-35947) with the SEC on January 9 seeking registration of \$25,000,000 of first mortgage pipe line bonds, due 1990, to be offered for public sale through underwriters headed by Blyth & Co., Inc., 14 Wall St., New York, N. Y., and two other firms. The interest rate, offering price and underwriting terms are to be supplied by amendment. Upon completion of the bond sale, the company will repay \$15 million of outstanding bank loans and retire \$10 million of commercial paper obligations, which were used to provide interim financing for a portion of its \$95 million expansion of the pipeline system which was substantially completed in June 1968. A further expansion was commenced in November 1969 which is expected to cost about \$18 million. W. J. Bowen is president.

HALLWOOD CORP. TO SELL SHARES. The Hallwood Corporation, 2200 East Sunshine St., Springfield, Mo. 65804, filed a registration statement (File 2-35949) with the SEC on January 9 seeking registration of 200,000 common shares, to be offered for public sale at \$10 per share. The offering is to be made by company officials and employees, without special compensation; participating NASD members will be entitled to a selling commission of 10%.

The company was organized in March 1968 for the purpose of financing, building and developing recreational facilities and tourist attractions in southwestern Missouri and northern Arkansas; it is now engaged in preparatory efforts toward that end. Of the net proceeds of its stock sale, \$710,000 will be used for the purchase of two trains and to lay railroad track from Eureka Springs to Beaver, Arkansas, and \$900,000 for the construction of buildings and related facilities in the company's proposed "Old Town"; the balance will be available for general corporate purposes. The company now has outstanding 447,612 common shares (with a \$1 per share book value), of which N. Murray Modlin, president, owns 21.6% and management officials as a group 53%. Purchasers of the shares being registered will sustain an immediate dilution of \$6.22 in per share book value from the offering price.

SECURITIES ACT REGISTRATIONS. Effective January 13: American Finance System Inc., 2-34585 (40 days); Booz, Allen & Hamilton, Inc., 2-35623 (90 days); Cochran Furniture Co., Inc., 2-35283 (90 days); Computer Knowledge Corp., 2-35032 (90 days); Great Lakes Medico Products, Inc., 2-34402 (90 days); Hico Corp. of America, 2-34412 (40 days); The Mitsubishi Bank, Ltd., 2-35888; Okla. Gas and Electric Co., 2-35149; Shenandoah Oil Corp., 2-33560 (90 days); Thermo Electron Corp., 2-33977; Vetco Offshore Industries, Inc., 2-34930 (40 days).

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.