

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

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



Washington, D.C. 20549

(In ordering full text of Releases from SEC Publications Unit cite number)

(Issue No. 70-57)

FOR RELEASE March 24, 1970

DECISIONS IN ADMINISTRATIVE PROCEEDINGS

INTERNATIONAL AEROSPACE SUSPENSION RULING. SEC Hearing Examiner Sidney Ullman has issued an initial decision making permanent the October 1969 order of the Commission temporarily suspending a Regulation A exemption from Securities Act registration with respect to a proposed public offering of stock by International Aerospace Associates, Inc., Bedford, Mass. Unless review thereof is requested within fifteen days or ordered by the Commission on its own motion, the Examiner's decision will become final after 30 days. The Examiner held that the company's Regulation A notification failed in material respects to comply with the applicable disclosure and other provisions of Regulation A, particularly with respect to the company's assets and operations, earnings history, outstanding obligations and shares, and other matters.

HOLDING COMPANY ACT RELEASES

COLUMBIA GAS RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16659) authorizing Columbia Gas System, Inc., New York holding company to issue and sell \$40,000,000 of debentures, due 1995, at competitive bidding. Columbia will add the net proceeds of its debenture sale to its general funds for use, together with funds then available and funds to be generated from operations, to finance, among other things, part of the cost of its subsidiaries' 1970 construction program, estimated at \$200,000,000.

INVESTMENT COMPANY ACT RELEASES

SELECTED AMERICAN SHARES SEEKS ORDER. The SEC has issued an order under the Investment Company Act (Release IC-6007) giving interested persons until April 13 to request a hearing upon an application of Selected American Shares, Inc., Selected Special Shares, Inc., and Selected Opportunity Fund, Inc., Chicago open-end investment companies, and Security Supervisors, Inc., the Funds' principal underwriter and manager, for exemption from the provisions of Section 22(d) of the Act so as to permit the Funds' shares to be sold without the usual sales charge to approximately 50 persons who are officers and directors of International Industries, Inc. ("International") or presidents of International's majority-owned subsidiaries and divisions. International owns about 80% of the outstanding stock of the investment adviser. The Funds' shares are ordinarily offered to the general public at net asset value per share plus a maximum sales charge of from 7½% to 8½%.

MICHIGAN TAX EXEMPT BOND FUND RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-6008) exempting Michigan Tax Exempt Bond Fund (Second and subsequent series) from the \$100,000 minimum net worth provisions of the Act.

LINCOLN NATIONAL FUNDS RECEIVE ORDER. The SEC has issued an exemption order under the Investment Company Act (Release IC-6009) permitting Lincoln National Capital Fund and Lincoln National Balanced Fund ("Funds"), Fort Wayne, Ind., and LNC Equity Sales Corporation ("Equity"), distributor of the Funds' shares, to offer shares of any registered investment company organized by Lincoln National Corporation, whose investment manager is LNC Investment Management Corporation, and whose shares are distributed by Equity, without the usual sales charge, to some 10,000 persons related to the Lincoln National Corporation or one of its subsidiaries, as an officer, director or full-time employee, and to any trust, pension, profit-sharing, deferred compensation, or other benefit fund for such persons. The Funds' shares are ordinarily offered to the general public at net asset value plus a sales charge of 8½%.

EQUITY LIFE SEPARATE ACCOUNT RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-6010) exempting The Equitable Life Assurance Society of the United States ("Equitable"), a New York mutual life insurance company, and Separate Account C of Equitable from certain provisions of the Act. Equitable established Account C to afford a medium for equity investments for certain annuity contracts issued by Equitable.

SECURITIES ACT REGISTRATIONS

DOMESTIC AIR EXPRESS TO SELL DEBENTURES. Domestic Air Express, Inc., 147-17 176th St., Jamaica, N. Y. 11434, filed a registration statement (File 2-36622) with the SEC on March 17 seeking registration of \$2,500,000 of 6-3/4% convertible subordinated debentures due 1990. These debentures have been or are to be sold at 100% of principal amount, plus interest, to Channing Securities, Inc.; the latter may from time to time offer for public sale the debentures or shares acquired on conversion thereof. Hartley J. Chazen will receive a fee of \$125,000 for introducing the company to the purchaser. Chazen is a partner of the law firm of which Burton I. Monasch, an officer and director of the company, is also a partner; the arrangement with Chazen was made prior to the time he joined that firm.

OVER

Since its organization in 1946 the company has engaged principally in the business of freight forwarding by air; in 1969 it acquired Asiatic Forwarders, Inc., which is engaged primarily in the transportation of household goods and military baggage, and of Intra-Mar Shipping Corp. which is engaged in the international air and ocean freight forwarding and custom house brokerage. The net proceeds of its debenture sale will be added to working capital and a portion thereof may be used to purchase from Transport Holdings, A.G., a Liechtenstein corporation, the latter's interest in eight European corporations (The "Interdean Companies"). Barrett M. Fisher is president and board chairman.

CAPITAL MANAGEMENT PROPOSES OFFERING. Capital Management Corporation, 1700 Market St., Philadelphia, Pa. 19103, filed a registration statement (File 2-36623) with the SEC on March 17 seeking registration of 1,200 units of limited partnership participations in its Equipment Lessor Program, to be offered for public sale at \$10,000 per unit. No underwriting is involved; participating NASD members will be entitled to a commission of \$400 per unit sold. The business of the company, as represented by its Equipment Lessor Program, consists of the formation and administration of limited partnerships for the purpose of purchasing industrial and commercial equipment being leased to credit-worthy companies. Net proceeds of the sale of the partnership interests will be used for the acquisition and lease of equipment. O. DeG. Vanderbilt is president.

TRIANGLE AIRWAYS FILES OFFERING PROPOSAL. Triangle Airways, Inc., 5301 Leesburg Pike, Bailey's Crossroads, Va. 22041, filed a registration statement (File 2-36624) with the SEC on March 17 seeking registration of 400,000 shares of common stock. No underwriting is involved; the offering price (\$3 per share maximum*) is to be supplied by amendment. Participating NASD members may receive a selling commission.

The company was organized in February 1969; it is engaged in providing jet helicopter commuter service in the Washington-Baltimore metropolitan area, primarily between the Washington National, Dulles International and Friendship International airports. Of the net proceeds of its stock sale, \$300,000 will be applied to working capital, to be available for general corporate purposes (including salaries), \$85,000 to purchase aircraft maintenance equipment and parts, \$191,000 to exercise an option to purchase two Fairchild-Hiller helicopters now leased, \$70,000 to purchase support equipment (such as automobiles and radios), \$60,000 for payments of expenses of base relocation and helipad developments, \$176,000 to discharge the balance due on two Bell helicopter conditional sales contracts and one Bell helicopter chattel mortgage contract, \$30,000 to retire loans from shareholders, and the balance for general corporate purposes. The company now has outstanding 493,500 common shares (not including 150,000 which may be issued to present stockholders prior to March 24, 1970), with a book value of 16¢ per share; management officials own 49.8%. George A. Totten, III, is president and chief executive officer and Frank Trotto, Jr., board chairman. According to the prospectus, the 245,600 shares held by management officials were acquired for a total cash investment of \$147,150, or 60¢ per share.

TECHNOLOGICAL ASSOCIATES PROPOSES OFFERING. Technological Associates Incorporated, 1040 Bayview Drive, Ft. Lauderdale, Fla. 33304, filed a registration statement (File 2-36625) with the SEC on March 17 seeking registration of 385,000 shares of common stock, to be offered for public sale through underwriters headed by J. C. Bradford & Co., Inc., 414 Union St., Nashville, Tenn. The offering price (\$20 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is a closed-end, non-diversified management investment company whose objective is capital appreciation of its assets through venture investments of an equity nature. Of the net proceeds of its stock sale, \$530,000 will be used to repay the principal and interest on a short term demand note and the balance will be used for operating expenses and for working and investment capital. The company has outstanding 177,500 common shares, of which Thomas J. Sullivan, president, owns 43,050.

LAWSON PRODUCTS FILES FOR OFFERING AND SECONDARY. Lawson Products, Inc., 7711 N. Merrimac Ave., Niles, Ill. 60648, filed a registration statement (File 2-36626) with the SEC on March 18 seeking registration of 200,000 common shares, of which 35,000 are to be offered for public sale by the company and 165,000 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters headed by Bacon, Whipple & Co., 135 S. LaSalle St., Chicago, Ill.; the offering price (\$15 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is a national distributor of expendable fasteners and other parts and supplies for the maintenance of over-the-road and off-the-road equipment, in-plant facilities and machinery, and passenger cars. Of the net proceeds of its sale of additional stock, \$145,000 will be applied to the balance due under a contract for the purchase of land and construction of a warehouse in Atlanta, Ga., and \$60,000 to the cost of equipping and furnishing that facility; the balance will be added to working capital. The company has outstanding 675,000 common shares, of which Sidney L. Port, president, owns 602,500 (89.3%), and his wife the balance. Port proposes to sell the 165,000 outstanding shares being registered.

JOY MFG. FILES FOR SECONDARY. Joy Manufacturing Company, Oliver Building, Smithfield St., Pittsburgh, Pa. 15222, filed a registration statement (File 2-36627) with the SEC on March 18 seeking registration of 100,000 outstanding shares of common stock, to be offered for public sale by the holders thereof through underwriters headed by The First Boston Corp., 20 Exchange Pl., New York. The offering price (\$45 per share maximum*) and underwriting terms are to be supplied by amendment.

The company and subsidiaries are engaged in the design, engineering, manufacture and distribution of mining systems equipment, industrial and general products, environmental control equipment and ore beneficiation and oil tool products. In addition to indebtedness, it has outstanding 4,738,914 common shares. The 100,000 shares being registered (including 70,000 held by Rose K. Wiebel) were acquired by them in June 1968 in connection with the company's purchase of the outstanding stock of Ozone Industries, Inc.

CRYSTAL FUND PROPOSES OFFERING. Crystal Fund - 1970, Ltd., 600 Oden Bldg., Shreveport, La. 71101, filed a registration statement (File 2-36628) with the SEC on March 18 seeking registration of 2,000 units of limited partnership interests in the Fund, to be offered for public sale at \$5,000 per unit. Crystal Resources, Inc., the general partner, will purchase a number of units which, after given effect to such purchase, will equal 10% of the total units sold. An affiliate will purchase five special units at \$5,000 per unit. The offering is to be made on an agency basis by Eppler, Guerin & Turner, Inc., 3900 1st National Bank Bldg., Dallas, Tex., which will receive a selling commission of 6½%. Net proceeds will be used to conduct an oil and gas exploration and development program. Robert F. Roberts is board chairman and G. E. Buddecke, Jr., president of the general partner.

SUNSET INDUSTRIES SHARES IN REGISTRATION. Sunset Industries, Inc., 3459 Cahuenga Blvd., Los Angeles, Calif. 90028, filed a registration statement (File 2-36629) with the SEC on March 18 seeking registration of 200,636 shares of common stock. Of this stock, 188,033 shares are now outstanding and 12,603 are issuable upon the exercise of warrants; the holders or recipients thereof may offer the shares for sale from time to time, at prices current at the time of sale (\$15 per share maximum*). The company is engaged in selling to builders, contractors and home owners, building supplies of its own manufacture and those produced by others. In addition to indebtedness, it has outstanding 521,330 common shares, of which management officials own 14.8%. The principal selling stockholders are Fund of Letters, Inc. (41,200 shares), IOS Venture Fund (International) N.V. (45,600), Norton Simon, Inc. (25,750) and Norton Simon (25,750).

COMPUTER DESIGN FILES FOR OFFERING. Computer Design Corporation, 12401 W. Olympic Blvd., Los Angeles, Calif. 90064, filed a registration statement (File 2-36630) with the SEC on March 18 seeking registration of 300,000 shares of common stock, to be offered for public sale through underwriters headed by Mitchum, Jones & Templeton, Inc., 510 S. Spring St., Los Angeles, Calif. The offering price (\$20 per share maximum*) and underwriting terms are to be supplied by amendment. The Mitchum firm will be entitled to purchase, for \$100, five-year warrants for the purchase of 10,000 shares, exercisable after one year at 120% of the offering price.

The company has designed and developed and manufactures for sale through independent distributors a line of electronic calculators and desk-top computers for both scientific and business applications. Net proceeds of its stock sale will be added to the company's general funds, of which \$350,000 will be used to repay indebtedness under a short-term line of bank credit, \$400,000 to repay indebtedness incurred to finance a portion of the tooling used in the manufacture of its machines, and \$500,000 to finance the purchase of automated manufacturing equipment and the development of automated test equipment; the balance will be used for on-going capital requirements. In addition to indebtedness, the company has outstanding 1,173,273 common shares (with a net tangible book value of 22¢ per share), of which Elmer R. Easton, president, owns 31% and management officials as a group 48%.

UNIONAMERICA TRUST PROPOSES OFFERING. Unionamerica Mortgage and Equity Trust, 2700 Wilshire Blvd., Los Angeles, Calif. 90057, filed a registration statement (File 2-36631) with the SEC on March 18 seeking registration of \$35,000,000 of convertible subordinated debentures, due 1990, and warrants to purchase 1,050,000 shares of beneficial interest in the trust. It is proposed to offer these securities for public sale in units, each consisting of \$1,000 principal amount of debentures and warrants (number unspecified), and at \$1,000 per unit. The interest rate and underwriting terms are to be supplied by amendment. Lehman Brothers, 1 William St., New York, and Dean Witter & Co., Inc., 45 Montgomery St., San Francisco, Calif., are listed as the principal underwriters.

The company is a real estate investment trust organized in November 1969. In December, it made an initial public offering of 1,250,000 units at \$20 per unit, each consisting of one share and one warrant. It has invested its funds to date in first mortgage construction loans; and it also is authorized to invest in permanent loans and real estate equities and certain other investments. Unionamerica Advisors, Inc., advises the Trust with respect to investments and administers the day-to-day operations of the Trust, subject to supervision of the Trustees. Net proceeds of this financing will be invested in accordance with the investment policies of the Trust. Robert H. Volk is board chairman and Ott Thompson, II, president of the management company.

HOUSTON NATURAL GAS TO SELL DEBENTURES. Houston Natural Gas Corporation, P. O. Box 1188, Houston, Tex. 77001, filed a registration statement (File 2-36632) with the SEC on March 18 seeking registration of \$30,000,000 of sinking fund debentures, due 1990, to be offered for public sale through underwriters headed by White, Weld & Co., 20 Broad St., and First Boston Corp., 20 Exchange Place, both of New York. The interest rate, offering price and underwriting terms are to be supplied by amendment.

The company is engaged in the natural gas and industrial gas business. The net proceeds of its debenture sale will be applied in full payment of bank loan notes, issued or to be issued for property additions and improvements. The company's construction program for its two fiscal years ending July 31, 1971, is estimated at \$97,000,000. John H. Wimberly is board chairman and Robert R. Herring president.

MISCELLANEOUS

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 March 3 News Digest.

8K Reports for Feb '70

Harvey Aluminum Inc (4,11,13)	1-4507-2	American Motors Corp	
Holly Resources Corp (13)	1-4343-2	(2,4,7,11,13)	1-622-2
Agway Inc Jan 70 (7)	2-22791-1	American Re-Insurance Co	
Kaiser Steel Corp (7,8)	0-433-2	(7,11,13)	2-19516-2
New Bedford Gas & Edison Light		Union Camp Corp	
(11)	2-7749-2	(4,7,13)	1-4001-2
Blue Chip Stamps (3)	0-3810-2	Union Corp	
Mr. Steak Inc (12)	0-4280-2	(Jan. 1970(4,8,13)	1-5371-2
Cabot Corp (13)	1-5667-2	Affiliated Computer Systems, Inc	
Metromedia Inc (2)	1-4649-2	(7)	0-3558-2
Locke Mfg Cos Inc (12)	1-2692-2	Alcon Lab's., Inc	
Falls City Brewing Co (12)	0-2475-2	(12,13)	0-1662-2
Alfred Hart Co (12)	1-5136-2	Applied Synthetics Corp	
Collins & Aikman Corp		(2,7,13)	1-5678-2
(7)	1-215-2	Columbia Pictures Ind., Inc	
Consolidated Natural Gas Co		(7,13)	1-6240-2
(12,13)	1-3196-2	Crowell, Collier & MacMillan, Inc	
Chas. Pfizer & Co		(3)	1-3911-2
(3)	1-3619-2	Crown Zellerbach Corp	
Sargent Welch Scientific Co		(13)	1-2823-2
(12,13)	1-4711-2	United Air Lines, Inc	
City Invstg. Co		(4,7,13)	1-2637-2
(12)	1-5651-2	Parvin Dorchman Co	
Continental Tel. Intl. Finance Co		(1,13)	1-2762-2
(7,13)	1-5614-2	UAL, Inc	
Ski Park City West, Inc		(13)	1-6033-2
(11)	0-4150-2	Celanese Corp	
Transmagnetics, Inc		(10)	1-1308-2
(12)	0-4083-2	Clark Equipment Co	
Unarco, Inc		(13)	1-5646-2
(12,13)	1-5081-2	Clark Equipment Overseas	
Barth Spencer Corp		Finance Corp(7,13)	1-5220-2
(11)	1-5261-2	Triumph Ind., Inc	
Cousins Properties Inc		(3)	0-2406-2
(7,8,13)	0-3576-2	Petrolite Corp	
		(11,13)	0-685-2
		Contran Corp	
		Feb. 1970(2)	2-30801-2
		Data-Ram Corp	
		Nov. 1969(2,13)	0-4053-2
		Continental Invst. Corp	
		Feb. 1970 (7,13)	0-3655-2

SECURITIES ACT REGISTRATIONS. Effective March 23: Atlantic City Electric Co., 2-36221; Automatic Drilling Machines, Inc., 2-33655 (90 days); Carr Oil Exploration, 2-35020 (90 days); Coddling Enterprises, 2-36499; Tenneco Inc., 2-36356 (40 days).
Withdrawn March 20: Dubow Chemical Corp., 2-35864; National Teleproductions Corp., 2-32781.

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.