

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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(Issue No. 70-90)

FOR RELEASE May 8, 1970

HOLDING COMPANY ACT RELEASES

COLUMBIA GAS PROPOSES ACQUISITION. The Columbia Gas System, Inc., New York holding company, has filed a proposal with the SEC under the Holding Company Act for the acquisition of National Gas & Oil Corporation. Interested persons may file requests to be heard not later than June 8; a hearing will be scheduled by future order (Release 35-16715). Under the proposal, a newly-organized Columbia Gas subsidiary, Nugasco, Inc., will merge with and into National. For each of the 493,740 shares of National common stock outstanding, the holders will receive 0.6 shares of Columbia Gas common (or a total of 296,244 shares); the agreement provides for an adjustment of the exchange ratio depending upon the average market value of Columbia Gas common during a specified period. National's service area in east-central Ohio is completely surrounded by territory serviced by Columbia Gas of Ohio, another subsidiary of Columbia Gas. Stockholders of National have approved the proposed merger at a special meeting.

NORTHEAST UTILITIES SEEKS ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16716) giving interested persons until May 29 to request a hearing upon an application of Northeast Utilities, Hartford, Conn., and four subsidiaries, The Connecticut Light & Power Company ("CL&P"), The Hartford Electric Light Company ("HELCO"), Western Massachusetts Electric Company ("WMECO") and the Millstone Point Company, with respect to the transfer and assignment by CL&P, HELCO and WMECO of their respective interests in a nuclear fuel contract to Millstone Point (authorized by Commission Release 35-16389). The companies propose to extend the period for the completion by Millstone Point of satisfactory permanent financing arrangements from 12 to 24 months. They also request that the maximum amount of short-term subordinated notes to Northeast authorized by the Commission be increased from \$2,750,000 to \$3,500,000.

PENNZOIL UNITED RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16717) granting a request of Pennzoil United, Inc., Houston, for permission to enter into negotiations with underwriters with respect to the stand-by underwriting of the company's proposal to offer the common stock of United Gas, Inc., for subscription by Pennzoil stockholders. Pennzoil invited competitive bids for such underwriting, but no bids were received. The Commission reserved jurisdiction over the terms of the offering.

INVESTMENT COMPANY ACT RELEASE

BALDWIN-BECO HEARING POSTPONED. The SEC has issued an order under the Investment Company Act (Release IC-6046) postponing from May 11 to June 23 the hearing on the application of Baldwin Securities Corporation, New York closed-end investment company, which seeks an exemption from certain provisions of the Act with respect to the proposed merger of Baldwin and Beco Industries Corporation. As of December 31, 1968, Baldwin owned 344,120 shares (54.3%) of the outstanding stock of Beco. Under the merger proposal, other holders of Beco stock will receive 3.9 shares of Baldwin common for each share of Beco held.

COURT ENFORCEMENT ACTION

PLEAS ENTERED IN "ROCKET CITY" SALES. The SEC Boston Regional Office announced May 5 (LR-4601) that Milton H. Mendelsohn of Granada Hills, Calif., and William H. Blum of Baltimore had entered pleas of guilty in Federal court in Baltimore, to one count of indictment charging fraud in the sale of securities of All-State Development Corporation and All-State Surety Corporation, a Florida land sales complex called "Rocket City". Meyer S. Jolson of Covington, Ky., entered a plea of nolo contendere.

FIVE INDICTED IN SALE OF CHURCH BONDS. The SEC Fort Worth Regional Office announced May 4 (LR-4602) the return of an indictment in the Federal court in New Orleans, charging the following with fraud in the sale of bonds of the Mid-City Baptist Church, of New Orleans: J. Paul Driscoll, of New Orleans, and Hugh E. McGee, Jr., Paul D. McMillan, Clyde L. Raburn and Jessie Muriel Ray (aka Jimmy Ray), all of Houston, Tex.

SECURITIES ACT REGISTRATIONS

RELIABLE INVESTORS FILES TWO STATEMENTS. Reliable Investors Corporation, 2725 W. Broadway, Madison, Wis. 53713, filed a registration statement (File 2-37313) with the SEC on May 6 seeking registration of 300,000 shares of common stock. It is proposed to offer this stock to holders of Reliable Life and Casualty Company common shares, at the rate of $1\frac{1}{2}$ shares of company stock for each share of Insurance Company stock. The boards of directors of the two companies, the memberships of which are identical, have approved the exchange plan, the purpose of which is to permit the company to engage in a program of diversification not available to the Insurance Company because of the insurance statutory and regulatory limitations on its activities. George Stewart is president and board chairman. The Insurance Company has outstanding 200,000 common shares, of which Stewart owns 138,171 (69.1%) and management officials as a group 181,357 (90.7%).

OVER

In a separate statement (File 2-37214), the company seeks registration of 150,000 common shares, to be offered for subscription by stockholders (after consummation of the exchange offer) at the rate of one new share for each two shares held, and at \$10 per share. The directors of the company have indicated that they do not propose to exercise their subscription rights; unsubscribed shares will be offered for public sale at \$11.50 per share. No underwriting is involved. Net proceeds of the stock sale will be used, as follows: \$300,000 for investment in P.S.C., Inc., an "accounts receivable management service" subsidiary (for use by it in the purchase with recourse of accounts receivable), \$700,000 will be invested in Insurance Company; and any balance will be added to working capital.

EASTERN GAS FILES FOR SECONDARY. Eastern Gas and Fuel Associates (the "Association"), 2900 Prudential Tower, Boston, Mass. 02199, filed a registration statement (File 2-37315) with the SEC on May 6 seeking registration of 525,000 outstanding shares of common stock, to be offered for public sale through underwriters headed by The First Boston Corporation, 20 Exchange Pl., New York 10004, and two other firms. The offering price (\$24 per share maximum*) and underwriting terms are to be supplied by amendment.

The Association (a "Massachusetts business trust") is engaged in the production and sale of bituminous coal, water transportation primarily on the Ohio River and its tributaries, and the distribution of natural gas in the Boston metropolitan area. In addition to indebtedness, the company has outstanding 9,754,837 common shares, of which S. H. Scheuer, a trustee, and family members own 16.82%. Eli Goldston, president, proposes to sell 125,000 of 339,919 shares held, Mrs. Scheuer 100,000 of 211,139 and S. H. Scheuer (for his own account) 50,000 of 106,106, and (for six trusts for his children and other descendants) 137,500 of 183,325.

INTERNATIONAL EXPLORATION FUND PROPOSES OFFERING. International Exploration Fund, Inc. (the "general partner"), 2121 San Joaquin Hills Rd., Newport Beach, Calif. 92660, filed a registration statement (File 2-37317) with the SEC on May 6 seeking registration of \$20,000,000 of pre-organization subscriptions in limited partnerships, to be offered for public sale in minimum amounts of \$2,500. The partnerships are to be formed for the purpose of engaging in the exploration for and production of oil and gas resources and investing in other oil, gas, and mineral properties and projects. The offering is to be made by International Securities Corp. (the "Distributor"), 2121 San Joaquin Hills Rd., Newport Beach, Calif. 92660, which will receive a 7½% selling commission (and which may authorize selected NASD members to offer units and will reallow them a 7% selling commission). Participating broker-dealers will also be entitled to receive eight-year warrants for each unit sold, each for the purchase of common stock of Whittington Oil Co., Inc., at \$7.50 per share. All of the 15,000 outstanding Class A voting common stock of the general partner is owned by the Distributor and all of the outstanding Class B non-voting common stock (15,000 shares) is owned by Whittington Oil. Jack E. Glassford is president of the general partner and of the Distributor. Armor R. Killingsworth, Jr. is board chairman of the distributor.

LEHIGH PRESS FILES FOR SECONDARY. The Lehigh Press, Inc., 7001 N. Park Drive, Pennsauken, N. J., filed a registration statement (File 2-37318) with the SEC on May 6 seeking registration of 9,769 outstanding shares of common stock. These shares may be offered for sale from time to time by the holder thereof at prices current at the time of sale (\$16 per share maximum*). The company is engaged in the graphic arts and package and packaging services industries. It has outstanding 936,039 common shares. Richard S. Sauter, executive vice president, may sell 9,769 of 39,968 shares held.

JERSEY CENTRAL P & L TO SELL BONDS. Jersey Central Power & Light Company, Madison Ave., at Punch Bowl Rd., Morristown, N. J. 07960, filed a registration statement (File 2-37319) with the SEC on May 6 seeking registration of \$12,000,000 of first mortgage bonds, due 2000, to be offered for public sale at competitive bidding. A subsidiary of General Public Utilities Corporation, the company will use the net proceeds of its bond sale for payment of a portion of its short term bank loans outstanding at the time of the sale of the bonds (estimated at \$47,000,000), which were incurred for construction purposes or to reimburse the company's treasury for expenditures for construction purposes. Construction expenditures are estimated at \$100,000,000 for 1970.

UNIVERSITY COMPUTING SHARES IN REGISTRATION. University Computing Company, 1300 Frito-Lay Tower, Dallas, Tex. 75235, filed a registration statement (File 2-37320) with the SEC on May 6 seeking registration of 300,000 shares of common stock issuable upon exercise of options granted or which may be granted under the company's Nonqualified Stock Option Plan and 66,100 outstanding shares of common stock which may be offered for sale from time to time by the holders thereof.

The company is primarily engaged in operating a computer utility network, providing data processing services, computer software services and in other computer related activities. It has outstanding 6,709,116 common shares.

BELCO PETROLEUM PROPOSES OFFERING. Belco Petroleum Corporation (the "general partner"), 630 3rd Ave., New York 10017, filed a registration statement (File 2-37321) with the SEC on May 7 seeking registration of \$12,000,000 of limited partnership interests in the Belco 1970 Oil and Gas Fund, Ltd. (the "Partnership"), to be offered for public sale in amounts of \$25,000 or more (in multiples of \$5,000). The offering is to be made on a best efforts basis through White, Weld & Co., 20 Broad St., and Goldman, Sachs & Co., 55 Broad St., both of New York (dealer managers), who will receive a selling commission of from 1.5% on each subscription of \$1,000,000 or more to a maximum of 7% on each subscription of \$25,000 (a portion of which may be paid to selected dealers). The Partnership is to be formed primarily for exploration of unproven oil and gas properties in the United States and Canada and their adjacent waters. Arthur B. Belfer, board chairman, and Robert A. Belfer, president, own 14.29% and 10.44%, respectively, of the general partner's outstanding common stock and management officials as a group 51.52%.

TEXAS EASTERN TRANSMISSION TO SELL BONDS. Texas Eastern Transmission Corporation, Southern National Bank Bldg., Houston, Tex. 77002, filed a registration statement (File 2-37322) with the SEC on May 7 seeking registration of \$50,000,000 of first mortgage bonds, due 1990, to be offered for public sale through underwriters headed by Dillon, Read & Co. Inc., 46 William St., New York. The interest rate, offering price and underwriting terms are to be supplied by amendment. The company is engaged in the transportation and sale of natural gas at wholesale. It will use the net proceeds of its bond sale to retire outstanding notes.

TERMINAL DATA TO SELL STOCK. Terminal Data Corporation, 16130 Stagg St., Van Nuys, Calif. 91406, filed a registration statement (File 2-37323) with the SEC on May 7 seeking registration of 100,000 shares of common stock, to be offered for public sale through underwriters headed by Union Western Securities Corp., 8648 Wilshire Blvd., Beverly Hills, Calif. The offering price (\$10 per share maximum*) and underwriting terms are to be supplied by amendment. The company has agreed to pay Union Western Securities \$15,000 for expenses and to sell it, for \$500, five-year warrants to purchase 5,000 shares.

Organized in June 1968, the company manufactures two microfilm recording and retrieval systems for use with electronic data processing systems: the "ScannerMate System" (which automatically microfilms large volumes of computer processed documents, such as credit card receipts, airline tickets and bank checks) and the DisplayMate System (which makes permanent microfilm records of computer output as it is displayed on a cathode ray tube screen). Of the net proceeds of its stock sale, \$200,000 will be used for inventories of raw materials and work in process, \$100,000 for production start-up costs, principally for the ScannerMate, \$150,000 for engineering costs and other expenses of continued development, principally for the ScannerMate and for microfilm retrieval systems and \$75,000 for marketing expenses; the balance will be added to the company's working capital and used for general corporate purposes. The company has outstanding 445,325 common shares, of which Michael Rothbart, board chairman and president, and Gracia Rothbart own 14.6% and management officials as a group 42.9%.

HITACHI PROPOSES RIGHTS OFFERING. Hitachi, Ltd. (U. S. Agent: Toru Komoriya, Hitachi America, Ltd., 437 Madison Ave., New York 10022), filed a registration statement (File 2-37269) with the SEC on May 4 seeking registration of 25,000,000 shares of common stock, to be offered for subscription by common stockholders of record March 31, 1970, at the rate of one additional share for each five shares held, and at \$.139 per share. These shares are part of a rights offering of 405,724,071 shares to shareholders in Japan and elsewhere. First National City Bank, depository, is making available to holders of American Depositary Receipts of record March 30, 1970, the subscription rights in respect of the common stock represented thereby.

The company is engaged primarily in the development, engineering, manufacture and sale of a wide variety of industrial and consumer products used in the generation, transmission, distribution, control and utilization of electricity. Net proceeds of the company's stock sale will be added to its general corporate funds, to be available, together with funds from other sources, to meet construction expenditures or for other corporate purposes. Construction and improvement of the company's manufacturing facilities are estimated at \$216.7 million during 1971. In addition to indebtedness, the company has outstanding 2,385,230,586 common shares. Kenichiro Komai is 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 May 6 News Digest.

8K Reports for March 70

Datamedia Computer Services, Inc. Feb 70(12,13)	2-33815-2	Data Products Corp (7,13)	1-5756-2
Di Giorgio Corp (7,8)	1-1790-2	Falls River Gas Co.(11)	0-449-2
Elcor Chemical Corp (12)	1-5341-2	Ficul, Inc. (11)	0-580-2
First Realty Investment Corp Feb 70(2,7,13)	0-4159-2	Fourth Financial Corporation(11)	0-4170-2
Peoples Drug Stores, Inc. (11,12,13)	1-174-2	American Air Filter Co., Inc. (4,7,11,13)	1-5082-2
Bali Company, Inc. (6,10,12)	1-5378-2	Computer Careers Inc.(2,13)	2-32230-2
Betz Laboratories, Inc.(11,13)	0-2085-2	Cotter & Company (11)	2-20910-2
Chemold Corp Feb 70(2,11,13)	0-3359-2	Dorsey Corp (7,8,13)	1-1982-2
ESB, Inc. (12)	1-5427-2	Smith Kline & French Lab's(13)	1-4077-2
Economy Finance Corp (7,8,13)	0-2342-2	Bemis Co., Inc. (7,8)	1-5277-2
Fashion Tress, Inc.(11,13)	0-2316-2	Cummins Engine Co.(12,13)	1-4949-2
Premier Industrial Corp(7,12,13)	1-4903-2	Bankers Trust Co. Jan 70(3,13)	0-2182-2
U.I.P. Corporation Oct 69(7,13)	1-4203-2	Church's Fried Chicken, Inc. (7,11,13)	2-31774-2
Alberts Inc. Apr 70(12)	0-4184-2	Conchemco, Inc. Feb 70(11)	1-6072-2
American Raceways Inc.(13)	0-3333-2	Continental Travel, Ltd.(9,12,13)	0-4017-2
Cle-Ware Industries Inc.(3)	0-1683-2	Crane Company (8)	1-1657-2
		Dr. Pepper Co.(4,10,11,13)	1-248-2

8K Reports for March 70

El-Tronics Inc.(2,12,13)	1-3916-2	Addressograph Multigraph Corp	
Fall River Electric Light Company		Dec 69(12,13)	1-683-2
(11)	2-3648-2	Austral Oil Co Inc(3)	1-5921-2
Univis Incorporated Jan 67(3,13)	0-1197-2	Bishop Industries Inc(4,13)	1-3829-2
Capital Reserve Corporation(9)	0-3551-2	Blue Chip Stamps (3)	0-3810-2
Ethyl Corp (7)	1-5112-2	Astor Associates Nov 69(2)	2-13988-2
Pacific Coast Holding, Inc.		Colonial Life & Accident Insur Co	
(2,7)	0-935-2	(11)	2-22199-2
California Shopping Centers, Inc.		Concord Electric Co(11)	0-2595-2
(2,13)	2-24968-2	Fitchburg Gas & Electric Co(11)	0-1038-2
Central Louisiana Electric Co., Inc.		Acme Hamilton Mfg Corp Feb 70(11,	
(7,13)	1-5663-2	13)	1-775-2
Communications Properties, Inc.		Affiliated Computer Systems Inc(
Feb 70(7,12,13)	0-4412-2	(7)	0-3556-2
Crown Corp (2,7,13)	1-6090-2	Chattem Drug & Chemical Co Feb 70	
Phoenix Steel Corp (7)	1-2908-2	(12)	2-34209-2
Wayne-Gossard Corp (12,13)	1-2782-2	Colonial Stores Co Inc(11,13)	0-1133-2
American Alloys Corp Jan 70(6)	0-2938-2	Columbia Pictures Industries Inc	
Bankers Trust Feb 70(3,13)	0-1610-2	(8,13)	1-6240-2
Capital General Corporation(2,13)	0-3109-2	Empire Petroleum Co (1,2,7,10,13)	0-788-2
Equitable Real Estate Invest		Flintkote Co(3)	1-2560-2
Trust Jan 70(3,13)	0-1605-2	American Agronomics Corp(11,13)	0-3412-2
Fidelity Real Estate Invst Trust		Associated Dry Goods Corp(13)	1-599-2
Jan 70(3,13)	0-1929-2	Central Bancorp Inc Jan 70(12)	2-31017-2
Feb 70(3,13)	0-1929-2	Clark Equipment Co(13)	1-5646-2
Mark Twain Bancshares, Inc.		Datron Systems Inc(1,7,12,13)	2-33019-2
(11,13)	2-30687-2	Essex International Inc Feb 70	
Universal Systems, Inc.(1,9,12,13)	2-30809-2	(4)	1-5013-2
Varian Associates (7,8,13)	1-4213-2	Amrep Corp Feb 70(7,13)	1-4702-2
Aetna Life and Casualty Co(7,13)	1-5704-2	Baltimore Aircoil Co Inc(12,13)	0-2081-2
Atlas Hotels Inc(3,11,12,13)	0-4327-2	Canadian Javelin Ltd(12)	1-4192-2
Chesapeake & Potomac Tel Co(11)	2-17501-2	Continental Copper & Steel Ind Inc	
Chesapeake & Potomac Tel Co of Va		(7,8,12,13)	1-3604-2
(7,11,13)	2-24752-2	Cyclotron Corp (7)	0-2554-2
Cincinnati Bell Inc(11)	1-1253-2	Aeronca Inc(8,13)	1-4005-2
Clear Creek Corp (6)	0-1375-2	American Institutional Developers Inc	
Cover Girl of Miami Inc(11)	0-4321-2	(13)	0-3033-2
Duquesne Light Co(7,13)	1-956-2	Avco Corp(7)	1-124-2
Frigitronics Inc Oct 69(2,7,		Computat Scientific Systems Inc	
10,13)	0-4126-2	Feb 70(7)	2-34189-2
Agway Inc(7)	2-22791-2	Florida Power Corp(11,13)	1-3274-2
Bradley Real Estate Trust(2,7,		Allied Telephone Co(2,12,13)	0-3670-2
8,13)	0-3342-2	Alodex Corp(11,12)	0-3434-2
First National City Corp(11)	1-5738-2	Chrysler Corp(3,13)	1-686-2
Frequency Electronics Inc(7,		Delhi Australian Petroleum Ltd(2,	
13)	0-3948-2	7,13)	0-581-2

SECURITIES ACT REGISTRATIONS. Effective May 6: Anchor Venture Fund, Inc., 2-35458; Design Professionals Insurance Co., 2-35268 (90 days); Northern States Power Co., 2-36693; Southern Union Gas Co., 2-36949; Effective May 7: Beris Inc., 2-35853 (90 days); General Acceptance Corp. and GAC Corp., 2-36606 (40 days); Pacific Southwest Airlines, 2-37236.

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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