

# sec news digest

Issue 80-169

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August 28, 1980

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## NOTICE OF COMMISSION MEETINGS

Following is a schedule of Commission meetings which will be conducted pursuant to provisions of the Government in the Sunshine Act. In general, the Commission expects to follow a schedule of holding closed meetings on Tuesdays, and open meetings on Thursday morning. Meetings on Wednesday, and if necessary on Thursday afternoons, will be either open or closed according to the requirements of agenda items under consideration. The Commission will not normally meet on Mondays or Fridays.

Visitors are welcome at all open meetings, insofar as space is available.

Meetings will be held in the Commission Meeting Room on the eighth floor of the Commission's headquarters building at 500 North Capitol Street, Washington, D.C. All visitors are required to sign in and obtain passes at the Reception Desk in the lobby. Persons wishing to photograph or videotape Commission meetings must obtain permission in advance from the Secretary of the Commission. Persons wishing to tape record a Commission meeting should notify the Secretary's office 48 hours in advance of the meeting.

### CLOSED MEETING - WEDNESDAY, SEPTEMBER 3, 1980 - 10:00 A.M.

The subject matter of the September 3, 10:00 a.m. closed meeting, will be: Settlement of administrative proceedings of an enforcement nature; Formal orders of investigation; Access to investigative files by Federal, State, or Self-Regulatory authorities; Litigation matter; Institution of administrative proceedings of an enforcement nature; Institution of injunctive actions; Administrative proceeding of an enforcement nature; Chapter X proceeding; Freedom of Information Act appeals; Opinions.

### CLOSED MEETING - WEDNESDAY, SEPTEMBER 3, 1980 - 2:30 P.M.

The subject matter of the September 3, 2:30 p.m. closed meeting, will be: Legislative and regulatory matters bearing enforcement implications.

### OPEN MEETING - THURSDAY, SEPTEMBER 4, 1980 - 10:00 A.M.

The subject matter of the September 4 open meeting will be:

- (1) Consideration of whether to authorize publication by the Division of Corporation Finance of its Staff Report on Corporate Accountability and to authorize the staff to move forward on the recommendations contained in the Report. FOR FURTHER INFORMATION CONTACT Amy L. Goodman at (202) 272-2587.
- (2) Consideration of whether to adopt proposed Rule 14e-3 under Regulation 14E of the Securities Exchange Act of 1934, which would establish certain anti-fraud provisions with respect to trading by persons while in possession of material, nonpublic information relating to a tender offer. FOR FURTHER INFORMATION CONTACT John J. Huber or W. Scott Cooper at (202) 272-2589.
- (3) Consideration of whether to grant the application of General American Investors Company, Inc., an internally-managed, diversified, closed-end investment company registered under the Investment Company Act of 1940, for an order, pursuant to Section 6(c) of the Act, exempting it from the provisions of Section 12(d)(3) of the Act so that it can expand its advisory business by forming a wholly-owned subsidiary which will register under the Investment Advisers Act of 1940. FOR FURTHER INFORMATION CONTACT Alan Porter at (202) 272-3026.

(4) Consideration of whether to issue a release announcing a modification of the Division of Investment Management's previous interpretation of Sections 17(h) and (i) of the Investment Company Act of 1940 regarding indemnification of investment company directors, officers, investment advisers, or principal underwriters, to permit a broader spectrum of conduct than the previous interpretation allowed. FOR FURTHER INFORMATION CONTACT Elizabeth T. Tsai at (202) 272-2028.

(5) Consideration of whether to amend Form X-17A-5, the Financial and Operational Combined Uniform Single (FOCUS) Report and Rule 17a-5 under the Securities Exchange Act of 1934. FOR FURTHER INFORMATION CONTACT James G. Moody at (202) 272-2370 or William J. Atkinson at (202) 523-5401.

(6) Consideration of whether to grant the request of Joel Seligman, Associate Professor of Law at Northeastern University School of Law, who is currently engaged in writing a history of the Securities and Exchange Commission, for access to Commission Minutes for the periods of 1945-1946, 1953-1961, and 1961-1969. FURTHER INFORMATION CONTACT Theodore Bloch at (202) 272-2454.

(7) Consideration of whether to adopt a rule setting forth procedures for determining requests for confidential treatment under the Freedom of Information Act. FOR FURTHER INFORMATION CONTACT Harlan W. Penn at (202) 272-2454.

AT TIMES CHANGES IN COMMISSION PRIORITIES REQUIRE ALTERATIONS IN THE SCHEDULING OF MEETING ITEMS. FOR FURTHER INFORMATION AND TO ASCERTAIN WHAT, IF ANY, MATTERS HAVE BEEN ADDED, DELETED OR POSTPONED, PLEASE CONTACT: John Granda at (202) 272-2091

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## **RULES AND RELATED MATTERS**

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### **ADOPTION OF AMENDMENTS REGARDING EXHIBIT REQUIREMENTS**

The Commission has announced the adoption of amendments to Regulation S-K and certain frequently used forms under the Securities Act of 1933 and the Securities Exchange Act of 1934 in order to standardize and improve the Commission's requirements relating to the filing of exhibits. The amendments delete thirteen exhibits formerly required to be filed, revise and make uniform the requirements relating to certain other exhibits and consolidate all of the amended exhibit requirements of the frequently used forms into a new Regulation S-K item.

The amendments will become effective 30 days after publication in the Federal Register; however, the Commission will accept filings complying with the amendments beginning immediately for those registrants wishing to utilize them. (Rel. 33-6230)

FOR FURTHER INFORMATION CONTACT: Joseph G. Connolly, Jr. at (202) 272-3097

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## **ADMINISTRATIVE PROCEEDINGS**

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### **NASD ACTION AGAINST PHILIP S. SIRIANNI AFFIRMED**

The Commission has affirmed sanctions imposed by the NASD on Philip S. Sirianni of Los Angeles. The NASD censured Sirianni, fined him \$50,000, and suspended him from association with any NASD member for a period of one year.

The Commission found, as had the NASD, that Sirianni participated in the unlawful offer and sale of unregistered securities of Cal-Am Corporation, and failed to give the member firm with which he was associated prior written notice of his activities. (Rel. 34-17077)

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## **CIVIL PROCEEDINGS**

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### **UNITED RESOURCES, INC. ENJOINED**

The Commission announced that on August 26 the U.S. District Court for the District of Columbia enjoined United Resources, Inc., of Miami, Florida, from failing to timely file periodic reports with the Commission and ordered it to comply with certain undertakings. The Commission's complaint, filed on May 19, alleged that United failed to timely file certain annual and quarterly reports

as part of a continuing course of conduct. United, in consenting to entry of judgment against it, admitted the failure to file reports on a timely basis. (SEC v. Howard Stores Corporation, U.S.D.C. D.C., Civil Action No. 80-1260). (LR-9166)

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## INVESTMENT COMPANY ACT RELEASES

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### EDIE SPECIAL GROWTH FUND, INC.

An order has been issued declaring that Edie Special Growth Fund, Inc. has ceased to be an investment company. (Rel. IC-11316 - Aug. 26)

### BENEFICIAL NATIONAL LIFE INSURANCE COMPANY

An order has been granted amending an order of exemption granted pursuant to Section 11 of the Investment Company Act of 1940 approving certain offers of exchange of Beneficial National Life Insurance Company, a New York stock life insurance company, the Dreyfus Rainbow Annuity Variable Account A, a separate account of Beneficial's registered as a unit investment trust under the Act, and Dreyfus Liquid Assets, Inc., and Dreyfus A Bonds Plus, Inc., diversified, open-end management companies registered under the Act. (Rel. IC-11317 - Aug. 27)

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## HOLDING COMPANY ACT RELEASES

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### COLONIAL GAS ENERGY SYSTEM

An order has been issued authorizing Colonial Gas Energy System, a holding company to raise approximately \$8 million by a negotiated offering of additional common stock. The order also authorizes the investment of the net proceeds from such common stock sale in new common stock of Lowell Gas Company and Cape Cod Gas Company, Colonial's utility subsidiaries. An exception from the competitive bidding requirements of Rule 50(b) has been granted and jurisdiction has been reserved over the terms and conditions of Colonial common stock, the fees and expenses incurred in connection with the proposed transactions, and the proposed exchange of restricted shares. (Rel. 35-21690 - Aug. 27)

### CONSOLIDATED NATURAL GAS COMPANY

A notice has been issued giving interested persons until September 29 to request a hearing on a proposal of Consolidated Natural Gas Company, a registered holding company, to issue and sell \$100 million of debentures at competitive bidding. (Rel. 35-21691 - Aug. 27)

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## SELF-REGULATORY ORGANIZATIONS

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### NOTICE OF PROPOSED RULE CHANGE

The New York Stock Exchange, Inc. has filed a proposed rule change under Rule 19b-4 (SR-NYSE-80-23) to amend its Rule 325(e) to impose a minimum financial responsibility requirement on all members who execute orders on the floor of the Exchange. Publication of the proposal is expected to be made in the Federal Register during the week of September 1. (Rel. 34-17096)

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## TRUST INDENTURE ACT RELEASES

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### TRAILER TRAIN COMPANY

A notice has been issued giving interested persons until September 16 to request a hearing on an application by Trailer Train Company, pursuant to Section 310(b) (1)(ii) of the Trust Indenture Act of 1939, declaring that the trusteeship of Continental Illinois National Bank and Trust Company of Chicago under two existing and two proposed indentures is not so likely to involve a material conflict of interest as to make it necessary to disqualify such bank from acting as trustee. (Rel. TI-581)

# SECURITIES ACT REGISTRATIONS

The following registration statements have been filed with the SEC pursuant to the Securities Act of 1933. The information noted below has been taken from the cover page and the facing sheet of the prospectus and registration statement and will appear as follows: Form; Name, address and phone number (if available) of the issuer of the security; Title and the number or face amount of the securities being offered; Name of the managing underwriter (if applicable); Whether the offering is a rights offering; and File number and date filed.

- (S-1) AW COMPUTER SYSTEMS, INC., Route 38 and Woods Rd., Cherry Hill, N.J. 08002 - 100,000 Class A common shares. Underwriter: Fundamental Equities Corp. The company designs, develops, assembles, markets and services on-line, real-time, mini-computer based, point-of-order inventory control systems. (File 2-68939 - Aug. 25) (Br. 9)
- (S-14) FIRST DECATUR BANCSHARES, INC., 130 North Water St., Decatur, Ill. 62523 (217) 424-1111 - 120,988 shares of common stock. (File 2-68945 - Aug. 26) (Br. 2)
- (S-7) TEXAS AIR CORP., Two Allen Center, Houston, Tex. 77002 (713) 641-7100 - \$30 million on convertible subordinated debentures, due 2000. Underwriters: Kidder, Peabody & Co. Incorporated and Smith Barney, Harris Upham & Co. Incorporated. The company is a newly formed holding company. (File 2-68953 - Aug. 27) (Br. 10)
- (S-1) GENENTECH, INC., 460 Point San Bruno Blvd., South San Francisco, Cal. 94080 (415) 952-0213 - 373,793 shares of Series B restricted stock, 400 shares of common stock (issuable upon conversion of Series B restricted stock) and 194,086 shares of common stock. (rights offering). (File 2-68954 - Aug. 27) (Br. 4) (New Issue)
- In a separate statement the company seeks registration of 400,000 shares of common stock. (File 2-68956 - Aug. 27)
- (S-7) ITEK CORPORATION, 10 Maguire Rd., Lexington, Mass. 02173 (617) 276-2000 - \$25 million of convertible subordinated debentures, due 2005. Underwriters: The First Boston Corporation and Blyth Eastman Paine Webber Incorporated. The company designs, develops, manufactures and distributes a wide variety of products for the graphics, defense electronics, aerial reconnaissance and surveillance and vision care markets. (File 2-68955 - Aug. 27) (Br. 9)
- (S-1) THE OPTIONS CLEARING CORPORATION, 5950 Sears Tower, 233 South Wacker Dr., Chicago, Ill. 60606 - 120,000,000 call options and 60,000,000 put options. (File 2-68957 - Aug. 27) (Br. 1)
- (S-16) THERMO ELECTRON CORPORATION, 101 First Ave., Waltham, Mass. 02154 (617) 890-8700 - \$25 million of convertible subordinated debentures, due September 1, 2005. Underwriters: Lehman Brothers Kuhn Loeb Incorporated and L.F. Rothschild, Unterberg, Towbin. (rights offering) (File 2-68958 - Aug. 27) (Br. 9)
- (S-16) DUQUESNE LIGHT COMPANY, 435 Sixth Ave., Pittsburgh, Pa. 15219 (412) 456-6000 - \$50 million of first mortgage bonds, Series due September 1, 2010. Underwriter: The First Boston Corporation. The company is engaged in the production, purchase, transmission, distribution and sale of electric energy. (File 2-68959 - Aug. 27) (Br. 7)
- (S-8) GLENMORE DISTILLERIES COMPANY AMENDED THRIFT PLAN, 1700 Citizens Plaza, Louisville, Ky. 40202 (502) 589-0130 - 27,586 shares of Class B common stock. (File 2-68960 - Aug. 27) (Br. 1)
- (S-8) FLORIDA ROCK INDUSTRIES, INC., 155 East 21st St., Jacksonville, Fla. 32206 (904) 355-1781 - 100,000 shares of common stock. (File 2-68961 - Aug. 26) (Br. 10)
- (S-16) BALTIMORE GAS AND ELECTRIC COMPANY, Gas and Electric Bldg., Charles Center, Baltimore, Md. 21201 (301) 234-5811 - \$75 million of series due September 15, 1990 first refunding mortgage bonds. Underwriters: The First Boston Corporation and Salomon Brothers. The company is engaged in producing, purchasing and selling electricity. (File 2-68962 - Aug. 27) (Br. 7)
- (S-8) NICOLET INSTRUMENT CORPORATION, 5225 Verona Rd., Madison, Wis. 53711 (612) 271-3333 - 102,500 shares of common stock. (File 2-68963 - Aug. 27) (Br. 8)

(N-1) IMS VARIABLE LEVERAGE FUND, LTD., 11624 Old Trail Court, P.O. Box 17107, Fountain Hills, Ariz. 85268 (602) 8347-9898 - 10,000 shares of partnership interest. (File 2-68964 - Aug. 27) (Br. 20)

(S-14) INTERCO INCORPORATED, Ten Broadway, St. Louis, Mo. 63102 (314) 231-1100 - \$73,119,960 of 10% installment notes, due October 1, 1981-1985. (File 2-68965 - Aug. 27) (Br. 7)

(S-16) AUGAT INC., Box 779, 33 Perry Ave., Attleboro, Mass. 02703 (617) 222-2202 - \$25 million of convertible subordinated debentures, due 2005. Underwriter: Wertheim & Co., Inc. The company designs, manufactures and markets a broad range of electro-mechanical products and precision components. (File 2-68967 - Aug. 27) (Br. 8)

#### REGISTRATIONS EFFECTIVE

Aug. 19: WT 1980, Ltd. Drilling Partnership, 2-67902.

Aug. 21: Municipal Investment Trust Fund, One Hundred Forty-Fourth Monthly Payment Series, 2-68677; Tyrex Oil Co., 2-68269; Wang Laboratories, Inc., 2-68793; The West Company, Inc., 2-68690.

Aug. 22: Meridian Oil N.L., 2-68891; Ohio Edison Co., 2-68830; Oils & Minerals Quest, 2-68890.

Aug. 25: The Chesapeake & Potomac Telephone Co. of Maryland, 2-68724.

## ACQUISITIONS OF SECURITIES

Companies and individuals must report to the Commission within 10 days on Schedule 13D if after the acquisition of equity securities of a public company their beneficial interest therein exceeds 5%. Persons eligible to use the short form (Schedule 13G) may in lieu of filing a Schedule 13D file a Schedule 13G within forty-five days after the end of the calendar year in which the person became subject to Section 13(d)(1). The following companies or individuals filed Schedule 13D's during the period August 8 - 11, 1980. The number of shares of the security which are beneficially owned, and the number of shares concerning which there is a right to acquire are set forth for each beneficial owner. \*Amended Acquisition Reports.

<u>REPORTING COMPANY OR INDIVIDUAL</u>	<u>ISSUER &amp; NUMBER OF SHARES</u>	<u>DATE FILED</u>
Galbreath Brothers	Pan-Western Corporation (Columbus, OH) Common Stock - 74,867 shs.	8-8-80
Walter L. Martin	Pan-Western Corporation (Columbus, OH) Common Stock - 26,873 shs. Common Stock - 35,000 shs. on exercise of option	8-8-80
* GDV, Inc. City Investing Company	Sambo's Restaurants, Inc. (Santa Barbara, CA) Common Stock - 6,513,432 shs. (33.7%) on conversion of Preferred Stock	8-8-80
* Charles Lazarus William John Devine Norman M. Ricken Seymore Ziv	Toys "R" Us, Inc. (Rochelle Park, NJ) Common Stock - 4,161 shs. Common Stock - 1,620,000 shs. on exercise of options	8-8-80
* Dynamics Corporation of America	Unitrode Corporation (Watertown, MA) Common Stock - 532,500 shs. (17.1%)	8-8-80
Gordon P. Bakken, Individually and Trustee	Western States Life Insurance Co. (Fargo, ND) Common Stock - 90,121 shs.	8-8-80
* Irwin L. Jacobs	American Distilling Co. (NYC) Common Stock - 89,332 shs.	8-11-80
Datatron, Inc.	Audiotronics Corporation (No. Hollywood, CA) Common Stock - 50,400 shs.	8-11-80

N. B. Hunt	Bache Group, Inc. (NYC) Common Stock - 288,350 shs.	8-11-80
* Richard M. McGrew	Baruch-Foster Corp. (Dallas, TX) Common Stock - 158,365 shs.	8-11-80
* Ampco-Pittsburgh Corp. Ampco-Pittsburgh Securities Corp. (Wholly-owned subsidiary of Ampco-Pittsburgh Corp.)	Belden Corporation (Geneva, IL) Common Stock - 180,580 shs. Common Stock - 112,620 shs. on conversion of Debentures	8-11-80
* Woodland Investment Partners Atlee M. Kohl Nicole F. Kohl	Capitol Food Industries, Inc. (Chicago, IL) Common Stock - 151,000 shs. (15.43%)	8-11-80

Companies and individuals making a tender offer must have on file at the time the tender offer commences a Schedule 14D-1. The following companies or individuals filed Schedule 14D-1's during the period July 3 - August 11, 1980. \*Amended Tender Offers.

<u>OFFER TO PURCHASE BY:</u>	<u>ISSUER &amp; NUMBER OF SHARES TO BE PURCHASED</u>	<u>DATE FILED</u>
J. Ray McDermott & Co., Inc.	Pullman Incorporated (Chicago, IL) Common Stock - 2,000,000 shares for cash at \$28.00 net per share (McDermott presently owns 510,000 shares.)	7-3-80
Aktiebolaget Electrolux (Sweden)	Tappan Company (Mansfield, OH) 5½% Conv. Debentures - All outstanding for cash at \$580.65 net per \$1,00 Prin. Amt. (AB Electrolux presently owns \$3,086,000 Debentures and thru a subsidiary also owns 3,039,555 shares of Common Stock (95.7%))	7-7-80
Manor Care I, Inc. (Wholly-owned subsidiary of Manor Care, Inc.)	Quality Inns International, Inc. (Silver Spring, MD) Common Stock - 1,150,000 shares (45%) for cash at \$14.50 net per share	7-18-80
Midland Bank Limited (U.K.)	Crocker National Corporation (San Francisco, CA) Common Stock - 6,500,000 shares for cash at \$50.00 net per share	7-21-80
Farm House Foods Corporation	Scot Lad Foods, Inc. (Lansing, IL) Common Stock - 1,700,000 shares for cash at \$6.50 net per share (Farm House presently owns 1,804,676 shares of Common Stock (41.2%) and 15,039 shares of Series C Convertible Preferred Stock.)	7-21-80
Mitel Corporation (Canada)	Applied Digital Data Systems, Inc. (Hauppauge, NY) Common Stock - All outstanding shares for cash at \$11.00 net per share Convertible Preferred Stock - All outstanding shares for cash at \$25.00 net per share	7-23-80
Automated Medical Laboratories, Inc.	Dialysis Corporation of America (Miami, FL) Class A Common Stock - All outstanding shares Class B Common Stock - All outstanding shares (Exchange offers one share of Common of Automated for each share of Common (Class A & B), one warrant of Automated for each warrant and one 12% Convertible Debenture of Automated for each 10% Convertible Debenture.)	7-23-80
Valley Seed Company	Southwest Marketing Corp. (Imperial, CA) Common Stock - 250,000 shares for cash at \$5.24 net per share (Valley presently owns 13,102 shares of Common Stock.)	7-23-80

## ACQUISITION REPORTS CONT.

GrayMark Associates	Value Line Development Capital Corp. (NYC) Common Stock - All outstanding shares for cash at \$5.00 net per share (GrayMark presently owns 204,800 shares of Common Stock.)	7-23-80
Dayton-Walther Corporation	Citation Companies, Inc. (Grand Rapids, MI) Common Stock - All outstanding shares for cash at \$15.00 net per share (Dayton-Walther presently owns 476,482 shares of Common Stock - 30%).	7-29-80
BTR Fabrics (USA) Inc. (Wholly-owned subsidiary of BTR Limited (U.K.))	Huyck Corporation (Wake Forest, NC) Common Stock - All outstanding shares for cash at \$25.125 net per share	8-7-80
Flori Two, Inc.	Flori Corporation (Phoenix, AZ) Common Stock - All outstanding shares for cash at \$1.05 net per share (Flori Two presently owns 387,025 shares (13.6%))	8-8-80
AMCA Enterprises Corp. (Wholly-owned subsidiary of Dominion Bridge Co. Ltd. (Canada))	Koehring Company (Brookfield, WI) Common Stock - All outstanding shares for cash at \$37.00 net per share Series G Conv. Preferred Stock - All outstanding shs. for cash at \$30.00 net per share Series H Conv. Preferred Stock - All outstanding shs. for cash at \$50.00 net per share Series I Conv. Preferred Stock - All outstanding shs. for cash at \$50.00 net per share	8-8-80
Jewel Development Corporation (Wholly-owned subsidiary of Jewel Companies, Inc.)	Sav-On-Drugs, Inc. (Anaheim, CA) Common Stock - up to 3,350,000 shares for cash at \$18.00 net per share	8-11-80



## NOTICE

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*Many requests for copies of documents referred to in the SEC News Digest have erroneously been directed to the Government Printing Office. Copies of such documents and of registration statements may be ordered from the Public Reference Section, Securities and Exchange Commission, Washington, D.C. 20549. When you are ordering more than one, we prefer that the documents be listed in alphabetical order to expedite service. The reproduction cost is 10c per page plus postage (\$3.50 minimum); 20c per page plus postage for expedited service (\$5.00 minimum) and 30c per page plus postage for priority service (\$5.00 minimum). Cost estimates are given on request. All other reference material is available in the SEC Docket.*

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