

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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FOR RELEASE March 20, 1970

HOLDING COMPANY ACT RELEASES

NORTHEAST UTILITIES RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16648) authorizing Northeast Utilities, West Springfield, Mass., holding company, to increase from \$35,000,000 to \$70,000,000 the amount of short-term notes it may have outstanding and to issue and sell short-term notes in the form of commercial paper. Northeast also is authorized to make additional capital contributions to its subsidiaries, as follows: Cash contributions of \$10,000,000 and \$20,000,000, respectively, to the Connecticut Light and Power Company ("CL&P") and The Hartford Electric Company ("Hartford") and \$11,450,000 to Western Massachusetts Electric Company ("WMECO") (the latter in the form of the conversion of WMECO's outstanding loan in that amount from Northeast). Hartford, CL&P and WMECO will apply such contributions, together with other funds available to them, to finance their 1970 construction programs and for other corporate purposes.

NARRAGANSETT ELECTRIC RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16649) authorizing The Narragansett Electric Company, Providence, R. I., subsidiary of New England Electric Company ("NEES") to offer and sell \$7,500,000 of first mortgage bonds, Series H, at competitive bidding. Narragansett will apply the net proceeds of its bond sale to payment of outstanding short-term promissory notes evidencing borrowings made for capitalizable construction expenditures or to reimburse the treasury therefor.

ARKANSAS P&L, LOUISIANA P&L SEEK ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16650) giving interested persons until April 10 to request a hearing upon an application of Arkansas Power & Light Company and Louisiana Power & Light Company, wholly-owned subsidiaries of Middle South Utilities, Inc., New York, to sell an additional \$7,000,000 and \$12,500,000 of stock, respectively, to the parent. Arkansas P&L proposes to use the net proceeds of its stock sale, together with proceeds from the sale of other securities which will be the subject of a separate application, for its current construction program, estimated at \$74,400,000 for 1970 (including the repayment of short-term bank loans). Louisiana P&L proposes to use the net proceeds of its stock sale for its current construction program, estimated at \$76,600,000 for 1970, the repayment of short-term promissory notes then outstanding and other corporate purposes.

UTAH P&L SEEKS ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16651) giving interested persons until April 10 to request a hearing upon an application of Utah Power & Light Company ("UP&L"), Salt Lake City holding company, to sell from time to time during the period May 1970 to June 1971, up to \$39,000,000 of short-term notes to banks and commercial paper to a dealer in commercial paper. UP&L intends to use the proceeds of its financing for construction expenditures estimated at \$65,000,000 for 1970 and \$55,000,000 for 1971.

NEW ENGLAND POWER RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16653) authorizing New England Power Company ("NEPCO"), to solicit shareholder approval of a proposal to amend its by laws to increase from 600,000 to 1,000,000 the aggregate number of shares of Dividend Series Preferred Stock that may be issued without a vote of stockholders and to issue short-term unsecured indebtedness in excess of the 10% limitation thereon now set forth in the by-laws.

COURT ENFORCEMENT ACTIONS

RELIGIOUS BOOK DISCOUNT HOUSE ENJOINED. On February 12, the following, with their consent, were enjoined by the Federal court in Wilmington, Del., from violating the Securities Act registration provisions (LR-4559): Religious Book Discount House, Inc., Jay P. Green, and Jay P. Green, d/b/a Sovereign Grace Publishers.

CENTURION SECURITIES ENJOINED; RECEIVER NAMED. The SEC New York Regional Office announced March 16 (LR-4560) that the Federal court in New York enjoined Centurion Securities, Inc., New York broker-dealer, Kenneth Behr, its president, and David Kolasky, vice president, from further violations of the Securities Act registration and anti-fraud provisions in the offer and sale of stock of Underwriters Investment Company and Drexel Industries, Inc., as well as violations of the net capital, record-keeping, hypothecation, credit and anti-fraud provisions of the Securities Exchange Act. The court also named John J. Phelan, III, as receiver for the firm. The defendants consented to the injunction without admitting or denying the violations alleged in the Commission's complaint.

OVER

INDICTMENT NAMES WOLFINBARGER, SNOWDEN. The SEC Chicago Regional Office announced March 17 (LR-4561) the return of an indictment (WD Ky.) charging Herman Rickie Wolfinbarger (aka Rick Wolfinbarger), of Alabama, and Herman Snowden, of Kentucky, with violations of the anti-fraud provisions of the Securities Act in the offer and sale of debentures of Insurance Investors Trust Company, and charging Wolfinbarger with similar violations in the offer and sale of stock of Life Shares, Inc.

U N INDUSTRIES ENJOINED. The SEC Chicago Regional Office announced March 17 (LR-4562) that U. N. Industries, Inc., had been enjoined, by default, by the Federal court in Chicago from violations of the anti-fraud provisions of the Securities Exchange Act in connection with transactions in stock of the said defendant. The court also ordered the company to register its stock with the Commission under the said Act not later than July 2, 1970.

SECURITIES ACT REGISTRATIONS

GRAINGER LEASING FILES FOR OFFERING AND SECONDARY. Grainger Leasing Corporation, 36 Washington St., Wellesley, Mass. 02181, filed a registration statement (File 2-36613) with the SEC on March 17 seeking registration of 360,000 shares of common stock, of which 300,000 are to be offered for public sale by the company and 60,000 (being outstanding shares) by the present holders thereof. The offering is to be made at \$8 per share through underwriters headed by First Devonshire Corp., 67 Broad St., New York; the underwriters will receive 68¢ per share commission plus \$20,000 for expenses. First Devonshire also will be entitled to receive five-year warrants to purchase 25,000 shares, exercisable after one year at \$9.60 per share.

The company is engaged in leasing and renting equipment to industrial and business concerns. The net proceeds of its stock sale, together with the proceeds of possible debt financing, will be applied to the purchase of equipment for lease and rental, or will be used to maintain compensating bank deposits required as a basis for bank loans incurred for equipment purchases. In addition to indebtedness, the company has outstanding 250,030 common shares (with a book value of \$3.99 per share), of which Fleschner Becker Associates owns 24.6%, Ladenburg, Thalman & Co. 25.3%, Richard E. Grainger, president, 22% and management officials as a group 32.4%. Fleschner Becker Associates proposes to sell 33,836 of 61,600 shares held and fourteen others the balance of the shares being registered.

GENSTAR PROPOSES EXCHANGE OFFER. Genstar Limited, One Place Ville Marie, Montreal 113, Canada, filed a registration statement (File 2-36614) with the SEC on March 17 seeking registration of 992,854 shares of common stock. It is proposed to offer these shares to common stockholders of BACM Industries Limited ("BACM"), at the rate of two shares for each BACM share. The company now owns 1,117,300 (59.2%) and has an agreement to purchase 275,000 (14.6%) of the 1,888,727 outstanding BACM common shares. The exchange offer is contingent upon acceptance by holders of at least 119,000 BACM shares.

Genstar and its subsidiaries are engaged in the manufacture and distribution of portland cement, industrial chemicals, fertilizer materials and mixed fertilizers, marine transportation and towing and the import and export of steel, non-ferrous metals and other industrial products. BACM is engaged in the production and distribution of building materials and supplies, residential building and land development and heavy construction. In addition to indebtedness and preferred stock, the company has outstanding 7,021,353 common shares, of which Societe Generale de Belgique ("S.G.B."), a Belgium joint stock company, and a majority-owned subsidiary own 7.7% and other companies in the S.G.B. group 15%. Edward C. Wood is board chairman and August A. Franck president.

PRESTRESSED SYSTEMS TO SELL STOCK. Prestressed Systems, Inc., 5601 N. W. 72nd Ave., Miami, Fla. 33166, filed a registration statement (File 2-36615) with the SEC on March 17 seeking registration of 150,000 shares of common stock, to be offered for public sale through underwriters headed by Winston, Perry & Co. Inc., 140 Broadway, New York 10005. The offering price (\$6 per share maximum*) and underwriting terms are to be supplied by amendment. The company has agreed to sell the Winston firm, at 1¢ per warrant, five-year warrants to purchase 15,000 shares.

Organized in March 1965, the company is engaged in designing and manufacturing prestressed concrete tensile components and erecting composite concrete floor systems primarily in multi-story buildings. Of the net proceeds of its stock sale, \$210,000 will be used for repayment of loans due stockholders and companies controlled by stockholders, \$120,000 for additional manufacturing facilities and materials handling equipment and \$50,000 for development of a modular housing unit; the balance will be added to the company's working capital. In addition to indebtedness, the company has outstanding 535,000 common shares (with a \$1.49 per share book value), of which Lawrence P. Puckett, Jr., president, owns 25.4% and management officials as a group 100%.

DU PONT FILES FOR SECONDARY. E. I. du Pont de Nemours and Company, 1007 Market St., Wilmington, Del., filed a registration statement (File 2-36616) with the SEC on March 17 seeking registration of 649,998 outstanding shares of common stock. These shares may be offered for sale from time to time by the holders thereof at prices current at the time of sale (\$97.25 per share maximum*). Such shares were issued in connection with the merger of Endo Laboratories, Inc. and Chicago Belmont Corporation into a wholly-owned subsidiary of the company, Endo Laboratories Delaware, Inc. The company has outstanding 47,088,863 common shares. Barbara Deane proposes to sell 114,902 of 114,952 shares held. Joan Serchuck 114,811 of 114,861 and 25 others the remaining shares being registered.

HARTFORD ELECTRIC PROPOSES FINANCING. The Hartford Electric Light Company, 176 Cumberland Ave., Wethersfield, Conn., filed a registration statement (File 2-36617) with the SEC on March 17 seeking registration of \$20,000,000 of first mortgage bonds, due 2000, and 200,000 shares of preferred stock (\$50 par) to be offered for public sale at competitive bidding. A wholly-owned subsidiary of Northeast Utilities, the company will use the net proceeds of this offering to finance the company's construction program, to supply funds for its investments in regional nuclear generating companies and to repay short term borrowings (estimated at \$24,000,000 at the time of the securities sale) incurred for these and other similar purposes. A capital contribution of \$10,000,000 which Northeast Utilities made to the company in March 1970 was also applied to reduction of short-term borrowings incurred for such purposes. Construction expenditures are estimated at \$66,500,000 for 1970.

JEFFERSON BANCORP PROPOSES EXCHANGE OFFER. Jefferson Bancorp, Inc. ("Bancorp"), 301 Arthur Godfrey Rd., Miami Beach, Fla. 33140, filed a registration statement (File 2-36618) with the SEC on March 17 seeking registration of 639,446 shares of common stock. It is proposed to offer these shares in exchange for all the outstanding shares of capital stock of Jefferson National Bank of Miami Beach and Jefferson National Bank at Sunny Isles, at the rate of (a) 6 shares for each of the 84,491 shares of Jefferson Miami Beach common stock and (b) two shares for each of the 66,250 shares of Jefferson Sunny Isles common stock. Effectiveness of the exchange offer is contingent upon acceptance by holders of at least 80% of the outstanding stock of the two banks.

Bancorp was organized in April 1969 to become a bank holding company and to make the exchange offer. Arthur H. Courshon is board chairman and president of Bancorp and Jefferson Miami Beach and board chairman of Jefferson Sunny Isles, and Jack R. Courshon is vice chairman of Bancorp and a director of Jefferson Miami Beach. Arthur Courshon and Jack Courshon own 11% each of the outstanding common stock of Jefferson Miami Beach and Jefferson Sunny Isles and will own 11% of Bancorp.

CLARK EQUIPMENT FILES FOR SECONDARY. Clark Equipment Company, 324 East Dewey Ave., Buchanan, Mich. 49107, filed a registration statement (File 2-36619) with the SEC on March 17 seeking registration of 120,000 outstanding shares of common stock, to be offered for public sale by the present holders thereof. The offering is to be made through Blyth & Co., Inc., 14 Wall St., New York 10005, and Dain, Kalman & Quail Inc., 100 Dain Tower, Minneapolis, Minn. 55402; the offering price (\$33.50 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is an integrated manufacturer and distributor of capital goods, with more than 90% of its business in automotive parts, industrial trucks, construction machinery and truck trailers. In addition to indebtedness and preferred stock, the company has outstanding 12,074,230 common shares. Lester W. Melroe proposes to sell 70,000 of 100,330 shares held and four others the remaining shares being registered.

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 March 3 News Digest.

8K Reports for Jan 70

Atlantic States Industries
(2,4,7,12,13) 0-3229-2

A.V Electronics, Inc (11,13) 0-3382-2

Applied Industries, Inc
(2,12) 0-2291-2

First At Orlando Corp
(4,7,11,13) 0-3734-2

First Mortgage Invstrs
(7) 1-6278-2

Datatron, Inc
(2,7,13) 0-4151-2

Columbia Natl. Corp
(7) 0-2125-2

ABA Ind., Inc
(11) 2-34026-2

8K Reports for Feb 70

Chelsea Ind., Inc
(8,11,13) 1-4917-2

Cinerama, Inc
(8,13) 1-4107-2

Cooper Lab., Inc
(2,11,12,13) 0-3466-2

Fairmount Foods Co
(2,12) 1-4100-2

Farmers Underwriters Assoc.
(9) 0-632-2

Brockton Taunton Gas Co
(11) 0-1036-2

Canal Electric Co
(11) 2-30057-2

Continental Tel. Corp
(7,13) 1-4765-2

Foto Mem, Inc
(7,12,13) 0-3879-2

Commonwealth Tel. Co
(12,13) 0-1094-2

8K Reports for Feb '70

American Invst. Co
(13) 1-2335-2
Chemtrust Ind. Corp
(11) 2-32002-2
Stone & Webster Inc
(13) 1-1228-2

Adams Russell Co Inc
(11) 1-5834-2
Rally Mfg. Corp
(7) 2-28537-2
Deere & Co
(13) 1-4121-2
Flinkote Co
(3) 1-2560-2
Studebaker Worthington Inc
(8) 1-5579-2

Ansul Co(The)
(11,12,13) 1-4606-2
Boeing Co
(13) 1-442-2
Cannon Shoe Co
(2,13) 0-3837-2
Commercial Intl. Corp
(3) 0-4178-2
Software Systems, Inc
(1,7,9,11) 0-3277-2

Daniel Construction Co Inc
(2,11,12,13) 0-4322-2
Amer. Computer Leasing Corp
(7,13) 0-3512-2
H. C. Bohack, Inc
(7) 1-5304-2
Dekcraft Corp
(3) 0-3763-2
Parker Pen Co
(12) 1-1122-2
Rowe Furniture Corp
(13) 0-232-2

American St. Gobain Corp
(12,13) 0-541-2
Bundy Corp
(7,13) 1-5337-2
Doyle Dane Bernbach Inc
(11,12) 0-171-2

First Cheyenne Corp
(12) 2-23029-2

Continental Can Co
(12,13) 1-489-2
Cummins Engine Co
(12) 1-4949-2
Ecology Ind., Inc
(7,11,12,13) 2-33311-2
Federated Purchaser, Inc
(12,13) 1-4310-2
Stellar Ind., Inc(Del)
(2,13) 1-6193-2

Belmont Savings & Loan Assoc
(1) 0-1192-2
Capital Reserve Corp
(3,9,12,13) 0-3551-2

Computerized Automotive
Reporting Service, Inc
(4,7,13) 1-5758-2
U.S. Sugar Corp
(11) 0-162-2

Atlanta Gas Light Co
(11,13) 0-109-2
Candeub, Fleissig, & Assoc., Inc
(1) 2-29430-2
Dixie Yarns, Inc
(13) 0-2585-2
Allis Chalmers Mfg. Co (12,13)

Athlone Ind., Inc
(7,9.13) 1-5573-2

Amended 8K Reports

Bowl America, Inc
Amdt. to 8K for Jan. 1970
(13) 0-1830-2

Union Camp Corp
Amdt. to 8K for Jan. 1970
(8) 1-4001-2
John Wiley & Sons, Inc
Amdt. #2 to 8K for Dec.'69
(7) 0-2538-2

Volume Shoe Corp
Amdt. to 8K for Feb.'69
(2,13) 0-1961-2

American Computer Leasing
Corp Amdt. #2 to 8K for
April'69(7,13) 0-3512-2

SECURITIES ACT REGISTRATIONS. Effective March 19: Berg Enterprises, Inc., 2-35429 (90 days); Compugraphic Corp., 2-35676 (June 18); Custom Computer Systems, Inc., 2-33175 (90 days); Electromagnetic Sciences, Inc., 2-33189 (90 days); First Financial Corp., 2-34878 (40 days); Intercontinental Diamond Corp., 2-34716 (90 days); Lincoln Mortgage Investors, 2-33334 (June 17); Napco Graphic Arts, Inc., 2-34654 (June 17); Province of Nova Scotia, 2-36415; Technical Communications Corp., 2-35546 (90 days); Teledyne, Inc., 2-36329.

Withdrawn March 18: Computer Counseling Inc., 2-33798; Fulcrum Industries, Inc., 2-29537; I.P.G. Resources & Development Corp., 2-30903; Southwestern Electric Power Co., 2-35610; United Animal Services Corp., 2-32934.

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.