

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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NEW RULES AND RULE PROPOSALS

PROPOSED RULES WOULD INCREASE FOOTNOTE TYPE. The SEC today announced a proposal for revision of its rules under the Securities Act and Securities Exchange Act (Release 33-5112; 34-9026) to increase from 8-point to 10-point type the notes to financial statements and other statistical or tabular data included in prospectuses, proxy statements and other documents filed with the Commission and sent to investors. Commenting that notes to financial statements may contain the only available disclosure with respect to important matters (such as material long term commitments and contingent liabilities), the Commission observed that to permit such information to be printed in smaller, less readable type may cause it to be overlooked or given less emphasis; and the Commission believes that it would be of material assistance to investors and security holders in reviewing documents filed with the Commission if the size of type required for notes to financial statements were to be increased. The financial statements or tabular data themselves may continue to be in 8-point type. Views and comments upon the proposal may be filed on or before December 31.

INVESTMENT COMPANY ACT RELEASES

HUTTON FUND SEEKS ORDER. The SEC has issued an order under the Investment Company Act (Release IC-6254) giving interested persons until December 4 to request a hearing upon an application filed by E. F. Hutton Tax-Exempt Fund, sponsored by E. F. Hutton & Company, Inc. The application seeks an exemption from the \$100,000 net worth provision of the Act. It is contemplated that the sponsor will deposit with the trustee of each Fund series, between \$2,000,000 and \$10,000,000 of bonds and receive certificates from the trustee for between 2,000 and 10,000 units, which will be offered for public sale.

ACME FUND SEEKS ORDER. Acme Fund, Inc., New York mutual fund which operates as an investment club, has applied to the SEC for an order under the Investment Company Act (Release IC-6255) exempting it from provisions of Rule 22c-1 requiring that Fund shares be priced for sale on the day orders for the purchase thereof are received. According to the application, the Fund on December 31, 1969, had approximately 111 shareholders and net assets of about \$768,000. It represents that the public offering price of Fund shares is determined as of the closing on the last NYSE trading day of the week during which the tender for purchase is received at the Fund's office by the close of the NYSE on that day. It further represents that the investments of the stockholders are normally made at the beginning of each month and are seldom received during the middle of a month, thus it would be a hardship for the Fund to incur the expense of calculating a daily offering price. It further represents that an average of less than 15 persons per week have placed orders for Fund's shares during any six month period.

SECURITIES ACT REGISTRATIONS

JOHN HANCOCK VARIABLE ACCOUNT PROPOSES OFFERING. John Hancock Variable Account A, Hancock Pl., Boston, Mass. 02117, filed a registration statement (File 2-38827) with the SEC on November 17 seeking registration of \$1,000,000 of individual variable annuity contracts issued by John Hancock Mutual Life Insurance Company. The contracts are designed only for purchase for employees participating in (1) pension or profit-sharing plans qualified under the Self-Employed Individuals Tax Retirement Act ("H.R. 10 plans), (2) pension or profit sharing plans qualified under Sections 401(a) or 403(a) of the Internal Revenue Code and (3) annuity purchase plans adopted under the provisions of Section 403(b) of the Code by public school systems and certain other tax exempt organizations. Gerhard D. Bleicken is board chairman and Frank B. Maher president of the Insurance Company.

CONTAINERIZED STORAGE TO SELL STOCK. Containerized Storage and Land Developers, Inc., Sand Rd., New Britain, Pa. 18901, filed a registration statement (File 2-38828) with the SEC on November 17 seeking registration of 175,000 shares of common stock, to be offered for public sale at \$3 per share. The offering is to be made on a "best efforts, 50,000 shares or none" basis by Aberdeen Securities Co., Inc., 2502 Silverside Rd., Wilmington, Del., which will receive a 30¢ per share selling commission plus \$4,000 for expenses. The company has agreed to sell the underwriter, at 1¢ per warrant, five-year warrants to purchase 17,500 shares, exercisable after one year at \$3.30 per share.

Organized in March 1970, the company proposes to engage in acquiring land sites and in developing warehousing and distribution parks. It intends to design, build and lease containerized warehouse buildings and a separate two-story office building on each warehousing and distribution park that it develops. Of the net proceeds of its stock sale, \$425,000 will be used for the acquisition and development of additional land sites for the warehousing and distribution parks; the balance will be added to the company's working capital

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and used for general corporate purposes. The company has outstanding 350,000 common shares (with a 17¢ per share net tangible book value), of which Joseph Kamen, president, and Herbert R. Locke, secretary, own 42% each. Purchasers of the shares being registered will acquire a 33.3% stock interest in the company for their investment of \$525,000 (they will sustain an immediate dilution of \$2.05 in per share book value from the offering price); present shareholders will then own 66.7%, for which they paid \$75,000 or 21¢ per share.

DATA GENERAL FILES FOR OFFERING AND SECONDARY. Data General Corporation, Route 9, Southboro, Mass. 01772, filed a registration statement (File 2-38829) with the SEC on November 17 seeking registration of 600,000 shares of common stock, of which 300,000 are to be offered for public sale by the company and 300,000 (being outstanding shares) by the holders thereof. The offering is to be made through underwriters headed by Loeb, Rhoades & Co., 42 Wall St., and Bache & Co. Inc., 36 Wall St., both of New York 10005; the offering price (\$30 per share maximum*) and underwriting terms are to be supplied by amendment.

Organized in April 1968, the company is engaged in the design, manufacture and sale of small digital computers and related products and services. Net proceeds of its sale of additional stock will be used for general corporate purposes, which may include the financing of receivables and inventories and purchase of plant equipment. The company has outstanding 1,992,540 common shares, of which management officials as a group own 43%. Edson D. deCastro is president. Robert E. Fowler, a director, proposes to sell 31,486 of 136,350 shares held, Howard C. Beach 30,100 of 130,350, deCastro and four other officials 15,000 each.

TRAILER TRAIN PROPOSES FINANCING. Trailer Train Company, 1819 John F. Kennedy Blvd., Philadelphia, Pa. 19103, filed a registration statement (File 2-38831) with the SEC on November 17 seeking registration of \$13,200,000 of equipment trust certificates, Series 28, to be offered for public sale through underwriters headed by Salomon Brothers, One New York Plaza, New York 10004. The interest rate, offering price and underwriting terms are to be supplied by amendment.

The company provides the major railroads with standardized railroad flat cars used in "piggyback" and new automobile transport services. Net proceeds of its financing will be applied to the payment of not more than 80% of the purchase price of the equipment to be subject to the Trust; the balance of such purchase price (not less than 20%) will be provided by the company. In addition to indebtedness, the company has outstanding 20,500 common shares. C. D. Buford is president.

DETROIT EDISON TO SELL BONDS. The Detroit Edison Company, 2000 Second Ave., Detroit, Mich., filed a registration statement (File 2-38832) with the SEC on November 18 seeking registration of \$100,000,000 of general and refunding mortgage bonds, Series V, due 2000, and \$50,000,000 of general and refunding mortgage bonds, Series W, due 1976, to be offered for public sale through underwriters headed by Morgan Stanley & Co., 140 Broadway, New York 10005, and two other firms. The interest rates, offering prices and underwriting terms are to be supplied by amendment. An electric utility, the company will use the net proceeds of its bond sale to repay short-term bank borrowings and commercial paper, estimated to aggregate some \$145 million on December 15, 1970, and issued in connection with interim financing of the company's construction program; the balance will be applied to its continuing construction program. Construction expenditures are estimated at \$499 million for the period 1970-1971.

ELIZABETHTOWN WATER TO SELL DEBENTURES. Elizabethtown Water Company, One Elizabethtown Plaza, Elizabethtown, N. J. 07202, filed a registration statement (File 2-38833) with the SEC on November 18 seeking registration of \$17,000,000 of debentures, due 1977, to be offered for public sale through underwriters headed by Lehman Brothers, 1 William St., New York 10004. The interest rate, offering price and underwriting terms are to be supplied by amendment. A public utility, the company will use the net proceeds of its debenture sale to reduce short-term bank loans, of which an estimated \$32,300,000 will be outstanding at the time of the debenture sale. Such indebtedness was incurred in connection with the company's capital construction program, which is estimated at \$4,425,000 for 1970.

CYPRESS COMMUNICATIONS FILES FOR OFFERING AND SECONDARY. Cypress Communications Corporation, 10889 Wilshire Blvd., Los Angeles, Calif. 90024, filed a registration statement (File 2-38835) with the SEC on November 18 seeking registration of 370,000 shares of common stock, of which 350,000 are to be offered for public sale by the company and 20,000 (being outstanding shares) by the holders thereof. The offering is to be made through underwriters headed by Hornblower & Weeks-Hemphill, Noyes, 8 Hanover St., New York 10004; the offering price (\$7.675 per share maximum*) and underwriting terms are to be supplied by amendment. Also included in the statement are 25,000 shares of common stock issuable pursuant to the company's Employee Stock Purchase Plan.

The company is engaged principally in the community antenna television ("CATV") business, which consists primarily of the distribution of broadcast television signals to the residences or places of business of subscribers by means of a closed co-axial cable network. Of the net proceeds of its sale of additional stock, \$2,000,000 will be used to retire short-term notes payable to Shelter Resources Corporation, Irving B. Harris and William W. Harris incurred in connection with the acquisition of Harriscope Transmission, Incorporated; the balance will be added to the company's general funds and will be available to repay debt, for working capital or for capital improvements to expand existing CATV systems or acquire or develop new CATV franchises. In addition to indebtedness, the company has outstanding 1,886,631 common shares, of which Irving B. Harris, board chairman, owns 12.86%, management officials as a group 29.13% and Shelter Resources Corporation 29.18%. Don Paul Nathanson is vice chairman and Burt I. Harris president and chief executive officer. Leon N. Papernow proposes to sell 10,000 of 62,417 shares held and an unspecified number of others the remaining shares being registered.

FINANCIAL FUNDING PROPOSES OFFERING. Financial Funding Corporation of America, 100 Oaks Office Tower, Nashville, Tenn. 37204, filed a registration statement (File 2-38837) with the SEC on November 18 seeking registration of 300,000 shares of common stock and warrants to purchase 150,000 shares of common stock. These securities are to be offered for public sale in units each consisting of two shares and one warrant, and at \$10 per unit. The offering is to be made on a best efforts basis by company officials who will receive a 10% selling commission; participating NASD members will receive up to a 10% selling commission. Also included in the registration statement are 50,000 outstanding shares, which are to be offered for public sale by the holders thereof (after sale of all the units) at \$5 per share.

Organized in September 1969, the company will be primarily engaged in the sale of mutual fund shares and insurance through wholly-owned subsidiaries. Of the net proceeds of its stock sale, \$500,000 will be used by the company to acquire a sales force, pay day-to-day expenses of operations and provide interim financing of premiums on the sale of life insurance sold in connection with the programs offered; the balance will be used by the company in an endeavor to acquire or form its own life insurance company to enable it to offer policies of life insurance of that company for sale in connection with the programs. The company has outstanding 1,650,000 common shares, of which Charles W. Lawler, president and board chairman, owns 90.91%. Lawler proposes to sell 40,000 of 1,500,000 shares held and seven others the remaining shares being registered.

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:

- Virginia Commonwealth Bankshares, Inc., Richmond, Va. 23214 (File 2-38806) - 112,500 shares
- Louisville Cement Company, Louisville, Ky. 40202 (File 2-38809) - 65,125 shares
- Glasrock Products, Inc., Atlanta, Ga. 30318 (File 2-38820) - 75,000 shares
- The Clorox Company, Oakland, Calif. 94601 (File 2-38825) - 100,000 shares
- Tool Research and Engineering Corporation, Beverly Hills, Calif. 90212 (File 2-38826) - 299,750 shares
- Pneumo Dynamics Corporation, Cleveland, Ohio 44105 (File 2-38830) - 103,700 shares
- Allen Electric and Equipment Company, Melville, L.I., N.Y. 11746 (File 2-38834) - 508,602 shares
- Rich's, Inc., Atlanta, Ga. 30302 (File 2-38836) - 61,833 shares

MISCELLANEOUS

O/C REGISTRATIONS REPORTED. The following issuers of securities traded over-the-counter have filed registration statements with the Commission pursuant to requirements of Section 12(g) of the Securities Exchange Act (companies which currently file annual and other periodic reports with the SEC are identified by "***"):

| File No. | O-Registrants | Location |
|----------|--|--------------------------|
| 5139 | Association Corp | Milwaukee, wisc. |
| 5135 | Chuck Barris Productions Inc** | Hollywood, Calif |
| 5204 | Cleveland Professional Basketball Co | Cleveland, Ohio |
| 5134 | Cochrane Furniture Co Inc | Lincolnton, N.C. |
| 5177 | Daisy Foods Inc | Augusta, Ga. |
| 5239 | Dart Investment Corp | Long Lake, Minn. |
| 5140 | Datacraft Corp** | Fort Lauderdale, Florida |
| 5133 | Diversified Computer and Management Services Inc | Wash., D.C. |
| 5181 | Elco Industries Inc | Rockford, Ill. |
| 5234 | Equity Capital Corp | Columbus, Ohio |
| 5209 | Fire Engineers Inc | Mpls., Minn. |
| 5190 | First Continental Corp | Prichard, Ala. |
| 5200 | Georgia-Bonded Fibers Inc | Newark, NJ |
| 5207 | Gray Industries Inc | Fort Lauderdale, Florida |
| 5215 | Hauserman Inc | Cleveland, Ohio |
| 5211 | Jefferson National Equities Corp | Birmingham, Ala. |
| 5195 | King Oil Co | Tulsa, Okla. |
| 5203 | Klystronics Inc | Eatontown, NJ |
| 5182 | Memorial Oaks Inc | Houston, Tex. |
| 5219 | Mortgage Trust of Illinois | Springfield, Illinois |
| 5199 | National Valve and Mfg Co | Pittsburgh, Pa. |
| 5169 | Sawyer-Adacor International Inc | Los Angeles, Calif. |
| 5196 | Spectra McIntosh Corp | Chicago, Ill. |
| 5137 | Terminal Data Corp | Van Nuys, Calif. |

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 (in ordering, please give month and year of report). 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 November 5 News Digest.

8K's for Sept 70

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|---|-----------|--|-----------|
| American Foods Machinery Corp May 69 (11) | 0-3410-2 | First Northwest Industries of America Amdt #1 for Jun 70(1,8,13) | 0-3986-2 |
| Glenmore Distilleries Co(11) | 1-3383-2 | Georgia Factors Inc Amdt #2 for Dec 69 (2,3,7,13) Amdt #2 for Apr 70(3) & Amdt #1 for Jul 70(2,7,13) | 0-659-2 |
| Phoenix Steel Corp(7) | 1-2908-2 | Television Utilities Corp Amdt #1 for Mar & Jun 70(1) | 2-31864-2 |
| Jamaica Water & Utilities Inc Amended 8K for Jul 70(9) | 0-2315-2 | Parvin-Dohrmann Co Amdt #1 for Aug 70 (1) | 1-2762-2 |
| Resalab Inc Amdt #1 for Jul 69 (13) | 0-4730-2 | Eagle County Development Corp Amdt #1 for Apr 70(11,12,13) | 0-3778-2 |
| Kalvex Inc Amdt #1 for Aug 70(4) | 1-6356-2 | State Exploration Co Amdt #1 for Jul 70 (2,13) | 0-2398-2 |
| Trans East Air Inc Amdt #2 for Jun 70 (13) | 0-3472-2 | Transogram Co Inc Amdt #1 for Apr 70 (2,7,13) | 1-5216-2 |
| Test Corp Amdt #1 for Jan 70(13) | 2-33920-2 | Big Horn-Powder River Corp(11,13) | 0-2337-2 |
| Tidal Marine International Corp Amdt #1 for May 70(2,7,13) | 2-33734-2 | Chesapeake & Pot Tel Co of Md (7) | 2-10378-2 |
| Kin Ark Corp Amended for Jun 70 (10) | 1-3920-2 | Clear Creek Corp(6) | 0-1379-2 |
| Stanray Corp(12,13) | 1-3613-2 | Transcontinental Gas Pipe Line Corp (7) | 0-656-2 |
| Astrex Inc(9,12,13) | 1-4530-2 | El Chico Corp(11,13) | 0-3250-2 |
| Georgia Factors Inc(3) | 0-659-2 | Radiant Industries Inc(7,9,12,13) | 0-4424-2 |
| Feb 70(3) | 0-659-2 | Uniservices Inc(6) | 0-77-2 |
| Sanders Associates Inc(3,4,13) | 1-5166-2 | Viewlex Inc(11,13) | 1-4328-2 |
| Vanguard Data Systems Aug 70(12,13) | 2-33191-2 | Carlisle Corp(12,13) | 1-4308-2 |
| Coleman Cable & Wire Co(11,13) | 0-3466-2 | Cousins Properties Inc(7,13) | 0-3576-2 |
| Fidelity Corp(9) | 0-3055-2 | Dico Corp Aug 70(12,13) | 0-1403-2 |
| Scientific Software Corp(11) | 0-4882-2 | Petroleum Resources Corp(12,13) | 0-3329-2 |
| Pacific Asbestos Corp(6) | 0-1144-2 | Servo Corp of America Aug 70(7, 8,12) | 1-3925-2 |
| Process Plants Corp(7) | 0-2246-2 | Central Vermont Public Service Corp (7) | 0-1240-2 |
| Drexel Dynamics Corp Amdt #1 for Jan 68(13) | 0-2824-2 | Arctic Enterprises Inc Aug 70(11, 12) | 1-6290-2 |
| | | Chattem Drug & Chemical Co(12) | 2-34209-2 |
| | | John Deere Credit Co(7,13) | 1-6458-2 |
| | | Educational Youth Development Inc Aug 70 (2,7,13) | 2-32237-2 |
| | | Flintkote Co(3) | 1-2560-2 |

SECURITIES ACT REGISTRATIONS. Effective November 20: Central Colorado Bancorp, Inc., 2-37766 (Feb 17); Commercial Cattle Co., 2-37982 (90 days); Iowa Electric Light and Power Co., 2-38674; Ohio Power Co., 2-38724; Temple Industries, Inc., 2-38379 (Dec 30).
Withdrawn November 18: Recreation Ventures Inc., 2-36975.
Withdrawn November 19: Academy Computing, 2-35739; Data Synetics, 2-36479; Designaire Modular Home Corp., 2-36809; Holly Oil & Gas Co., 2-35918; Kearney-National Inc., 2-37689; Pet Air Petroleum, 2-36062; Universal Recreation, 2-36788.

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.