

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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C.G. VARIABLE ANNUITY RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-5820) exempting Connecticut General Life Insurance Company and C.G. Variable Annuity Account II, Hartford, Connecticut, from certain provisions of the Act. Insurance Company established Account II in order to offer individual variable annuity contracts and group variable annuity contracts designed for use in connection with retirement annuity plans adopted by employers not qualifying for tax-deferred treatment under Section 401 of the Internal Revenue Code.

IPAC SUSPENSION PERMANENT. On July 28, 1969 the SEC ordered the temporary suspension of a Regulation A exemption from Securities Act registration with respect to the proposed public offering of 250,000 common shares at \$1 per share by IPAC, Inc., of Colchester, Vermont. According to that order, IPAC offered and sold shares prior to the expiration of the ten-day waiting period, in violation of Rule 255, and sold shares to and accepted money from investors prior to the delivery of an offering circular, in violation of Rule 256. Moreover, IPAC and certain of its officials were enjoined from the offer and sale of IPAC stock in violation of the registration provisions of the Act.

A hearing on the temporary suspension order not having been requested, the Commission has issued an order making the suspension permanent.

SYSTEMS ENGINEERING LABS TO SELL STOCK. Systems Engineering Laboratories, Incorporated, 6901 West Sunrise Blvd., Fort Lauderdale, Fla. 33310, filed a registration statement (File 2-34649) with the SEC on September 17 seeking registration of 250,000 shares of common stock, to be offered for public sale through underwriters headed by Lehman Brothers, One William Street, and C.E. Unterberg, Towbin Co., 61 Broadway, both of New York, N.Y. The offering price (\$40.75 per share maximum*) and underwriting terms are to be supplied by amendment.

The company manufactures and sells medium size high-speed digital computers with peripheral equipment. Of the net proceeds of its stock sale, \$2,000,000 will be used for expansion of its leasing program and \$3,000,000 for construction of a new plant; the balance will be used for these purposes and for additional working capital. The company has outstanding 2,102,988 common shares, of which management officials as a group own 6.2%. A.G. Randolph is board chairman and Sheldon P. Eglash president.

CRYTON OPTICS TO SELL STOCK. Cryton Optics, Inc., 7 Skillman St., Roslyn, New York 11576, filed a registration statement (File 2-34648) with the SEC on September 17 seeking registration of 300,000 shares of common stock, to be offered for public sale at \$3 per share. The offering is to be made through Charles Flohn & Co., 200 Park Avenue, New York, N.Y., which will receive a 30¢ per share commission plus \$15,000 for expenses. The company has agreed to sell 30,000 shares to the underwriter at 10¢ per share.

The company is engaged in research, development, manufacture and sale of plastic optical Fresnel lenses. Of the net proceeds of its stock sale, \$300,000 will be used for the purchase and installation of electroforming facilities, fully automatic presses for the production of lenses and additional equipment for cutting cylindrical and other Fresnel lens masters; and \$150,000 for additional personnel; and the balance for working capital and general corporate purposes. The company has outstanding 155,000 common shares, of which Robert Barbour, president, and Miriam Barbour, vice president, own 50% each.

WHALE FILES FOR SECONDARY. Whale, Inc., 4101 Charlotte Ave., Nashville, Tenn. 37209, filed a registration statement (File 2-34650) with the SEC on September 17 seeking registration of 629,692 outstanding shares of common stock and 400,525 outstanding common stock purchase warrants. These securities may be offered for sale from time to time by the present holders thereof at prices current at the time of sale (\$6 per share maximum*).

The company is primarily engaged in the manufacture of electrolytic capacitors, government ordnance, pipeline construction and gas heating, and laundry and dry cleaning equipment and metal die casting. In addition to indebtedness, it has outstanding 2,187,809 common shares, of which James T. Fulghum owns 13%, SMC Investment Corporation 13.7% and management officials as a group 12.7%. John R. Ozier is board chairman and Albert E. Hill president. SMC Corp. proposes to sell all of 300,000 shares held (the largest block) and all of 305,375 warrants held, and 15 others the remaining shares and warrants being registered.

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 plans:

Automation Industries, Inc., Los Angeles, Calif. 90067 (File 2-34655) - 159,039 shares
Digital Equipment Corporation, Maynard, Mass. (File 2-34658) - 389,000 shares

Over

TEDDY'S SEA FOOD HOUSE FILES FOR OFFERING AND SECONDARY. Teddy's, The House of Sea Food, Inc., 156 South St., New York, N.Y. 10038, filed a registration statement (File 2-34651) with the SEC on September 17 seeking registration of 140,000 shares of common stock, of which 70,000 are to be offered for public sale by the company and 70,000 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters headed by George Robinson & Co., 5 Hanover Square, New York, N.Y. 10004; the offering price (\$12 per share maximum*) and underwriting terms are to be supplied by amendment. The company has agreed to grant the underwriters \$20,000 for expenses. On June 30, the company sold 9,333 shares to the Robinson firm and 4,667 to Robert L. Sind, an associate of that firm, at \$4 per share.

The company is engaged primarily in the sale and distribution of a wide variety of unprocessed fresh and frozen sea food and in the processing, sale and distribution of ready-to-cook and pre-cooked "heat and serve" frozen sea foods and sea food dinners. Of the net proceeds of its sale of additional stock, \$100,000 will be used to expand its inventory of frozen unprocessed sea food, \$150,000 to enlarge production capacity of its frozen food processing plant at Highland, New York, \$150,000 to expand its inventory for its processed food business and \$100,000 to establish new restaurants for a chain of company-owned and operated quick service sea food restaurants; the balance will be added to the company's working capital and used for general corporate purposes. The company has outstanding 403,000 common shares, of which Arthur Greason, board chairman, Edgar Greason, president, and Howard Greason, executive vice president, own 28.9% each. Each proposes to sell 23,334 shares of approximately 116,667 shares held each.

EQUITY FUNDING FILES FOR SECONDARY. Equity Funding Corporation of America, 9601 Wilshire Blvd., Beverly Hills, Calif. 90210, filed a registration statement (File 2-34652) with the SEC on September 17 seeking registration of 132,476 outstanding shares of common stock. These shares may be offered for sale from time to time by the present holders thereof at prices current at the time of sale (\$55 per share maximum*). Also included in this statement are 724,150 shares of common stock which have been issued or are issuable under the company's Stock Option Plans.

The company is primarily engaged through subsidiaries in the sale of life insurance and mutual fund shares, either separately or in coordinated acquisition plans. In addition to indebtedness, it has outstanding 5,386,865 common shares. J. Howard Edgerton proposes to sell all of 28,164 shares held and 12 others the remaining shares being registered.

NAPCO GRAPHIC ARTS TO SELL STOCK. Napco Graphic Arts, Inc., 728 North Seven St., Milwaukee, Wisconsin 53233, filed a registration statement (File 2-34654) with the SEC on September 18 seeking registration of 143,000 shares of common stock, to be offered for public sale through underwriters headed by The Milwaukee Company, 207 East Michigan St., Milwaukee, Wisconsin. The offering price (\$8 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is a graphic arts center primarily engaged in general commercial printing, utilizing the printing processes of letterpress and lithography. Of the net proceeds of its stock sale, \$87,000 will be used to repay equipment debts, \$220,000 to retire 6% and 6½% demand notes payable to a shareholder and companies controlled by major shareholders and \$260,000 to purchase bindery and printing equipment; the balance will be added to the company's working capital and used for general corporate purposes. The company has outstanding 240,428 common shares, of which Elmer L. Stein, board chairman and Charles F. Stein, president, own 24.75% and 23.75%, respectively, and management officials as a group 100%.

TRADING SUSPENSIONS CONTINUED. The SEC has ordered the further suspension of exchange and/or over-the-counter trading in the securities of Commonwealth United Corporation for the ten-day period September 20-29, inclusive, and in the securities of Capital Holding Corporation and Telstar, Inc., for the ten-day period September 22 through October 1, 1969, inclusive.

DCA EDUCATIONAL PRODUCTS TO SELL STOCK. DCA Educational Products, Inc., 4865 Stenton Ave., Philadelphia, Pa. 19144, filed a registration statement (File 2-34653) with the SEC on September 17 seeking registration of 150,000 shares of common stock, to be offered for public sale through Suplee, Mosley, Close & Kerner Incorporated, 1500 Walnut St., Philadelphia, Pa. The offering price (\$8 per share maximum*) and underwriting terms are to be supplied by amendment.

The company designs, manufactures and sells a line of educational products, including overhead projection transparencies, film loops, movies and other supplemental teaching materials, and designs, manufactures and sells point of purchase displays, merchandisers and trade show exhibits. Of the net proceeds of its stock sale, \$150,000 will be used to purchase machinery, \$200,000 to repay a bank loan (proceeds of which were used for working capital), \$85,000 toward the \$885,000 cost of land and of constructing an additional plant and \$84,203 for past due sales commission to MBB Corporation (owned by the board chairman, president and executive vice president of the company); the balance will be added to the company's working capital and used for general corporate purposes. The company has outstanding 450,000 common shares (with a \$1.33 per share net tangible book value), of which Lester L. Burch, board chairman, Harry G. Mazur, president, and Milton T. Brown, executive vice president, own 33% each.

CRAMER ELECTRONICS FILES FOR OFFERING AND SECONDARY. Cramer Electronics, Inc., 320 Needham St., Newton, Mass. 02164, filed a registration statement (File 2-34656) with the SEC on September 18 seeking registration of 300,000 shares of common stock, of which 240,440 are to be offered for public sale by the company and 59,560 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters headed by Loeb, Rhoades & Co., 42 Wall St., New York, N.Y. 10005; the offering price (\$20 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is engaged in the distribution to industry of electronic components manufactured by others. Net proceeds of its sale of additional stock will be used for the temporary reduction of short-term bank borrowings.

Continued

incurred to finance working capital and inventory needs. In addition to indebtedness, the company has outstanding 1,389,286 common shares, of which management officials as a group own 10.5% and affiliates of Loeb, Rhoades & Co. 14.5%. Timothy X. Cronin is president. Trustees under the will of Abraham Cramer propose to sell 33,000 of 54,634 shares held and 7 others the remaining shares being registered.

LUM'S TO SELL DEBENTURES. Lum's, Inc., 5050 Biscayne Blvd., Miami, Fla., filed a registration statement (File 2-34657) with the SEC on September 17 seeking registration of \$27,200,000 of 7% convertible senior subordinated debentures, due 1989, to be offered for sale at 100% of principal amount to a limited number of purchasers, each of whom will purchase between \$200,000 and \$7,000,000 of debentures. The company has agreed to pay Van Alstyne, Noel & Co., 40 Wall Street, New York, N.Y. a commission for its services in connection with this offering and to pay Argus Research Corporation and Merrill Lynch, Pierce, Fenner & Smith finders' fees (the amounts of the commission and the finders' fees to be supplied by amendment).

The company and subsidiaries own and operate 115 fast service, low-priced specialty restaurants and four full kitchen restaurants, and its franchisees operate an additional 260 fast service restaurants. Of the net proceeds of its debenture sale, \$20,000,000 will be used to pay a portion of the purchase price of all interests in, or assets of, a limited partnership and all, or substantially all, of the stock of a corporation which together own and operate Caesars Palace, a Las Vegas hotel and casino; the balance will be added to the company's working capital. The remaining portion of the purchase price of Caesars Palace will be obtained from proceeds of the sale of approximately 500,000 shares of common stock. The company has outstanding 6,036,909 common shares, of which management officials as a group own 18%. Stuart Perlman is president and Clifford Perlman board chairman.

LOUISIANA POWER & LIGHT TO SELL BONDS. Louisiana Power & Light Company, 142 Delaronde St., New Orleans, La. 70114, filed a registration statement (File 2-34659) with the SEC on September 18 seeking registration of \$25,000,000 of first mortgage bonds, due 1999, to be offered for public sale at competitive bidding. A utility subsidiary of Middle South Utilities, Inc., the company will use the net proceeds of its bond sale, together with proceeds of the sale of \$10,000,000 of stock to its parent and funds to be generated internally, for the construction of new facilities, for the extension and improvement of present facilities, for the payment of up to \$18,000,000 of short-term bank notes and commercial paper and for other corporate purposes. Construction expenditures are estimated at \$61,200,000 for 1969.

AMERICAN TREAT TO SELL STOCK. American Treat, Inc., 233 Broadway, New York, N.Y. 10007, filed a registration statement (File 2-34660) with the SEC on September 18 seeking registration of 150,000 shares of common stock, to be offered for public sale at \$6 per share. The offering is to be made on a best efforts basis through John Kirvin & Co., 55 Broad St., New York, N.Y., which will receive a 60¢ per share selling commission and \$15,000 for expenses. The company has agreed to sell the underwriter, at 1¢ each, five-year warrants to purchase 15,000 shares, exercisable after one year at \$6.60 per share; it has also agreed to pay William Healey \$7,000 as a finder's fee.

Organized in April, the company proposes to engage in owning, operating and franchising snack shops and frankfurter stands, initially in Thailand and subsequently in Singapore, the Philippines, Japan, Taiwan, Hong Kong and other foreign areas not yet determined, through separate foreign corporate subsidiaries. Of the net proceeds of its stock sale, \$60,000 will be used to pay a bank loan, \$450,000 as a start-up costs of snack shops, frankfurter stands and the company franchise program, \$100,000 to establish manufacturing facilities for manufacturing frankfurters and hamburgers in either Thailand or Singapore and \$100,000 for the acquisition or construction of a bottling plant to bottle soft drinks in Thailand or Singapore; the balance will be added to the company's working capital. The company has outstanding 350,000 common shares (with a 52¢ per share net tangible book value) of which Multi Resources International Corp. owns 77.14% and management officials as a group 94.29%. Bim Faye Yee is board chairman and Richard Jui president. Purchasers of the shares being registered will acquire a 30% stock interest in the company for their investment of \$900,000 (they will sustain an immediate dilution of \$5.11 in per share book value from the offering price); the present shareholders will then own 70%, for which they will have contributed \$35,000.

KETTELLE CORP. FILES FOR OFFERING AND SECONDARY. The John D. Kettelle Corporation, 1701 North Fort Meyer Drive, Arlington, Va. 22209, filed a registration statement (File 2-34661) with the SEC on September 18 seeking registration of 240,000 shares of common stock, of which 171,100 are to be offered for public sale by the company and 28,900 (being outstanding shares) and 40,000 (issuable upon conversion of notes) by the present holders or recipients thereof. The offering is to be made through underwriters headed by Munger, Baker & Currie, Inc., 345 Park Avenue, New York, N.Y.; the offering price (\$13 per share maximum*) and underwriting terms are to be supplied by amendment. The company and certain selling stockholders have agreed to pay the underwriters \$30,000 for expenses and to sell the Munger firm, for \$200, five-year warrants to purchase 20,000 shares. Also included in this statement are 137,380 common shares, issued or to be issued under the company's stock option plan.

Organized in 1965 as a successor to a proprietorship established in 1963, the company is primarily a service organization engaged in solving its customers' problems through the application of the "systems approach" and related techniques. Its business is principally in the area of government systems research. Of the net proceeds of its sale of additional stock, \$400,000 will be used to provide for anticipated increases in accounts receivable and work in process, \$300,000 for development of proprietary systems for subsidiaries, \$500,000 for the purchase of computer equipment for lease, \$100,000 to open one or more new processing centers, \$125,000 for exploration and initial development activities in new areas of business and an unspecified amount for the repayment of secured and unsecured indebtedness; the balance will be added to the company's working capital and used for general corporate purposes. The company has outstanding 610,650 common shares (with a 22¢ per share book value), of which John D. Kettelle, board chairman owns 30%, Carl H. Reynolds, president 16%, and management officials as a group 85.5%. Kettelle proposes to sell 12,000 shares of 183,885 shares held and 13 others (including several company officials) the remaining shares being registered.

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 September 4 News Digest.

8-K's for August 1969

Midland-Guardian Co June 69 (4,7,13)	0-1182-2	California Real Estate Invmt Trust July 69(7,13)	0-3232-2
Aydin Corp Feb 69(7)	2-2.936-2	Telectro Mek Inc July 69(3, 13)	2-31553-2
Coburn Corp of America July 69 (11)	1-4730-2	Colonial Sand & Stone Co Inc Mar 69(12,13)	1-3417-2
Osias Organization Inc July 69 (2,7)	2-30509-2	Aero Systems Inc Amdt #1 to 8K for Feb 69(13)	0-3177-2
Metropolitan Quarterback Inc May 69 (2,13)	2-30226-2	Mohawk Rubber Co Apr 69(11)	0-481-2
Consolidated Canadian Faraday Ltd Aug 69(7,8,13)	1-5328-2	Dasa Corp July 69(12)	0-2145-2
Iroquois Industries Inc July 69 (13)	1-5387-2	Florida Palm-Aire Corp June 69 (2,7,13)	0-1850-2
Jahncke Service Inc July 69(3)	0-2512-2	First western Financial Corp Amdt #1 July 69(3,12)	0-2904-2
Amico Properties June 69(2,7, 13)	0-2308-2	Consolidated Analysis Centers Inc Amended Mar 69(7)	2-29100-2
Teleprompter Corp July 69 (2,7,12,13)	1-4138-2	Computer Studies Inc Amended May 69(13)	1-5918-2
General Cinema Corp July 69 (2,4,7,13)	1-4925-2	Investors Funding Corp of NY June 69 (11,12,13)	1-4600-2
I B Kleinert Rubber Co June 69 (2,4,7,9,11,13) July 69(2,13)	1-1003-2 1-1003-2	Federated Investments Inc July 69 (13)	0-3309-2
South Georgia Natural Gas Co July 69(7)	0-957-2		
Sovereign Corp June 69(11,13)	0-3590-2		
Avis Industrial Corp Aug 69(1)	1-4472-2		
Unicapital Corp July 69(1,13)	0-2721-2		
Jacobsen Mfg Co July 69(11,13)	1-5557-2		

CORRECTION RE MILLER & SONS. H. Miller and Sons, Inc. is engaged in the sale of low to high-priced single family houses, not low to high-priced single family apartments, as reported on Page 4 of the SEC News Digest of September 8.

SECURITIES ACT REGISTRATIONS. Effective September 18: Color Sciences Corporation, 2-33252 (Dec 17); The Columbia Gas System, Inc., 2-34257; Computer Response Corporation, 2-32628 (Dec 17); Heublein, 2-34301 and 2-34053; Leggett & Platt, Incorporated, 2-33341 (Oct 29); Levin Townsend Computer Corp., 2-34030 (Oct 28); National Spinning Co., Inc., 2-33354 (Dec. 17); Northern Natural Gas Company, 2-34560; Northern States Power Company, 2-34250; Pay'N Pak Stores, Inc., 2-33794 (Dec 17); B.F. Saul Real Estate Investment Trust, 2-33529 (40 days); United National Investors Corporation, 2-34187.

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.