



SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

A Daily Summary of
S.E.C. Activities

Washington, D.C. 20549

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

(Issue No. 72-93)

FOR RELEASE May 16, 1972

COMMISSION ANNOUNCEMENT

"HOT ISSUES" HEARINGS RESUME. The public hearings in the matter of the Hot Issues Securities Markets are scheduled to reopen on Monday, May 15, 1972 and to continue through Friday, May 26, 1972. Testimony will be given by representatives of the syndicate departments relating to the formation of an underwriting syndicate to distribute a new issue of securities, the operation of a syndicate, and the types of information considered by investment bankers in determining whether to join a syndicate. The following persons will be testifying on this subject. On May 16, 1972, 10:00 a.m., Percy J. Wien of M. S. Wien & Co., Inc.; May 17, 1972, 2:00 p.m., Philip Davidson of Kidder Peabody & Co.; May 18, 1972, 10:00 a.m., Fred Wittemore of Morgan Stanley & Co., Inc.; May 19, 1972, 10:00 a.m. Lewis Weston of Goldman, Sachs & Co.; and May 26, 1972, 10:00 a.m., J. Coleman Bud of Robinson, Humphrey & Co., Inc. Testimony will also be received from representatives of dealers in securities relating to "after market" trading in new issues of securities, particularly hot issues. This will include inquiry as to criteria used for setting opening bid and ask quotations and for subsequent adjustment of those quotations, capital necessary to make an in-depth after market, after market trading activities by underwriters, information concerning the issue available to dealers, and factors which cause hot issues to develop. The following persons will testify on this subject. On May 15, 1972, 10:00 a.m., Robert A. Mackie, Jr., of Singer & Mackie, Inc.; May 15, 1972, 2:00 p.m., Robert Garfinckel of First Harvard & Co.; May 16, 1972, 2:00 p.m., Richard Gillette of Merrill, Lynch, Pierce, Fenner & Smith, Inc.; May 17, 1972, 10:00 a.m., Stephen E. Kaufman of L. M. Rosenthal & Co., Inc.; May 22, 1972, 10:00 a.m., Henry A. Dopler of Dopler & Co., Inc.; and May 23, 1972, 2:00 p.m., Raymond J. Kalinowski of A. G. Edwards. On May 24, 1972, 10:00 a.m., Representatives of Mayer & Schwietzer, Inc.; May 25, 1972, 10:00 a.m., G. Shelby Friedrichs of Howard, Weil, Labouisse, Friedrichs, Inc.; May 25, 1972, 1:30 p.m., James G. Mundy, President, National Security Traders Association; May 25, 1972, 2:00 p.m., Morton Weiss, of Troster Singer & Co.; May 26, 1972, 2:00 p.m., Richard S. Friedman of A. P. Montgomery & Co., Inc.

In addition, on May 23, 1972 representatives/Sprague, Diggins & Ireland Incorporated will testify concerning the feasibility of verification of projections of sales and earnings by independent organizations.

SUSPEND TRADING IN BEVIS INDUSTRIES. The SEC on May 15 ordered the suspension of over-the-counter trading in the securities of Bevis Industries, Inc., of White Plains, N. Y., for a ten-day period. The suspension will be effective through May 24, 1972. This suspension, which was requested by the company, was ordered by the Commission in order to permit dissemination by the company of information concerning recent adverse corporate developments. (Rel. 34-9604)

DECISION IN ADMINISTRATIVE PROCEEDINGS

SANCTIONS IMPOSED ON WILLIAM B. STRANGE, JR. The SEC has issued an order suspending William B. Strange, Jr. from association with any broker-dealer for 90 days and limiting any subsequent association with a broker-dealer to employment in an adequately supervised capacity. Strange was formerly a vice-president of Ling & Company of Dallas, whose registration was revoked in 1970.

According to the decision, during the period September 1969-June 1970 Strange violated antifraud provisions of the Federal securities laws in connection with transactions in the common stocks of Carterfone Communications Corporation, Williamscraft, Inc., Elkins Institute, Furr's Cafeterias, Wilson Sinclair, Wilson Beef, Wilson Laurel and Wilson Certified. Singly and in concert with others, he effected a series of transactions in those securities for the purpose of acquiring an inventory for resale and recommended and sold them to customers without taking into account their investment merits and suitability to the customers' objectives and resources, and prepared and disseminated a misleading research recommendation concerning Carterfone. In addition, it was found that Strange bid for and purchased such securities while engaged in their distribution; sold Carterfone stock in violation of the Securities Act registration provisions; and failed reasonably to supervise a salesman with a view to preventing violations of those provisions and recordkeeping requirements in connection with transactions in unregistered common stock of S & M Industries. It was also noted that in June 1971, Strange was permanently enjoined from violating registration and antifraud provisions in connection with transactions in securities of National Bankers Life Insurance Company, or any other securities.

The order was issued pursuant to an offer of settlement in which Strange, without admitting the allegations in the orders for proceedings, consented to the indicated findings and sanctions. (Rel. 34-9595)

COURT ENFORCEMENT ACTIONS

RELIANCE CAPITAL CORP./RELIANCE GROUP RESTRAINED. The SEC Los Angeles Regional Office announced May 2 that the Federal court in Los Angeles had restrained Reliance Capital Corporation, W. Los Angeles real estate syndicator, and Reliance Group, Inc., a subsidiary, from offering or selling securities in violation of the registration provisions of the Federal securities laws pending final determination of the court action filed by the Commission. The defendants consented to the court order. September 12 was set as the trial date. (LR-9394)

OVER

COMPLAINT NAMES AMERICAN MINING AND SMELTING, OTHERS. The SEC Chicago Regional Office announced May 8 the filing of a complaint in the Federal court in Minneapolis seeking to enjoin American Mining and Smelting, Inc. (AMS), and James Allan, of Bloomington, Minn., and Richard J. Bradshaw and Dale Yoakum, of Denver, Colo., from violations of the registration and antifraud provisions of the Federal securities laws in the offer and sale of AMS stock. (LR-5395)

HOLDING COMPANY ACT RELEASE

AMERICAN NATURAL GAS COMPANY. The SEC has issued an order upon an application of American Natural Gas Company, New York, and two subsidiaries, Michigan Wisconsin Pipe Line Company and Michigan Consolidated Gas Company, both of Detroit, authorizing American Natural Gas to issue and sell 1,700,000 shares of common stock at competitive bidding. Net proceeds will be used to invest up to \$25 million and \$10,010,000 in the common stocks of Michigan Wisconsin and Michigan Consolidated, respectively, and to repay some \$26 million of outstanding notes, due May 31, 1972. Michigan Wisconsin will use the net proceeds from the sale of stock to finance, in part, its 1972 construction program estimated at \$140 million; Michigan Consolidated will use the net proceeds to pay a like amount of notes issued for interim financing. (Rel. 35-17574)

SECURITIES ACT REGISTRATIONS

JOHNSON PRODUCTS CO., INC., 8522 South Lafayette Ave., Chicago, Ill. 60620, filed a registration statement on May 11 seeking registration of 300,000 outstanding shares of common stock, to be offered for public sale by the holder thereof (George E. Johnson, president and owner of 54.2% of the company's outstanding common stock). The offering is to be made (* at \$29.50 per share maximum) through underwriters headed by Hornblower & Weeks-Hemphill, Noyes, 8 Hanover St., New York, N. Y. 10004. The company is engaged primarily in the manufacture and distribution of hair care products used primarily by Black men and women. (File 2-44202)

DIAL FINANCIAL CORPORATION, 207 Ninth St., Des Moines, Iowa. 50307, filed a registration statement on May 11 seeking registration of \$7.5 million of investment notes, due 1977, 1978, and 1979, to be offered for public sale at 100% of principal amount. No underwriting is involved. The company is engaged in the consumer finance business. Net proceeds will be used for general corporate purposes. (File 2-44203)

ASSOCIATES FIRST CAPITAL CORPORATION, 1 Gulf & Western Plaza, New York, N. Y. 10023, filed a registration statement on May 11 seeking registration of \$100 million of investment notes, due 1, 5, 10, 15 or 20 years from issue date (notes having a 10, 15 or 20 year maturity, bear a 9½% per annum interest rate), to be offered for public sale at 100% of principal amount. The offering is to be made on a best efforts basis by Metever & Co., South Bend, Ind., in those states where Metever is qualified to effect such sales. The company is engaged through subsidiaries in providing financial and insurance services. Net proceeds will be added to the company's general funds and may be used to repay a \$10,100,000 bank loan and for other corporate purposes including entering other fields of business activities. (File 2-44197)

PRUDENT REAL ESTATE TRUST, 245 Great Neck Rd., Great Neck, N. Y. 11021, filed a registration statement on May 11 seeking registration of 70,659 outstanding shares of beneficial interest, which may be offered for sale from time to time by the holders thereof (limited partners of the 1969 Prudent Resources Oil and Gas Program) at prices current at the time of sale (* \$6 per share maximum). The Trust is engaged in investing in income producing real estate. (File 2-44204)

THE COLUMBIA GAS SYSTEM, INC., 20 Montchanin Rd., Wilmington, Del. 19807, filed a registration statement on May 11 seeking registration of \$60 million of debentures, due 1997, and 1,400,000 shares of common stock, to be offered for public sale at competitive bidding. Net proceeds will be used in connection with the company's 1972 capital expenditures program (estimated at \$250 million) and for other corporate purposes. (File 2-44205)

SALEM CORPORATION, P.O. Box 2222, Pittsburgh, Pa. 15230, filed a registration statement on May 11 seeking registration of 43,750 outstanding shares of cumulative convertible preferred stock, Series A (\$25 par), to be offered for public sale by the holders thereof at prices current at the time of sale (* at \$25 per share maximum) by Parker/Hunter Inc., Union Trust Bldg., Pittsburgh, Pa. 15219. The company is engaged primarily in the design, engineering and construction of industrial furnaces for ferrous and non-ferrous metals, metal finishing and processing equipment and coal processing and conveying facilities and related coal mine equipment. (File 2-44208)

PETRO-SEARCH EXPLORATION CORPORATION (the General Partner), 825 Petroleum Club Bldg., Denver, Colo. 80202, filed a registration statement on May 12 seeking registration of \$7,500,000 of limited partnership interests in the Petro-Search Exploration and Development Program Series C (Plan A), a series of oil and gas partnerships, to be offered for public sale at \$6,000 per unit. The offering is to be made by selected NASD members. (File 2-44210)

FILM CORPORATION OF AMERICA, The Benjamin Fox Pavilion, Foxcroft Square, Jenkintown, Pa. 19046, filed a registration statement on May 12 seeking registration of 250,000 shares of common stock, of which 180,000 are to be offered for public sale by the company and 70,000 (being outstanding shares) by the holders thereof. The offering is to be made (* at \$40 per share maximum) through underwriters headed by Sterling, Grace & Co. Inc., 39 Broadway, New York 10006. The company is principally engaged in the distribution and sale of color negative photographic film and the mail order photofinishing of film for the amateur market. Of the net proceeds of its stock sale, \$2,425,000 will be used to retire existing long-term notes, and the balance for working capital and other corporate purposes. (File 2-44211)

TEJON AGRICULTURAL PARTNERS (the Partnership), Lebec, Calif. 93243, filed a registration statement on May 12 seeking registration of \$16 million of limited partnership interests, to be offered for public sale at \$1,000 per unit with a minimum subscription of five units. The offering is to be made through underwriters headed by The First Boston Corp., 20 Exchange Pl., New York 10005, and Dean Witter & Co., 45 Montgomery St., San Francisco, Calif. 94106. The partnership will develop and farm approximately 21,000 acres of land. Tejon Agricultural Corporation is the General Partner. (File 2-44212)

NATURAL GAS PIPELINE COMPANY OF AMERICA, 122 S. Michigan Ave., Chicago, Ill. 60603, filed a registration on May 12 seeking registration of \$40 million of debentures, due 1980, to be offered for public sale through underwriters headed by Dillon, Read & Co. Inc., 46 William St., New York 10005, and Halsey, Stuart & Co. Inc., 123 S. LaSalle St., Chicago, Ill. 60690. Net proceeds will be added to the general funds of the company. (File 2-44213)

EVANS PRODUCTS COMPANY, 1121 S.W. Salmon St., Portland, Oreg. 97208, filed a registration statement on May 12 seeking registration of 16,126 outstanding shares of common stock, which may be offered for sale from time to time by the holders thereof at prices current at the time of sale (* \$27 per share maximum). (File 2-44215)

MICHIGAN AVENUE FINANCIAL GROUP, INC., 30 North Michigan Ave., Chicago, Ill. 60602, filed a registration statement on May 11 seeking registration of \$5 million of investment notes (subordinated), due five years after date of issue, with a maximum interest of 7½%, to be offered for public sale at 100% of principal amount. No underwriting is involved. The company owns over 99% of the outstanding stock of Michigan Avenue Financial Group; Michigan Avenue National Bank Leasing Company is also a subsidiary. Net proceeds will be added to the company's general funds to enable it to further expand its business. (File 2-44206)

THE TAPPAN COMPANY, 180 Park Avenue West, Mansfield, Ohio 44902, filed a registration statement on May 12 seeking registration of 750,000 shares of common stock, to be offered for public sale (* at \$34.625 per share maximum) through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith Inc., 70 Pine St., New York 10005. The company manufactures and distributes major appliances and related products. Of the net proceeds of its stock sale, \$25 million will be used to pre-pay revolving credit notes and the balance for other corporate purposes. (File 2-44218)

SALANT CORPORATION, 330 Fifth Ave., New York, N. Y. 10001, filed a registration statement on May 12 seeking registration of 300,000 outstanding shares of common stock, to be offered for public sale by the holders thereof. The offering is to be made (* at \$20.75 per share maximum) through underwriters headed by Loeb, Rhoades & Co., 42 Wall St., New York 10005. The company is primarily engaged in the design, manufacture and sale of men's, boy's and children's apparel. (File 2-44219)

MISCELLANEOUS

TRADING SUSPENSIONS CONTINUED. The SEC has ordered the suspension of exchange and over-the-counter trading in the securities of Canadian Javelin Limited and over-the-counter trading in the common stocks of First Fidelity Company and Meridian Fast Food Services, Inc., for the further ten-day period May 16-25, 1972, inclusive.

SECURITIES ACT REGISTRATIONS. Effective May 12: American Real Estate Investments, 2-42152 (90 days); Duke Power Co., 2-44145; Gould, Inc., 2-43987; Peabody Galion Corp., 2-43858; Twin City Barge & Towing Co., 2-42843; UnionAmerica, Inc., 2-43934; URS Systems Corp., 2-43268; Willamette Industries, Inc., 2-43297.

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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