

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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COMMISSION ANNOUNCEMENTS

CORPORATE OFFERINGS REPORTED. The SEC today announced that U. S. corporations offered a record \$7.9 billion of new securities in the first quarter of 1970. This compares with \$6.2 billion offered in the first three months of last year and the previous quarterly record of \$7.4 billion set in the second quarter of 1969. While the dollar value of new securities for the first quarter of 1970 reached a record volume, the number of new issues was moderately lower than any recent quarterly total. For further details, see Stat. Release No. 2441.

COST OF STOCK FLATATIONS REPORTED. The SEC announces (for May 8 Newspapers) the issuance of a report entitled "Cost of Flotation of Registered Equity Issues, 1963-65." The study (Stat. Release No. 2442) covers all publicly offered equity issues (both primary and secondary) registered under the Securities Act during 1963-65 (the last previous study of a similar nature covered the years 1951, 1953 and 1955). The new report may be purchased at 70¢ per copy from the Superintendent of Documents, Government Printing Office, Washington, D. C. 20402.

HOLDING COMPANY ACT RELEASES

ALABAMA POWER RECEIVES ORDER. The SEC has issued a supplemental order under the Holding Company Act (Release 35-16713) with respect to the issue and sale by Alabama Power Company, Birmingham subsidiary of The Southern Company, of up to \$80,000,000 of short-term notes to banks and commercial paper to dealers in commercial paper (authorized by Commission order of November 5, 1969 -- Release 35-16512). Alabama Power has now filed a revised list of lending banks, consisting of three New York City banks (maximum of \$20,900,000 to be borrowed), one Pittsburgh, Pa., bank (maximum of \$500,000), and sixty-two Alabama banks (maximum of \$32,195,000).

WEST PENN POWER SEEKS ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16714) giving interested persons until May 28 to request a hearing upon an application of West Penn Power Company, Greensburg, Pa. subsidiary of Allegheny Power Systems, Inc., to issue and sell at competitive bidding \$25,000,000 of first mortgage bonds, Series Y, due 2000, and 50,000 shares of preferred stock, Series F (\$100 par). West Penn will use the proceeds of its offering to finance, in part, its construction program, including payment of \$27,000,000 of short-term notes incurred therefor. Construction expenditures are estimated at \$61,000,000 for 1970, \$85,000,000 for 1971 and \$66,000,000 for 1972.

SECURITIES ACT REGISTRATIONS

DILLINGHAM SHARES IN REGISTRATION. Dillingham Corporation, P. O. Box 3468, Honolulu, Hawaii 96801, filed a registration statement (File 2-37225) with the SEC on April 29 seeking registration of 1,101,764 shares of common stock. These shares which have been or will be issued to officers and employees pursuant to the Stock Option Plans and Executive Incentive Stock Purchase Plan (1968) or which will be issued in connection with the company's acquisition program, may be offered for sale from time to time by the holders or recipients thereof at prices current at the time of sale (\$17 per share maximum*). The company has outstanding 11,498,765 common shares.

NATIONAL SHELLFISH PROCESSORS TO SELL STOCK. National Shellfish Processors, Inc., 150B Wickham Rd., Melbourne, Fla. 32901, filed a registration statement (File 2-37293) with the SEC on May 5 seeking registration of 88,000 shares of common stock, to be offered for public sale at \$5 per share. The offering is to be made on a "best efforts, all or none" basis through Alpha Securities, Inc., 439 South Grove St., Freeport, N. Y., and M. H. Drayer Co., 42 Broadway, New York, N. Y., which will receive a 50¢ per share selling commission plus \$7,500 for expenses. The company has agreed to sell the underwriters, for an aggregate of \$80, four-year warrants to purchase 8,000 shares, exercisable after 13 months at \$5.25 per share; it has also agreed to pay \$5,000 to Eugene Rosenfield for his services as a finder.

Organized in December 1968, the company proposes to build and operate a commercial oyster depuration facility in Florida. Oysters will be taken from polluted waters and processed at its facilities for a period of time to free them from any pollutional micro-organisms through normal biological processes. Of the net proceeds of its stock sale, \$110,000 will be used for plant construction and land improvement; the balance will be added to the company's general funds and used for general corporate purposes. The company has outstanding 255,048 common shares (with a 31¢ per share net tangible book value), of which J. Clyde Kitchel, president, owns 14.8% and management officials as a group 62.3%. Purchasers of the shares being registered will acquire a 23.9% stock interest in the company for their investment of \$400,000 (they will sustain an immediate dilution of \$3.81 in per share book value from the offering price); present shareholders will then own 76.1%, for which they paid \$104,336, or 41¢ per share.

OVER

ALVARADO CATTLE FUND PROPOSES OFFERING. Alvarado Cattle Fund, Inc. (the "general partner"), 344 Grape St. San Diego, Calif. 92101, filed a registration statement (File 2-37294) with the SEC on May 5 seeking registration of \$6,000,000 of pre-organization subscriptions in two limited partnerships ("Alvarado Cattle Feeders" - the "partnerships") to engage in cattle feeding programs, to be offered for public sale in minimum subscriptions of \$5,000. The offering is to be made through Alvarado Securities Corp., 344 Grape St., San Diego, Calif. 92101, which will receive an 8½% selling commission; it will utilize the services of selected NASD members. The purpose of the partnerships is to provide professional management to financially qualified investors who wish to invest in the purchase of feeder cattle for fattening and sale to packing houses. All of the outstanding shares of the general partner are owned by Western Agri-Systems Corporation. James M. Stilwell is president of the general partner and of its parent.

COMPUTER TECH-DATA PROPOSES OFFERING. Computer Tech-Data Corporation, Gulf South Bldg., Gulfport, Miss. 39501, filed a registration statement (File 2-37295) with the SEC on May 4 proposing the public offering of 250,000 shares of common stock. No underwriting is involved; participating NASD members will receive up to a 10% selling commission.

Organized in March 1969, the company is primarily a specialized "third generation" software services organization engineered to operate in the area of computer data centers, computer technical training and educational video tape production services. Of the net proceeds of its stock sale, \$645,000 will be used to construct and equip an electronic video tape production facility, \$275,000 to develop a new computer micro-electronics technician educational program, \$275,000 to increase working capital, hire additional personnel and for other corporate purposes, \$135,000 to pay expenses and provide operating funds to organize and operate a collocated Computer Tech-Data Servicer and Institute in the Hampton, Virginia area, \$125,000 to develop and produce electronic video tape technical and non-technical courses and programs for master educational video recordings, \$110,000 to lease NCR Century Series Computer Systems and peripheral equipment and \$220,000 to expand and operate another Computer Tech-Data Institute in Gulfport, Miss.; the balance will be added to the company's working capital and used for general corporate purposes. The company has outstanding 285,000 common shares, of which James D. Antonious, president and board chairman, owns 70.3% and management officials as a group 98.2%. Purchasers of the shares being registered will acquire a 45% stock interest in the company for their investment of \$2,500,000*; present stockholders will then own 55%, for which they paid \$285,000 (including \$32,000 cash and tangible assets, \$235,000 of intangible assets, \$9,000 of legal services and goodwill and \$9,000 of goodwill and use of certain training packages).

TEXAS AMERICAN DRILLING FUND PROPOSES OFFERING. Texas American 1970 Drilling Fund, Ltd. (the "Partnership"), 1012 Midland Savings Bldg., Midland, Tex., filed a registration statement (File 2-37296) with the SEC on May 4 seeking registration of \$2,000,000 of limited partnership interests, to be offered for public sale in 400 units and at \$5,000 per unit. No underwriting is involved; selected broker-dealers will receive a 6% selling commission. Texas American Oil Management Company (an 80% subsidiary of Texas American Oil Corporation) will serve as general partner. The Partnership is to be organized to acquire oil and gas leases and to explore for and develop oil and gas thereon. H. L. Atnipp is president of the general partner.

HAWKEYE CATTLE PROPOSES OFFERING. Hawkeye Land and Cattle Co., 4403 First Ave., S. E., Cedar Rapids, Iowa 52402, filed a registration statement (File 2-37298) with the SEC on May 4 seeking registration of investment contracts related to 100 "Managed Cattle Herds" of Aberdeen Angus Cattle, to be offered for public sale at \$11,000 per herd. Each purchaser of a herd must enter into a maintenance contract under which the company feeds, cares for and breeds the animals in the herd. The offering is to be made through company officials and possibly by registered broker-dealers; a 6% selling commission will be paid. The company was organized in March to engage in the buying, breeding, raising, selling, showing and maintaining of registered Aberdeen Angus cattle, principally for the account of persons to whom it sells Managed Cattle Herds and also to a lesser extent for its own account. John O. Grunewald, president, and eight other company officials own 11.1% each of the company's outstanding common stock.

AMERICAN EQUITY TRUST PROPOSES OFFERING. American Equity Investment Trust (the "Trust"), 375 Collins Rd. N. E., Cedar Rapids, Iowa 52406, filed a registration statement (File 2-37299) with the SEC on May 4 seeking registration of 250,000 shares of beneficial interest, to be offered for public sale on a "best efforts" basis through Life Investors Management Corporation (of the same address). The offering price (\$11 per share maximum) and underwriting terms are to be supplied by amendment.

The Trust was organized in August 1968 as a common law business trust to provide investors an opportunity to participate in real estate investments normally available only to those with larger financial resources. It owns three apartment complexes, two shopping centers, an office building and a restaurant building. It intends to qualify as a "real estate investment trust" under the Internal Revenue Code. Life Investors Insurance Company of America administers the Trust. John F. Hodson is board chairman of the Trust.

BACHE-GOODBODY-WALSTON FUND PROPOSES OFFERING. Municipal Investment Trust Fund, Series X, filed a registration statement (File 2-37301) with the SEC on May 5 seeking registration of \$8,000,000 of units, to be offered for public sale in 8,000 units. The Fund is one of a series of similar investment companies created by a trust agreement under which Bache & Co. Incorporated, Goodbody & Co. and Walston & Co., Inc., act as sponsors, United States Trust Company of New York as trustee and Standard & Poor's Corporation as evaluator. The Fund consists of a diversified tax exempt bond portfolio of interest-bearing obligations issued by or on behalf of states, counties, territories or municipalities of the United States and authorities and political subdivisions thereof, the interest on which, in the opinion of counsel, is exempt from all Federal income tax under existing law.

PENNWALT TO SELL DEBENTURES. Pennwalt Corporation, Three Penn Center, Philadelphia, Pa., filed a registration statement (File 2-37302) with the SEC on May 5 seeking registration of \$40,000,000 of sinking fund debentures, due 1995, to be offered for public sale through underwriters headed by Kidder, Peabody & Co. Incorporated, 20 Exchange Place, New York, N. Y. 10004. The interest rate, offering price and underwriting terms are to be supplied by amendment.

The company is engaged in the manufacture and sale of chemicals, specialized equipment and health products. Net proceeds of its debenture sale will be used to retire short-term debt incurred over the last several years to finance expansion of the company's facilities and to meet increased working capital requirements arising from increased sales volume. In addition to indebtedness, the company has outstanding 7,310,012 common shares. William P. Drake is board chairman and chief executive officer and Charles H. Rybolt is president.

LTV SHARES IN REGISTRATION. Ling-Temco-Vought, Inc., 1600 Pacific Ave., P. O. Box 5003, Dallas, Tex. 75222, filed a registration statement (File 2-37303) with the SEC on May 5 seeking registration of (a) common stock deliverable on exercise of common stock purchase warrants of Jones & Laughlin Industries, Inc. ("JLI"), expiring April 1, 1979, which became exercisable to purchase LTV common stock as a result of the merger of New JLI Corp. and Jones & Laughlin Industries, Inc. into a single corporation in December 1969, (b) 249,980 common shares deliverable on exercise of common stock purchase warrants of The Okonite Company, which expire July 15, 1978, (c) common stock deliverable on exercise of common stock purchase warrants expiring January 8, 1975, and (d) 500,000 shares of Series D cumulative convertible preferred stock (\$1 par) deliverable upon exercise of common stock purchase warrants of Wilson & Co., Inc., expiring September 15, 1978, which became (or will become) exercisable to purchase Series D preferred stock as a result of the merger of New Wilson Corp. and Wilson Food Products into a single corporation.

The company is primarily engaged through its subsidiaries in the steel and ferrous metal products, meat and foods, aerospace, electronics, air transportation, wire and cable floor covering, recreation, and pharmaceuticals and chemical business. It has outstanding (among other securities) 2,802,327 common shares.

PROGRAMMED PERSONAL SERVICES TO SELL STOCK. Programmed Personal Services Corp., 666 Fifth Ave., New York, N. Y. 10019, filed a registration statement (File 2-37304) with the SEC on May 5 seeking registration of 250,000 shares of common stock, to be offered for public sale at \$6 per share. The offering is to be made through underwriters headed by E. P. Seggos & Company, Inc., 79 Wall St., New York, N. Y. 10005, which will receive a 60¢ per share commission. The company has agreed to pay the Seggos firm \$25,000 for expenses and \$25,000 (\$5,000 per year) in connection with its employment as a financial consultant, and to sell the Seggos firm and a finder, Henry Cole, for an aggregate of \$250 (1¢ per warrant), six-year warrants to purchase 23,750 and 1,250 shares, respectively, exercisable after one year at \$6 per share.

The company was organized in January 1969 for the purpose of developing and operating computer services to provide the general consumer with direct access by telephone and other means to computerized information in selected fields in which management believes that a demand exists or can be stimulated therefor. Part of the net proceeds of its stock sale will be used to discharge the company's 8% notes and interest thereon (of which \$250,000 were outstanding at April 30) the proceeds of which notes have been or will be used to meet operating expenses of the company and \$300,000 will be applied to the establishment of separate computerized facilities in the Los Angeles area for the extension of the company's horoscope service to California; the balance will be added to the company's working capital and used for general corporate purposes (\$250,000 may be reserved to meet expenses of its proposed California astrology services). The company has outstanding 378,000 common shares (with a 62¢ per share net tangible book value), of which David A. Lown, board chairman, owns 34.4% and Eugene Brown, president, 10.6%. Purchasers of the shares being registered will acquire a 39.8% stock interest in the company for their investment of \$1,500,000; present shareholders will then own 60.2% for their investment of \$448,690.

DIAMOND INTERNATIONAL FILES FOR SECONDARY. Diamond International Corporation, 733 Third Ave., New York, N. Y. 10017, filed a registration statement (File 2-37305) with the SEC on May 5 seeking registration of 55,000 outstanding shares of common stock. These shares may be offered for sale from time to time by the holders thereof at prices current at the time of sale, or may be donated to charitable institutions which may offer them for sale.

The company (formerly The Diamond Match Company) is engaged in the lumber and related businesses. It has outstanding 11,788,552 common shares. William H. Walters, board chairman and chief executive officer, may sell or donate 50,000 of 235,680 shares held and Richard J. Walters, president, 5,000 of 21,230.

S&S PRODUCTIONS TO SELL STOCK. S&S Productions, Inc., 1564 Broadway, New York, filed a registration statement (File 2-37307) with the SEC on May 6 seeking registration of 110,000 shares of common stock, to be offered for public sale at \$6 per share. The offering is to be made on an all or none, best efforts basis by Davis Securities Co., Inc., 50 Broadway, New York, which will receive a 60¢ per share selling commission plus \$20,000 for expenses. The company has agreed to sell the Davis firm for \$10, five-year warrants to purchase up to 10,000 shares, exercisable after one year at \$6.60 per share.

The company was organized in March 1969 to engage in producing theatrical, television and film productions. Of the net proceeds of its stock sale, \$200,000 will be invested in "The Cherry Company," a partnership to finance the production of the Broadway musical "Cherry,"; the balance will be added to the company's working capital and may be used as an additional investment in "Cherry" or to pay ordinary operating expenses, including financing of other productions and the purchase of property rights to future productions. The company has outstanding 200,000 common shares (with a 12¢ per share book value), of which Robert L. Shelley, board chairman and president, owns 85% and Harold Greenberg 10%. Purchasers of the shares being registered will sustain an immediate dilution of \$4.17 in per share book value from the offering price.

FIRST NATIONAL BANCORP. TO SELL DEBENTURES. The First National Bancorporation, Inc., 621 17th St., Denver, Colo. 80202, filed a registration statement (File 2-37308) with the SEC on May 6 seeking registration of \$10,000,000 of convertible subordinated debentures, due 1995, to be offered for public sale through underwriters headed by Morgan Stanley & Co., 2 Wall St., New York. The interest rate, offering price and underwriting terms are to be supplied by amendment.

The company owns substantially all of the capital stock of four Colorado banks. The net proceeds of its debenture sale will be added to general funds, of which \$1,200,000 will be used to provide additional capital funds to subsidiary banks, \$1,200,000 will be used in connection with the construction of an additional banking facility by one of the banks, and \$500,000 will be used to retire an outstanding note. The remaining proceeds will be used for general corporate purposes, including the retirement of short-term obligations as they become due and for additional capital investment in subsidiaries. The company has outstanding 1,488,585 common shares, of which management officials as a group own about 39%. Montgomery Dorsey is board chairman, Eugene H. Adams vice chairman, and Bruce D. Alexander president.

PROPERTIES INTERNATIONAL PROPOSES OFFERING. Properties International Ltd., 2816 E. Market St., York, Pa. filed a registration statement (File 2-37312) with the SEC on May 6 seeking registration of 2,000,000 shares of common stock and 2,000,000 warrants to purchase 1,000,000 shares. It is proposed to offer these securities for public sale in units, each consisting of one share and one warrant (to purchase one-half share), and at \$5 per unit. The units are to be offered on a best efforts basis by REF Investments, Inc., of York, Pa., which will receive a selling commission of 60¢ per share. The underwriter will be entitled to receive, as additional compensation, up to 45,000 shares, depending upon the number of shares sold to the public.

Organized in December 1969, the company intends to provide investors with an opportunity to invest in a portfolio of all types of real estate, particularly in the commercial and industrial categories. Of the net proceeds of this offering, \$100,000 will be allocated to general corporate expenses and overhead and the balance will be used to acquire construction and development first mortgage loans and other real estate interests. The company has outstanding 1,332,998 common shares (with a 20¢ per share book value) of which management officials as a group own 82.2%. Charles Adler, II is president and board chairman. Purchasers of the 2,000,000 shares being registered will sustain an immediate dilution of \$2.32 in per share book value from the offering price.

STOCK PLANS FILED. The following have filed Form S-8 registration statements with the SEC seeking registration of securities to be offered pursuant to employee stock and related plans:

United Industrial Corporation, New York (File 2-37292) - 163,475 shares
 Memorex Corporation, Santa Clara, Calif. 95052 (File 2-37297) - 125,000 shares
 Holiday Inns, Inc., Memphis, Tenn. 38118 (File 2-37300) - 200,135 shares
 Otis Elevator Company, New York 10001 (File 2-37306) - 200,000 shares
 The Cleveland Electric Illuminating Company, Cleveland, Ohio 44101 (File 2-37309) - 400,000 shares
 Simmons Company, New York 10017 (File 2-37310) - 150,000 shares
 Siliconix Incorporated, Santa Clara, Calif. 95054 (File 2-37311) - 100,000 shares

MISCELLANEOUS

COPENHAGEN TELEPHONE SEEKS ORDER. The SEC has issued an order pursuant to provisions of the Trust Indenture Act of 1939, giving interested persons until May 26, 1970, to request a hearing upon an application of Kjøbenhavns Telefon Aktieselskab (Copenhagen Telephone Company, Inc.), for a determination that the trusteeship of First National City Bank under the indentures securing six debenture issues is not so likely to involve a material conflict of interest as to call for the disqualification of the Bank from acting as trustee under the several indentures.

According to the application, the Bank serves as trustee under 1962 and 1963 indentures (which were qualified under the Act) pursuant to each of which \$12,000,000 of debentures are outstanding, and under 1964, 1966 and 1967 indentures (not so qualified), pursuant to which \$15, \$10 and \$10 million of debentures, respectively, are outstanding. The company also has issued outside of the United States \$10,000,000 of debentures due 1985 under a non-qualified 1970 indenture between it and the Bank; and it urges that, aside from differences as to amounts, dates and interest rates, the provisions of the six indentures are substantially identical and any difference in their provisions is unlikely to cause any conflict of interest in the Bank's trusteeship under the several indentures.

SECURITIES ACT REGISTRATIONS. Effective May 5: Mid-Ohio Banc Shares, Inc., 2-35351 (40 days).
Effective May 6: Barnett Banks of Florida, Inc., 2-35370 (40 days); C. G. S. Scientific Corp., 2-35460; First at Orlando Corp., 2-36530 (40 days); International Utilities Corp., 2-37285; Jewel Companies, Inc., 2-37096; Marsh & McLennan, Inc. and Marlennan Corp., 2-37230; McDonough Co., 2-35479 (40 days); National Compactor & Technology Systems, Inc., 2-36808 (90 days); Joe Phillips Resources Fund 1970 Program, 2-35568; Squibb Beech-Nut, Inc., 2-37220; Sun Oil Co., 2-37126; Sun Oil Co. and Olin Corp., 2-37196; Witco Chemical Corp., 2-37233.

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.