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SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

(Prepared by the SEC Office of Public Information)

A Daily Summary of
S.E.C. Activities

(Issue No. 72-133)

FOR RELEASE July 14, 1972

DECISION IN ADMINISTRATIVE PROCEEDINGS

RESIGNATION OF ELLIOT S. BLAIR FROM COMMISSION PRACTICE ACCEPTED. The Commission announced the issuance of an order accepting the resignation of Elliot S. Blair, a New York City attorney, from appearing or practicing before it. The order was based upon a stipulation of facts and an offer of settlement submitted by Blair in proceedings before the Commission under Rule 2(e) of the Commission's Rules of Practice. Blair reserved the right to reapply to practice at any time but the Commission's Office of the General Counsel gave no assurance that it would not oppose such application.

According to the stipulation, Blair, during the period November 1968 to March 1969, entered into agreements with one Steven Burns, a broker-dealer's sales representative, designed to conceal Burns' stock interests in International Coproductions, Inc. and Electronic Sensing Products, Inc. which planned to make public offerings of their securities. Although Blair, pursuant to those agreements, acquired 96,000 International shares, 90% of which he held as nominee for Burns and another person, and 20,000 Electronic shares, 50% of which he held as nominee for Burns, the notifications and offering circulars, filed with the Commission to obtain exemptions from registration for the proposed public offerings pursuant to Regulation A under the Securities Act of 1933, listed Blair as the owner or purchaser of those shares but failed to disclose his interest as a nominee. The stipulation further stated that, in a subsequent Commission investigation, Blair falsely testified that he had not acted as nominee for anyone in the purchase and ownership of stock, although he later recanted that testimony.

Under the terms of the offer, Blair also agreed not to relinquish any interest he might have (although he claimed none) in 93,000 shares of International common stock and 10,000 shares of Electronic common stock in his possession unless ordered to do so by a court. (Rel. 34-9666)

COMMISSION ANNOUNCEMENT

REALIGN INVESTMENT COMPANY PROCESSING. In the interest of shortening the processing time of Investment Company Act filings, and providing more efficient service to those making such filings, the Commission has re-aligned the processing branches of the Division of Corporate Regulation. Accordingly, two branches of investment company regulation have been designated to process all filings involving (1) variable annuities including underlying investment media; (2) closed-end investment companies; and (3) bond funds registered as unit investment trusts. Branch chiefs for these branches are Mr. Burrell Ellis and Mr. John Radigan.

Filings of open-end companies, unit investment trusts other than bond funds and questions relating to the status of companies making application under 3(b)(2) will be processed by the remaining four investment company processing branches.

COURT ENFORCEMENT ACTION

ECOLOGICAL SCIENCE, OTHERS ENJOINED. The SEC on July 11 announced that the Federal Court in New York had preliminarily enjoined (1) Harold P. Koenig, president and chairman of the board of Ecological Science Corporation (ECO), and ECO, from further violations of Sections 10(b) and 13(a) of the Securities Exchange Act of 1934 and rules promulgated thereunder and (2) Cesare De Franceschini, a member of ECO's board, Ecological Engineering D. I. Harold P. Koenig SAS and Steinteil Handels Anstalt from further violations of Section 13(a) of the Exchange Act and rules promulgated thereunder. The Court also appointed Robert F. Wagner as limited receiver for ECO and authorized, empowered and directed to him to (1) investigate a recapitalization of certain European subsidiaries of ECO; (2) carry out whatever investigation is necessary for the receiver to file reports which make a full, complete and accurate public disclosure of all material events and facts; (3) issue a report to ECO stockholders for the years 1970 and 1971; (4) take whatever action is required to make it possible for ECO to conduct an annual meeting of shareholders for 1972, for among other things, and election of directors; and (5) make ECO's books and records and stockholder list available to any ECO stockholder who is legally entitled to access to these documents. The United States Court of Appeals for the Second Circuit granted until July 14, 1972, a temporary stay of the District Court's order pending argument on defendants' motion for a stay pending appeal of that order. (LR-5461)

INVESTMENT COMPANY ACT RELEASE

EATON & HOWARD BALANCED FUND. The SEC has issued a notice giving interested persons until August 4 to request a hearing upon an application of Eaton & Howard Balanced Fund exempting it from the provisions of Section 22(d) of the Act, so as to allow it to exchange its redeemable securities for the assets of Simon Waters Company at a price different from the public offering price described in its current prospectus. (Rel. IC-7272)

OVER

HOLDING COMPANY ACT RELEASES

GENERAL PUBLIC UTILITIES CORPORATION. The SEC has issued a notice giving interested persons until August 1, to request a hearing upon a post-effective amendment to a declaration of General Public Utilities Corporation, a registered holding company, proposing to make capital contributions of \$19 million and \$125,000, respectively, to Pennsylvania Electric Company and Waterford Electric Company, electric utility subsidiaries of General Public Utilities. The contributions will be used by the subsidiaries in their construction programs, or to pay short-term indebtedness, the proceeds of which have been so utilized. (Rel. 35-17646)

CONNECTICUT LIGHT AND POWER COMPANY. The SEC has issued a notice giving interested persons until July 27 to request a hearing upon an application by Connecticut Light and Power Company (CL&P) and The Hartford Electric Light Company (HELCO), electric and gas utility subsidiary companies of Northeast Utilities, a registered holding company, and by Northeast Utilities Service Company, a service company subsidiary of Northeast, for an exemption from competitive bidding requirements with respect to the sale of securities of The Connecticut Gas Company, a wholly-owned subsidiary of CL&P, operating certain pipelines and purchasing natural gas for resale to CL&P. Negotiations for the sale of Gas Company's securities would occur as part of negotiations for the disposition of all gas properties of CL&P and HELCO. (Rel. 35-17647)

SECURITIES ACT REGISTRATIONS

COBE LABORATORIES, INC., 1201 Oak St., Lakewood, Colo. 80215, filed a registration statement on July 10 seeking registration of 200,000 shares of common stock, of which 150,000 are to be offered for public sale by the company and 50,000 (being outstanding shares) by the holders thereof. The offering is to be made (*at \$22 per share maximum) through underwriters headed by C. E. Unterberg, Towbin Co., 61 Broadway, New York 10006. The company develops, manufactures and markets specialized medical equipment. Of the net proceeds of its stock sale, \$500,000 will be used to pay short-term indebtedness and the balance for working capital and other corporate purposes. (File 2-44982)

FLOWER INDUSTRIES, INC., 236 S. Madison St., Thomasville, Ga. 31792, filed a registration statement on July 10 seeking registration of \$7,500,000 of convertible subordinated debentures, due 1992, to be offered for public sale through underwriters headed by Reynolds Securities, Inc., 120 Broadway, New York 10005. Also included this statement are 459,253 outstanding shares of Class A common stock, which may be offered for sale from time to time by the holders thereof at prices current at the time of sale (*\$21.125 per share maximum). The company manufactures and sell a varied line of breads, sweet rolls and snack products, and also is engaged in processing and selling frozen and canned chicken products. Of the net proceeds of its debenture sale, \$2,900,000 will be used to repay a bank loan obtained in connection with the purchase of the business and assets of American Bakeries Co., and the balance for working capital and general corporate purposes. (File 2-44983)

VALLEY INDUSTRIES, INC., 105 S. Ninth St., St. Louis, Mo. 63102, filed a registration statement on July 10 seeking registration of 300,000 shares of common stock, to be offered for public sale (*at \$5 per share maximum) through underwriters headed by Scott, Gorman, O'Donnell & Co., Inc., Time & Life Bldg., Rockefeller Center, New York 10020. The company manufactures, processes and sells steel products for drilling, mining, industrial and structural uses. Of the net proceeds of its stock sale, \$500,000 will be used to reduce certain short-term loans, and the balance for working capital and other corporate purposes. (File 2-44984)

PURIFICATION SYSTEMS, INC., 203 Long Beach Rd., Island Park, N. Y. 11558, filed a registration statement on July 10 seeking registration of 100,000 shares of common stock, to be offered for public sale (*at \$8 per share maximum) by Bourse Securities, Two Pennsylvania Plaza, New York 10017. The company was organized in 1971 to engage primarily in the construction, installation and maintenance of plants for the treatment of solid waste and sewage. Of the net proceeds of its stock sale, \$100,000 will be used to pay for equipment, material and labor in connection with certain contracts, and the balance for working capital and other corporate purposes. (File 2-44985)

STANDARD BRANDS PAINT COMPANY, 4300 West 190th St., Torrance, Calif. 90509, filed a registration statement on July 11 seeking registration of 16,500 outstanding shares of common stock, which may be offered for sale from time to time by the holders thereof (*at \$48 per share maximum). The company is primarily engaged in the manufacture and retailing of paint for interior and exterior home decorating. (File 2-44987)

HI-SHEAR CORPORATION, 2600 Skypark Dr., Torrance, Calif. 90509, filed a registration statement on July 11 seeking registration of 179,840 outstanding shares of common stock, which may be offered for sale from time to time by the holder thereof (George S. Wing, board chairman). The company is engaged principally in the design, development, manufacture and sale of high-strength, precision fastener systems primarily for the aerospace and airline industries. (File 2-44988)

CONTINUED

UNION BOILER COMPANY, P. O. Box 425, Nitro, W. Va. 25143, filed a registration statement on July 11 seeking registration of 270,000 shares of common stock, of which 200,000 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 \$13 per share maximum) through underwriters headed by Wheat, First Securities, Inc., 801 E. Main St., Richmond, Va. 23219. The company is a mechanical and general contractor engaged primarily in the construction, erection and installation of facilities for electric utilities and for the chemical, plastics, textile, steel and petroleum industries. Net proceeds will be used to retire certain obligations incurred in connection with the purchase and insurance of equipment (aggregating \$1,482,152 at May 31) and to repay outstanding loans and the balance for working capital and other corporate purposes. (File 2-44992)

ITEK CORPORATION, 10 Maguire Rd., Lexington, Mass. 02173, filed a registration statement on July 10 seeking registration of 24,750 outstanding shares of common stock, which are to be offered for public sale by the holders thereof at prices current at the time of sale (* \$64.50 per share maximum). (File 2-44994)

BANKAMERICA CORPORATION, Bank of America Center, San Francisco, Calif. 94104, filed a registration statement on July 12 seeking registration of \$100 million of notes, due 1980, to be offered for public sale through underwriters headed by Bache & Co., 100 Gold St., New York 10038. The company is a one-bank holding company. Net proceeds will be used for general corporate purposes. (File 2-45003)

ORANGE AND ROCKLAND UTILITIES, INC., 75 W. Route 59, Spring Valley, N. Y. 10977, filed a registration statement on July 12 seeking registration of 150,000 shares of cumulative preferred stock (\$100 par), Series H, to be offered for public sale at competitive bidding. Net proceeds will be used to reduce outstanding short-term indebtedness incurred in connection with the company's construction program. Construction expenditures are estimated at \$249 million for the period 1972-1976. (File 2-45004)

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:

Sikes Corporation, Lakeland, Fla. (File 2-44986) - 15,000 shares
 Tymshare, Inc., Cupertino, Calif. (File 2-44989) - 75,000 shares
 Vulcan, Inc., Latrobe, Pa. (File 2-44990) - 40,000 shares
 UniCapital Corporation, Atlanta, Ga. (File 2-44991) - 296,335 shares
 The Fed-Mart Corporation, San Diego, Calif. (File 2-44993) - 200,000 shares
 The Tappan Company, Mansfield, Ohio (File 2-44995) - 138,679 shares
 Computer Machinery Corporation, Los Angeles, Calif. (File 2-45000) - 400,000 shares

MISCELLANEOUS

TRADING SUSPENSIONS CONTINUED. The SEC has ordered the suspension of (a) over-the-counter trading in the securities of Continental Vending Machine Corporation and Inter-Island Mortgage Corporation for the further ten-day period July 14-23, inclusive, (b) exchange and over-the-counter trading in the securities of Canadian Javelin Ltd. and over-the-counter trading in the common stock of Meridian Fast Food Services Inc. for the further ten-day period July 15-24, inclusive and (c) over-the-counter trading in the common stock of Cogar Corporation for the further ten-day period July 16-25, inclusive.

SECURITIES ACT REGISTRATIONS. Effective July 10: S W Industries, Inc., 2-44736 (Not Effective July 7 as reported in the News Digest of July 11).

Effective July 12: American Building Maintenance Industries, 2-44759; American Visual Library, Inc., 2-43418 (90 days); Bath Industries, Inc., 2-44695; Beneficial Corp., 2-44785; Continental Fiduciary Shares, Inc., 2-42885; The Fleming Co., Inc., 2-43849; Municipal Investment Trust Fund, Sixth Monthly Payment Series, 2-44693; Neuwirth Realty Corp., 2-44951 (90 days); Pan American World Airways, Inc., 2-40725; Petroleum Resources Fund, Inc., 2-42866 (90 days); The Singer Co., 2-44798; Sperry Rand Corp., 2-44908; Wahl Associates, Inc., 2-40910 (40 days); Xerox Corp., 2-44654 & 2-44655.

Effective July 13: Indecon, Inc., 2-42983 (90 days).

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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