

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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INTERNATIONAL PATENTS REGISTRATION QUESTIONED. The SEC has ordered administrative proceedings under the Securities Act of 1933 to determine whether a registration statement filed by International Patents & Development Corp., Long Island, N. Y., fails in material respects to comply with the disclosure requirements of that Act and, if not, whether it is in the public interest to issue a "stop order" suspending the statement. A hearing has been scheduled for July 11, 1969, to take evidence on allegations of the Commission's staff that the company's prospectus contains false and misleading representations of material fact and to afford the company an opportunity to offer any defenses thereto.

In its registration statement, International proposed the public offering of 100,000 common shares at \$5 per share. According to its prospectus, the company proposes to engage primarily in the exploitation of two patents, one a "Price Electric-Marker" for supermarkets and other merchandise retailers and the other a "Dent-O-Mix" for use by dentists in stirring plaster mixture for use in taking impressions. The prospectus further indicates that the net proceeds of International's stock sale would be devoted largely to the further development, testing and production of production models of these inventions. The prospectus refers to patent applications relating to other products (including a "Garbage Compactor"); but as to these it was stated that the inventions are not deemed to be at a sufficient stage of development at this time "to warrant the expenditure of any substantial sums of money".

It is contended by the staff that, instead of concentrating on the further development of the "Price Electric-Marker" and "Dent-O-Mix" and applying some \$150,000 of the proceeds of its stock sale to such development, as represented, the company expects to place primary emphasis upon the development of its garbage compactor and to apply about \$150,000 of the proceeds thereto. It is further alleged that there was a failure to disclose the cost to Howard Price, president and board chairman, of his interest in fifteen patent applications which he assigned to the company in return for \$4,547 and 454,750 shares of International common.

INDICTMENT NAMES TEX PETROLEUM, PARKER, OTHERS. The SEC Fort Worth Regional Office announced June 23 (LR-4358) the return of a Federal indictment in Shreveport, charging that William H. Parker, Tex N Petroleum Corporation, Petroleum Venture Capital Corporation and Consolidated Well Servicing Company, Inc., all of Shreveport, with violations of the Securities Act anti-fraud provisions in the sale of oil and gas interests on leases in Caddo Parish, La.

SALE OF TEXAS URANIUM ENJOINED. The SEC Denver Regional Office announced June 26 (LR-4359) that the U. S. District Court in Salt Lake City had enjoined the offer and sale of stock of Texas Uranium Corporation by the following in violation of the registration and anti-fraud provisions of the Federal securities laws: Patrick F. Christian, Linda K. Deverall, Robert S. Jenson, Charles N. Pierson, and John W. Taylor, all of Salt Lake City, Utah. Max Forman of Coral Gables, Fla., was enjoined for violations of the said anti-fraud provisions; and the following were enjoined from violations of the registration provisions: Dennis Ashton, Edna Montani, John Peacock, Calvin G. Smith, and Sharon S. Todd, all of Salt Lake City, Utah, Leslie I. Zacharias and R.F.S. & Associates, Inc., of Miami, Fla. A preliminary injunction was issued against violations of the registration and anti-fraud provisions by Texas Uranium Corporation and Francis C. Lund, of Salt Lake City; and a preliminary injunction was issued against violations of the registration provisions by Gregg Anderson, N. Grant Butters, Louis Ivie and Christopher S. Metos, all of Salt Lake City, and David S. Moody of Delta, Utah. All the above defendants consented to the injunctive decrees, but without admitting the violations alleged. A preliminary injunction against violations of the registration provisions was issued against General Transfer Agency, Inc., a Utah corporation, Donald D. Glenn, and Raymond Mallory, of Salt Lake City, Utah.

APPALACHIAN POWER RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16419) authorizing Appalachian Power Company ("Appalachian"), Indiana & Michigan Electric Company ("I&M") and Ohio Power Company ("Ohio Power"), electric utility subsidiaries of American Electric Power Company, Inc., to increase the amount of short-term notes outstanding up to the maximum amounts allowable under Certificates of Incorporation of the respective companies. Appalachian, I&M and Ohio Power propose to sell up to \$56,300,000, \$39,500,000 and \$74,600,000, respectively, of short-term notes to banks and to dealers in commercial paper. Proceeds of this financing will be used by each company to reimburse its treasury for past expenditures made in connection with its construction program, to pay part of the cost of its future construction program, and for other corporate purposes. Construction expenditures for the second half of 1969 and for the years 1970 and 1971 are estimated at \$318,000,000 for Appalachian, \$360,000,000 for I&M and \$274,000,000 for Ohio Power.

OVER

MCDONALD'S FILES FOR SECONDARY. McDonald's Corporation, 221 North LaSalle St., Chicago, Ill. 60601, filed a registration statement (File 2-33646) with the SEC on June 25 seeking registration of 542,469 outstanding shares of common stock, to be offered for public sale by the present holders thereof. The offering is to be made through underwriters headed by Paine, Webber, Jackson & Curtis, 140 Broadway, New York, N.Y. 10005; the offering price (\$32.13 per share maximum*) and underwriting terms are to be supplied by amendment.

The company licenses, leases and services a nationwide system of self-service restaurants under the name "McDonald's." In addition to indebtedness and preferred stock, it has outstanding 10,754,961 common shares, of which management officials as a group own 36%. Ray A. Kroc is board chairman and Fred L. Turner president. Kroc proposes to sell 400,000 shares of 3,318,536 shares held and 12 others the remaining shares being registered.

SONEX FILES FOR OFFERING AND SECONDARY. Sonex, Inc., 20 East Herman St., Philadelphia, Pa. 19144, filed a registration statement (File 2-33647) with the SEC on June 25, seeking registration of \$1,500,000 of convertible subordinated debentures, due 1989, and 150,000 shares of common stock. The debentures are to be offered for public sale by the company at 100% of principal amount; of the common shares, 120,000 are to be offered by the company and 30,000 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters headed by S.D. Lunt & Co., One Whitehall St., New York, N.Y. 10004; interest rate on the debentures, offering prices (\$12.50 per share maximum*) and underwriting terms are to be supplied by amendment. The company and a selling stockholder (Harold Weinberg) have agreed to pay the Lunt firm \$12,000 for expenses (\$11,600 payable by the company and \$400 by the selling stockholder); the company has also agreed to sell the Lunt firm, for \$180, five-year warrants to purchase 18,000 shares, exercisable at 120% of the offering price.

The company is engaged in the development, engineering, manufacturing and marketing of equipment and systems applying modern electronic techniques to aerospace, aircraft, industrial and medical applications. The equipment and systems are used for telemetering, monitoring, data acquisition, data transmission and data reduction. Of the net proceeds of its financing, \$325,000 will be used to retire certain outstanding long-term indebtedness; the balance will be added to the company's general funds and will be used for working capital and other corporate purposes. In addition to indebtedness, the company has outstanding 590,811 common shares (with a \$1.39 per share book value), of which Harold Weinberg, board chairman and president, owns 17.07%, management officials as a group 21.03% and Midland Capital Corporation 23.33%. Weinberg proposes to sell 10,000 shares of 100,850 shares held and Midland Capital 20,000 of 137,910. Purchasers of the shares being registered will sustain an immediate dilution of \$9.52 in per share book value from the offering price.

FIRST MORTGAGE INVESTORS FILES FOR OFFERING AND SECONDARY. First Mortgage Investors, 30 Federal St., Boston, Mass. 02110, filed a registration statement (File 2-33648) with the SEC on June 25 seeking registration of 1,200,000 shares of beneficial interest, of which 600,000 are to be offered for public sale by the company and 600,000 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters headed by Eastman Dillon, Union Securities & Co., One Chase Manhattan Plaza, and Paine, Webber, Jackson & Curtis, 140 Broadway, both of New York, N.Y. 10005; the offering price (\$25 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is a closed-end business investment trust of the management type, qualified as a real estate investment trust under the Internal Revenue Code. It invests in first mortgage loans financing the development of dwelling sites or the construction of dwelling or commercial buildings. First Mortgage Advisory Corporation is investment adviser. Net proceeds of its financing will be used to reduce short-term bank borrowings incurred to finance mortgage investments. In addition to indebtedness, the Trust has outstanding 2,312,503 shares of beneficial interest. First National Bank of Minneapolis, as Trustee, proposes to sell 122,866 shares (the largest block) and 16 others the remaining shares being registered.

QUEST EXPLORATION PROPOSES OFFERING. Quest Exploration and Development Corporation ("Quest"), 830 Continental Oil Building, Denver, Colo., filed a registration statement (File 2-33649) with the SEC on June 25 seeking registration of \$25,000,000 of limited partnership interests in a maximum of 11 Quarterly Oil and Gas Drilling Programs, to be offered for public sale in minimum amounts of \$5,000 under a single payment subscription and in minimum total amounts of \$7,500 under a monthly payment subscription. Petroleum Securities Ltd. a wholly-owned subsidiary of Johnston Petroleum Corporation, which will act as agent in offering the interests on a best efforts basis through NASD dealers, will receive an 8% selling commission. Quest, a wholly-owned subsidiary of Johnston Petroleum Corporation, will act as general partner to the limited partnerships. Such partnerships will invest approximately one-half of their funds in "developmental" drilling and semi-proven "wildcat" drilling and one-half in wildcat exploration of undeveloped oil and gas properties. Jack M. Johnston is president of Quest and of its parent.

MORTGAGE INVESTORS OF WASHINGTON PROPOSES OFFERING. Mortgage Investors of Washington, 7316 Wisconsin Ave., Bethesda, Md. 20014, filed a registration statement (File 2-33650) with the SEC on June 25 seeking registration of 1,700,000 shares of beneficial interest, to be offered for public sale at \$15 per share. The offering is to be made through underwriters headed by Johnston, Lemon & Co., 900 Southern Building, Washington, D.C., which will receive a \$1.35 per share commission.

Organized on June 19, the Trust plans to qualify as a real estate investment trust under the Internal Revenue Code. The Trust intends to invest primarily in development and construction first mortgage loans. Davis Advisory Services, Inc., will act as investment adviser. The Trust has outstanding 16,000 shares, of which Johnston, Lemon & Co. owns 50%, Charles J. D'Arco, a trustee of the Trust and president of the investment adviser, Floyd E. Davis, Jr., and Louis C. Paladini, trustees of the Trust, and Floyd E. Davis Mortgage Corporation own 12½% each. Davis, D'Arco and Paladini are shareholders of the Davis firm.

AMERICAN FINANCIAL DEBENTURES IN REGISTRATION. American Financial Corporation, One East Fourth St., Cincinnati, Ohio 45202, filed a registration statement (File 2-33651) with the SEC on June 25 seeking registration of \$10,050,000 of Series B 5½% convertible subordinated debentures, due 1988. ISI Corporation, the underwriter, has agreed to purchase the debentures from AFC by exchanging therefor 150,000 shares of common stock of The Ohio Casualty Insurance Company. The said underwriter intends to sell the debentures on the open market from time to time at prices prevailing in the market (100% of principal amount). AFC is a diversified financial holding company with operating subsidiaries engaged in the fields of commercial banking, savings and loan, computer and other equipment leasing, life and accident insurance, ownership and operation of office buildings, and residential and commercial construction. It intends to acquire additional shares of Ohio Casualty common but has no understandings or agreements concerning such acquisition.

REDMAN INDUSTRIES FILES FOR OFFERING AND SECONDARY. Redman Industries, Inc. 7800 Carpenter Freeway, Dallas, Texas 75247, filed a registration statement (File 2-33652) with the SEC on June 26 seeking registration of 247,747 shares of common stock, of which 100,000 are to be offered for public sale by the company and 147,747 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters headed by Dean Witter & Co., Inc., of 45 Montgomery Street, San Francisco, Calif.; the offering price (\$45.375 per share maximum*) and underwriting terms are to be supplied by amendment. Also included in the statement are an additional 28,140 outstanding shares, which may be offered for sale by the holders thereof from time to time at prices prevailing at the time of sale.

The company and subsidiaries are primarily engaged in the business of designing, manufacturing and selling mobile homes and related products. Of the net proceeds of its sale of additional shares, some \$2,190,000 will be used to supplement working capital; the remainder will be available as additional working capital. In addition to indebtedness, the company has outstanding 3,672,690 common shares, of which James Redman, board chairman owns 16.2%; members of the Redman family and the Redman Foundation own 33%. Ford D. Albritton, Jr., proposes to sell 65,000 of 200,774 shares held; four others will sell the balance of the 147,747 shares being registered.

TWIN CITY BARGE FILES FOR OFFERING AND SECONDARY. Twin City Barge & Towing Co., 1303 Red Rock Rd., St. Paul, Minn. 55101, filed a registration statement (File 2-33653) with the SEC on June 26 seeking registration of 170,000 shares of common stock, of which 130,000 are to be offered for public sale by the company and 30,000 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters headed by Burton J. Vincent & Co., 105 West Adams Street, Chicago, Ill.; the offering price (\$7.50 per share maximum*) and underwriting terms are to be supplied by amendment.

The company and subsidiaries provide harbor towing and fleeting services for river barges, own and operate a boat store and shipyard at St. Paul, operate a tank barge service in Chicago and St. Paul harbors, and providing towing service on the St. Croix River under contract with Northern States Power Company. Of the net proceeds of its sale of additional shares, \$250,000 will be used to retire bank loans, \$64,000 to improve existing facilities and equipment, \$200,000 to increase working capital, and the balance for other purposes, including additional equipment. In addition to indebtedness, the company has outstanding 193,600 common shares, of which John W. Lambert, president, owns 21% and Mary H. Lambert 25%. They propose to sell 6,198 and 7,500 shares, respectively; seventeen others will sell the balance of the shares being registered, including H.W. Lindholm, board chairman (who will sell 309 shares).

THORP FINANCE FILES OFFERING PROPOSAL. Thorp Finance Corporation, 2100 Marine Plaza, Milwaukee, Wisc. 53202, filed a registration statement (File 2-33654) with the SEC on June 26 seeking registration of 50,000 shares of 6% cumulative preferred stock, \$100 par, and \$5,000,000 of Series E 6% capital debentures, due 1984. The preferred stock is to be offered for public sale at \$100 per share and the debentures at 100% of principal amount; a 2% selling commission will be paid to employees engaged in the offering.

The company's business consists primarily of direct lending and the sale of insurance in connection therewith. All its common stock is owned by International Telephone and Telegraph Corporation. Net proceeds of this financing will be added to the company's working capital and initially may be applied to the reduction of short term debt incurred in the ordinary course of its business and/or to the purchase of outstanding preferred stock and capital debentures. Francis J. Conway is board chairman, Emil E. Kistner vice chairman, and Glenn D. Hammit president.

AUTOMATIC DRILLING MACHINES FILES FOR OFFERING. Automatic Drilling Machines, Inc., 5646 Milton, Dallas, Texas 75206, filed a registration statement (File 2-33655) with the SEC on June 26 seeking registration of 300,000 shares of common stock. The company proposes to offer this stock for sale through its officials, without payment of commission; NASD members who render assistance will receive a commission not exceeding 68¢ per share. Also included in the statement are 50,000 outstanding shares, which may be offered for sale by the present holder thereof.

The company is primarily engaged in the manufacture and development of an automated drilling machine designed for use in the oil and gas industry. Of the net proceeds of its stock sale, \$500,000 will be used to repay notes in that amount secured by its prototype machine and one of its patents and two patent applications as well as work in progress on a second machine; the balance will be used to repay other borrowings and current liabilities, totalling \$723,484, and for working capital in the manufacture and fabrication of additional drilling equipment. The company has outstanding 1,462,950 common shares, of which Davis & Rock Liquidating Trust owns 23.9% and Henry Swift & Co., 28.6%. R.J. Bromell is president.

GENERAL ENERGIES FILES FOR OFFERING AND SECONDARY. General Energies, Inc. 3094 Rice St., St. Paul, Minn. 55113, filed a registration statement (File 2-33657) with the SEC on June 26 seeking registration of 100,000 shares of common stock, of which 65,000 are to be offered for public sale by the company and 35,000 (being

outstanding shares) by the present holder thereof. The offering is to be made through underwriters headed by Shaughnessy & Co., Inc., First National Bank Building, St. Paul, Minn.; the offering price (\$5.50 per share maximum*) and underwriting terms are to be supplied by amendment. The Shaughnessy firm will be entitled to purchase, for \$30, five-year warrants for the purchase of 3,000 shares; warrants for the purchase of 2,000 shares were sold to others.

The company through subsidiaries is engaged in the furnishing of materials, equipment, and various engineering services to power, water treatment, and waste treatment plants; it also engages in the construction of such plants. Net proceeds of its sale of additional stock will be used for various purposes, including the purchase of additional equipment and working capital. The company has outstanding 376,592 common shares, owned by 38 stockholders. John A. Plamann is president. The additional 35,000 shares being registered are to be offered by Douglas H. McPeak.

NATIONAL INDUSTRIAL SERVICES TO SELL STOCK. National Industrial Services Corp. 275 Madison Avenue, New York, N.Y. 10016, filed a registration statement (File 2-33658) with the SEC on June 26 seeking registration of 125,000 common shares, to be offered for public sale through underwriters headed by F.L. Salomon & Co., 50 Broadway, New York, New York. The offering price (\$10 per share maximum*) and underwriting terms are to be supplied by amendment. The Salomon firm will be entitled to purchase, for \$125.00 five-year warrants for the purchase of 12,500 common shares.

The company is primarily engaged in financing contracts for the purchase or lease of commercial and scientific (non-consumer) equipment and instrumentation for manufacturers and distributors of such equipment. The net proceeds of its stock sale will be added to the company's working capital. The company has outstanding (in addition to indebtedness) 161,600 common shares (with a \$1.58 per share book value) and 88,000 common stock purchase warrants (exercisable at \$3.13 per share). Howard D. Blank, president, owns 32,000 shares and management officials as a group 107,616 shares.

FARR COMPANY FILES FOR SECONDARY. Farr Company, 2301 Rosecrans Avenue, El Segundo, Calif. 90245, filed a registration statement (File 2-33659) with the SEC of June 20 seeking registration of 200,000 outstanding shares of common stock, to be offered for public sale by the present holders thereof through underwriters headed by Bateman Eichler, Hill Richards Inc., 460 South Spring Street, Los Angeles, Calif. The offering price (\$11.50 per share maximum*) and underwriting terms are to be supplied by amendment. The company will sell the Bateman Eichler firm, for \$1,200, five-year warrants for the purchase of 12,000 shares.

The company is principally engaged in the design, manufacture, sale and service of filters and related hardware used for the control of contaminants in air, diesel fuel and lubrication oil. In addition to indebtedness, it has outstanding 1,017,696 common shares, of which M. Spencer Farr, board chairman, and Richard S. Farr, president, own 48% each. Each proposes to sell 100,000 of his holdings of 488,768 shares.

LILLI ANN CORP. FILES FOR SECONDARY. Lilli Ann Corporation, 2701 Sixteenth St., San Francisco, Calif. 94103, filed a registration statement (File 2-33660) with the SEC on June 26 seeking registration of 44,250 outstanding shares of common stock. The holders thereof may offer the shares for sale from time to time, at prices current at the time of sale.

The company is engaged in the design, manufacture and distribution of women's high fashion ensembles, suits, coats and dresses. It has outstanding 524,651 common shares, of which Adolph P. Schuman, president owns 21.9%. Trustees for two Schuman foundations propose to sell 30,000 shares and two others the balance of the shares being registered.

AUTOMATED SEWING APPARATUS TO SELL STOCK. Automated Sewing Apparatus, Inc., 121 Wheeler Road, Monroe, Conn. 06468, filed a registration statement (File 2-33661) with the SEC on June 26 seeking registration of 120,000 shares of common stock, to be offered for public sale at \$3 per share. The offering is to be made on a "best efforts, all or none" basis through Dunhill Securities Corporation, 21 West St., New York, N.Y. 10007, which will receive a 30¢ per share selling commission plus \$18,000 for expenses. The company has agreed to sell the underwriter, for \$150, five-year warrants to purchase 15,000 shares exercisable after 13 months at \$3 per share.

The company was organized on January 13 to develop and manufacture automated apparatus for apparel factories. The apparatus is intended to automatically move the cloth as it is sewed without attention by an operator. The company has one prototype apparatus that performs one sewing operation; it is not manufacturing or selling such a machine at the present time. Net proceeds of its stock sale will be added to the company's working capital and used for general corporate purposes. The company has outstanding 180,000 common shares (with a \$.125 per share book value), of which Ernest M. Junkins, president and board chairman, owns 87.7%. Purchasers of the shares being registered will acquire a 40% stock interest in the company for their investment of \$360,000 (they will sustain an immediate dilution of \$1.73 in per share book value from the offering price); the present shareholders will then own 60%, for which they paid \$22,400 in cash and assets.

NATIONAL CASH REGISTER TO SELL DEBENTURES. The National Cash Register Company, Main and K Sts., Dayton, Ohio, filed a registration statement (File 2-33663) with the SEC on June 26 seeking registration of \$100,000,000 of sinking fund debentures, due 1994, to be offered for public sale through underwriters headed by Dillon, Read & Co., Inc., 46 William Street, New York, N.Y. The interest rate, offering price and underwriting terms are to be supplied by amendment.

The company is primarily engaged in the design, production, distribution and servicing of business equipment and machines. Net proceeds of its debenture sale will be added to the company's general funds and will be available for general corporate purposes. In addition to indebtedness, the company has outstanding 10,318,224 common shares.

Continued

MURA CORP. TO SELL STOCK. Mura Corporation, 355 Great Neck Road, Great Neck, N.Y. 11021, filed a registration statement (File 2-33664) with the SEC on June 26 seeking registration of 100,000 shares of common stock, to be offered for public sale at \$7.50 per share. The offering is to be made on a "best efforts, all or none basis" through H.E. Simpson Securities, Inc., 40 Exchange Place, New York, N.Y., which will receive a 75¢ per share selling commission plus \$20,000 for expenses. Subject to sale of all the shares, Everett Gellert, president and board chairman, will sell 5,000 shares to James C.W. Simpson, president of the underwriter, at 10¢ per share.

The company is engaged in the import, processing and marketing of electronic components for sale to original equipment manufacturers and for sale through distributors. Of the net proceeds of its stock sale, \$100,000 will be used for promotional and advertising programs and \$250,000 may be used to establish manufacturing facilities on a limited scale; the balance will be added to the company's working capital and used for general corporate purposes. The company has outstanding 250,000 common shares.

SIBLEY MORTGAGE PROPOSES OFFERING. Sibley Mortgage and Realty Trust 1111 Biscayne Blvd., Miami, Fla. 33161 filed a registration statement (File 2-33665) with the SEC on June 26 seeking registration of 2,000,000 shares of beneficial interest, to be offered for public sale through underwriters headed by Saunders, Stiver & Co., One Terminal Tower, Cleveland, Ohio 44113, and Coenen & Co., Inc., 240 Park Avenue, New York, N.Y. 10017. The offering price (\$15 per share maximum*) and underwriting terms are to be supplied by amendment.

Organized on June 11, the Trust intends to qualify as a real estate investment trust under the Internal Revenue Code. It intends to invest primarily in construction and development first mortgage loans. Sibley Mortgage and Realty Trust Management Company, Inc. will act as manager and adviser to the Trust. The Trust has outstanding 7,400 shares, of which Harper Sibley, Jr., president and the manager, and Saunders, Stiver & Co. own 44.6% each. Charles W. Marshall is president of the Trust.

CONSOLIDATED DENTAL SERVICES FILES FOR OFFERING AND SECONDARY. Consolidated Dental Services Company, 741 Maison Blanche Bldg., 921 Canal St., New Orleans, La. 70112, filed a registration statement (File 2-33666) with the SEC on June 26 seeking registration of 400,000 shares of common stock, of which 160,000 are to be offered for public sale by the company and 240,000 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters headed by Drexel Harriman Ripley, Incorporated, 1500 Walnut St., Philadelphia, Pa. 19101; the offering price (\$18 per share maximum*) and underwriting terms are to be supplied by amendment.

The company was organized in January to acquire four long established regional dental service companies and their subsidiaries. It is primarily engaged in the sale and distribution of consumable dental supplies and dental equipment and in the operation of dental laboratories which manufacture oral prosthetic devices on prescription. Of the net proceeds of its sale of additional stock, \$375,000 will be used to repay certain short-term bank indebtedness of a subsidiary, incurred to finance notes receivable; the balance will be used to repay short-term bank indebtedness of subsidiaries incurred to support increased inventories and accounts receivable. In addition to indebtedness, the company has outstanding 1,200,000 common shares, of which George A. Davison, board chairman, owns 10%, Herbert L. Myers, president, 9.5% and management officials as a group 59.9%. Corinne A. Davidson proposes to sell 35,143 shares, Edward L. (a director) and Marguerite H. Burrall 25,800 shares, Gerald H. Myers (a director) 20,715, George A. Davidson 17,566, Herbert L. Myers 19,565 and a large number of others the remaining shares being registered.

PRUDENTIAL FUNDS PROPOSES OFFERING. Prudential Funds, Inc., 90 Broad St., New York, N.Y. 10004, filed a registration statement (File 2-33667) with the SEC on June 26 seeking registration of \$12,500,000 of interests in its 1969 Year End Drilling Fund--Series Twenty, to be offered for public sale at \$5,000 per unit. The offering is to be made through company officials; participating NASD members will receive a 5% selling commission. Prudential Funds, Inc., a subsidiary of Prudential Resources Corp. will administer the Fund as agent, and in the event the Fund is continued as a limited partnership, it will be the general partner thereof. The objective of the Fund is to provide a means whereby the participant may engage in, and spread his participation over, a number of oil and gas drilling ventures, and for the administration, supervision and accounting for participants' expenditures and income. Prudential Funds has entered into an agreement with Hanover Planning Company, Inc., a wholly owned subsidiary of Hornblower & Weeks-Hemphill Noyes, whereby Hanover is given an opportunity to invest the monies of participants in the 1969 Drilling Programs administered by Hanover in oil and gas drilling ventures that Prudential Funds evaluates and acquires for participants. Nathan M. Shippee is board chairman and president of Prudential Funds and of its parent. Prudential Funds has outstanding 1,750,000 common shares, of which Prudential Resources owns 80%; Nathan Shippee owns 29.1% of the outstanding stock of the parent.

J-S INDUSTRIES FILES FOR OFFERING AND SECONDARY. J-S Industries, Inc., Presque Isle, Maine, filed a registration statement (File 2-33669) with the SEC on June 26 seeking registration of 500,000 shares of common stock of which 250,000 are to be offered for public sale by the company and 250,000 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters headed by Van Alstyne, Noel & Co., Four Albany St., New York, N.Y. 10006; the offering price (\$12 per share maximum*) and underwriting terms are to be supplied by amendment. The company has agreed to grant the Van Alstyne firm five-year warrants to purchase 45,000 shares. Also included in this statement are 100,000 outstanding shares, to be offered for sale by J.R. Simplot Company (the selling stockholder) to its employees.

Organized on May 14, the company is primarily engaged in the business of growing, purchasing, processing and selling frozen and dehydrated potato products. Of the net proceeds of its sale of additional stock, \$2,000,000 will be used in purchasing and installing additional production facilities and freezing equipment for the processing of potatoes; the balance will be added to the company's working capital. In addition to indebtedness, the company has outstanding 1,750,000 common shares, of which J.R. Simplot Company and Potato Service Company of New York, Inc., own 50% each. They propose to sell 275,000 and 75,000 shares, respectively. John R. Simplot is board chairman and Jules Salzbank president.

STOCK PLANS FILED. The following have filed Form S-8 registration statements with the SEC seeking registration of securities to be offered under and pursuant to employee stock and related plans:

Revere Copper and Brass Inc., New York 10017 (File 2-33631) - 150,000 shares
 Harcourt, Brace & World, Inc., New York 10017 (File 2-33634) - 150,000 shares
 Southeast Bancorporation, Inc., New York 33131 (File 2-33639) - 150,000 shares
 Studebaker-Worthington, Inc., New York 10036 (File 2-33656) - 200,000 shares
 Washington National Insurance Company, Evanston, Ill. (File 2-33662) - 221,592 shares
 J. C. Penney Company, Inc. (File 2-33668) - \$11,500,000 participations in the Profit-Sharing Fund and 460,000 shares

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 June 4 News Digest.

General Bancshares Corp Apr. 1969 (11) 1-3750-2	Kane Miller Corp Mar. 1969(2,13) 1-5014-2
Instruments Systems Corp March 1969(2,7,8,12,13) 1-5643-2	Natl. Gypsum Co Apr. 1969(11,13) 1-2489-2
Jefferson Lake Petrochemicals of Canada Apr. 1969 (11,12) 1-4588-2	Theil Inc March 1969(2,7,11,13) 0-3012-2
Diversified Products Corp Sept. 1968(2) 0-3067-2	Lee Motor Products, Inc Nov. 1968(3) 1-4441-2
Dec. 1968(7,12) 0-3167-2	Monterey Nursing Inns, Inc March 1969(2,12,13) 2-29768-2
Graniteville Co Apr. 1969(11,12) 1-4630-2	Concord Fabrics, Inc March 1969(7) 1-5960-2
Pan American Sulphur Co March 1969(12) 1-4319-2	Franklin Elec. Co Inc March 1969(4,11) 0-362-2
F. W. Woolworth Co Mar. 1969(4,7,13) 1-1238-2	Cincinnati Milling Machine Co Apr. 1969(11) 1-3306-2
Burger Brewing Co Jan. 1969(11) 1-1600-2	Penn Pacific Corp Jan. 1969(3,9,12) 0-730-2
Lee Way Motor Freight, Inc Apr. 1969(7) 0-747-2	Voss Engineering Co Jan. 1969(11) 0-2997-2
Global Ind., Inc June 1969(7,13) 2-20526-2	Telautograph Corp Amdt. to 8K for Feb. 1969 (12) 1-632-2
Lithonia Lighting Inc March 1969(2) 1-4776-2	M. G. Liquidating Co May 1968 (8,13) 0-526-2

SECURITIES ACT REGISTRATIONS. Effective June 27: Capital Funding Corp., 2-32292 (40 days).
 Effective June 30: Apache Corp., 2-33427; Art's-Way Manufacturing Co., Inc., 2-31843 (Sep 29);
 Comp-Serv Co., 2-31404 (90 days); Cordis Corp., 2-33520; Denver Real Estate Investment Assoc., 2-33041
 (40 days); Educational Design, Inc., 2-31483 (90 days); Falcon 1969 Oil & Gas Program, 2-31716 (90 days);
 Halsey Drug Co., Inc., 2-32285 (90 days); Mathematical Applications Group, Inc., 2-32603 (90 days);
 National Bank of Israel Ltd., 2-33146 (40 days); National Service Industries, Inc., 2-33643 (40 days);
 Olson Laboratories, Inc., 2-31374 (Sep 28); J. C. Penney Co., Inc., 2-33668; Penta Computer Associates,
 Inc., 2-32354 (90 days); Pipers Basketball Club, Inc., 2-31848 (90 days); Presley Development Co., 2-32019
 (90 days); 1969 Prudent Resources Oil and Gas Program, 2-31673 (90 days); Tele-Tape Productions, Inc.,
 2-33199 (40 days); Teleworld, Inc., 2-31558 (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.