

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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DATA MANAGEMENT SERVICES FILES FOR OFFERING AND SECONDARY. Data Management Services, Inc., 1515 Locust St., Philadelphia, Pa., filed a registration statement (File 2-30076) with the SEC on September 6 seeking registration of 270,000 shares of common stock, of which 250,000 shares are to be offered for public sale by the company and 20,000 (being outstanding shares) by the present holders thereof. The offering is to be made at \$6 per share by First Investment Planning Company, 1500 Massachusetts Ave., N.W., Wash. D.C., which will receive a 60¢ per share commission plus \$22,500 for expenses. Previously, the principal of the underwriter and certain of his associates purchased 35,000 shares at \$2 per share and other investors purchased 15,000 shares at \$2 per share; and the company has agreed to issue to the underwriter, at no cost, 5-year warrants to purchase 20,000 shares at \$6 per share.

The company was organized in March 1967 for the purpose of providing comprehensive software, consulting, training, education and computer systems sales services to computer users. Of the net proceeds of its stock sale, \$600,000 will be used to increase the company's professional staff and \$400,000 for the continuation of its existing studies and the initiation of additional studies to define computer applications, education packages and operations research models for which proprietary software packages might be developed; the balance will be available for general corporate purposes. The company now has outstanding 750,000 common shares, of which Myrl E. Dake, board chairman and chief executive officer, and Robert E. Castaldo, president, own 308,760 and 308,750 shares, respectively. Purchasers of the shares the subject of the proposed offering will own 27% of the then outstanding stock, acquired at a cost of \$1,620,000 (or \$6 per share), while management officials will then own 67% of the stock at a total cash investment of \$35,792, or 5¢ per share.

COMMERCIAL BANCORP. FILES FOR OFFERING AND SECONDARY. Commercial Bancorp., Inc., 950 S.W. 57th Ave., Miami, Fla. 33144, filed a registration statement (File 2-30077) with the SEC on September 6 seeking registration of 300,000 shares of common stock, of which 125,000 shares are to be offered for public sale by the company and 175,000 (being outstanding shares) by the present holder thereof. The offering is to be made through underwriters headed by Gloré Forgan, William R. Staats, Inc., 45 Wall St., and Goodbody & Co., 55 Broad St., both of New York; the offering price (\$15 per share maximum*) and underwriting terms are to be supplied by amendment.

The company owns in excess of 96% of the outstanding stock of Commercial Bank of Miami, Merchants Bank of Miami, and Bank of Kendall in the suburb of Miami, and 86.7% of Bank of Palm Beach and Trust Company. Net proceeds of its sale of additional stock will be applied in part to liquidate short term debt; the balance will be added to Bancorp's general funds. The company has outstanding 910,570 common shares, of which management officials as a group own 67.85%. Hoke T. Maroon, president, proposes to sell 175,000 of his holdings of 513,847 shares (56.43%).

AMERICAN INVESTORS LIFE FILES FOR SECONDARY. American Investors Life Insurance Company, Inc., 3301 Van Buren St., Topeka, Ks. 66611, filed a registration statement (File 2-30078) with the SEC on September 9 seeking registration of 30,225 outstanding shares of common stock, to be offered for public sale at \$16 per share. The offering is to be made on a "best efforts" basis by Frontier Securities Company, of the Topeka address, which will receive a \$1.60 per share selling commission.

The company is engaged in the business of writing life insurance, commencing in May 1965. It has outstanding 625,000 shares of common stock. Lloyd R. Parker is board chairman and James H. Carter president. They and other management officials, who own 17.76% of the outstanding shares, propose to sell a total of 28,625 of the shares being registered.

THREE FILE IN CONNECTION WITH LING-TEMCO EXCHANGE. In the SEC News Digest of August 29, it was reported that Ling-Temco-Vought, Inc., of Dallas, had filed a registration statement (File 2-29986) with the SEC proposing the exchange of LTV warrants and the capital stock of three subsidiaries, namely Braniff Airways, Inc., National Car Rental System, Inc., and Computer Technology, Inc., for certain outstanding securities of LTV. On September 9, the three subsidiaries filed registration statements seeking registration of their shares the subject of the LTV exchange offer, as follows: Braniff Airways, Incorporated, of Dallas (File 2-30080), 3,100,000 shares of Special Stock, Class A; National Car Rental System, Inc., of Minneapolis (File 2-30079), 1,609,000 shares of common stock and 2,600,000 of Special Stock, Class A; and Computer Technology, Inc., Chicago (File 2-30082), 1,000,000 shares of common stock.

INTERNATIONAL SYSTEMS SHARES IN REGISTRATION. International Systems & Controls Corporation, 2727 Allen Parkway, Houston, Tex. 77019, filed a registration statement (File 2-30083) with the SEC on September 9 seeking registration of 65,000 shares of common stock. The shares were or are to be issued in September to First Hanover Corporation, 67 Broad St., New York 10004, upon the exercise of warrants to purchase company stock at \$5.50 per share; they may be offered for public sale by First Hanover at prices prevailing at the time of sale (\$30 per share maximum*).

The company is engaged in designing, manufacturing and marketing systems and controls for use by the agriculture, food processing, chemical, petroleum and other industries. In addition to indebtedness and preferred stock, it has outstanding 562,955 common shares.

OVER

GUIDANCE TECHNOLOGY FILES RIGHTS OFFERING PROPOSAL. Guidance Technology, Inc., 2500 Broadway, ^{age} Santa Monica, Calif. 90406, filed a registration statement (File 2-30084) with the SEC on September 9 seeking registration of 360,000 shares of Series B 7% cumulative convertible preferred stock (\$25 par). The company proposes to offer holders of its outstanding Series A 7% cumulative convertible preferred stock the right to purchase for \$25 in cash one share of the Series B preferred for each share of Series A held on the record date (August 28); for each share so purchased the Series A stockholder will have the right to exchange one share of Series A into a share of Series B preferred on a share for share basis without further payment. The company will offer 120,000 Series B preferred shares for subscription at \$25 per share by common stockholders of record August 28, on a first-come -- first-served basis. Also included in the statement are 43,750 shares of common and 7,000 shares of Series A preferred which may be offered for sale from time to time by the holders thereof, at prices prevailing at the time of sale (\$28 for the preferred and \$7 for the common, maximum*).

The company designs, develops, manufactures and sells aircraft instrumentation and related equipment, including gyroscopes. Of the net proceeds of its stock sale, \$3,154,000 will be used for possible acquisitions, \$2,250,000 for its guidance and control division, and the balance for working capital and other purposes (including repayment of \$171,000 indebtedness to the United States). The company has outstanding 1,158,502 common shares. Ray O. Ryan is board chairman, chief executive officer and acting president.

PENNZOIL UNITED TO SELL DEBENTURES. Pennzoil United, Inc., 900 Southwest Tower, Houston, Tex. 77002, filed a registration statement (File 2-30085) with the SEC on September 9 seeking registration of \$75,000,000 of debentures due 1988. The debentures are to be offered for public sale through underwriters headed by White, Weld & Co., 20 Broad St., and Lehman Brothers, 1 William St., both of New York; the interest rate, offering price and underwriting terms are to be supplied by amendment.

The company was formed in April 1968 by the consolidation of Pennzoil Company and United Gas Corporation; it is a natural resource company engaged in oil and gas exploration and development, natural gas transmission, the refining and marketing of Pennzoil motor oil, lubricants and related products and the mining and processing of copper, molybdenum, potash and sulphur. The net proceeds of its debenture sale will be applied to the prepayment of certain long-term bank debt. In addition to indebtedness and preference common, the company has outstanding 5,064,530 common shares (after giving effect to the issuance of 828,909 shares for 368,404 shares of Duval Corp., a majority owned subsidiary). J. Hugh Liedtke is board chairman and chief executive officer and William C. Liedtke, Jr., is president.

SONDERLING BROADCASTING FILES. Sonderling Broadcasting Corporation, 680 Fifth Ave., New York 10019, filed a registration statement (File 2-30086) with the SEC on September 9 seeking registration of \$6,000,000 of convertible subordinated debentures, due 1988, and 40,000 outstanding shares of capital stock, to be offered for public sale through underwriters headed by Bear, Stearns & Co., 1 Wall St., New York 10005. The debentures are to be offered for public sale at 100% of principal amount by the company and the shares (at \$45 per share maximum*) by the present holders thereof. The interest rate on the debentures as well as the underwriting terms for both offerings is to be supplied by amendment.

The company operates six standard (AM) and four frequency modulation (FM) stations and one television station; it has contracted to acquire all of the stock of Van Curler Broadcasting Corporation, which owns Television Station WAST (Channel 13) in Albany, N. Y. Net proceeds from its debenture sale, together with additional funds which the company expects to derive from cash on hand and from operations, will be used to purchase the Van Curler Broadcasting stock from Glen Alden Corporation for \$8,000,000, of which \$500,000 was paid on July 5. In connection with such acquisition, the company has agreed to pay finder's fees of \$250,000, of which \$58,333 will be paid to the Bear, Stearns firm, a partner of which is a director of the company. In addition to indebtedness, the company has outstanding 962,895 shares, of which Egmont Sonderling, president, owns 20.5% and management officials as a group 42%. Richard Goodman, vice president and a director, proposes to sell 40,000 of his holdings of 138,500 shares.

MORGAN YACHT TO SELL STOCK. Morgan Yacht Corporation, P.O. Box 13247, St. Petersburg, Fla. 33733, filed a registration statement (File 2-30087) with the SEC on September 9 seeking registration of 190,000 shares of common stock, to be offered for public sale through underwriters headed by A. G. Edwards & Sons, Inc., 409 N. 8th St., St. Louis, Mo. 63101. The offering price (\$8 per share maximum*) and underwriting terms are to be supplied by amendment. The company has granted the Edwards firm a warrant to purchase 15,000 common shares.

The company's principal business is the design and manufacture of fiberglass sailing yachts. Of the net proceeds of its stock sale, \$300,000 will be used to repay short-term notes and other current liabilities, \$500,000 for the acquisition, improvement and equipping of a new production complex in the St. Petersburg area, and \$250,000 to expand and diversify the product line of the company in fiberglass products, including a line of power boats; the balance will be added to working capital. The company now has outstanding 595,000 common shares, of which Charles E. Morgan, Jr., president and board chairman owns 75.7% and Bruce Bidwell, vice president-treasurer 24.3%.

WHITE MOTOR SEEKS REGISTRATION FOR INDUSTRIAL BOND OFFERING. White Motor Corporation, 100 Erieview Plaza, Cleveland, Ohio 44114, filed a registration statement (File 2-30088) with the SEC on September 9 seeking registration of the interests in its lease obligations under \$45,000,000 of industrial development first mortgage revenue bonds to be issued by the City of Canton, Ohio. Blyth & Co., Inc., 14 Wall St., New York 10005, is listed as the principal underwriter of the bond offering. Proceeds of the City's bond sale will be used to defray costs of acquiring, by purchase and construction, real and personal property comprising an industrial facility for the production of engines and related products, located within the City of Canton. The project will be leased and subsequently sold to White Motor, lessee and guarantor under the lease agreement. The rentals, revenues and other income, charges and moneys realized from the lease, sale or other disposition of the Project including in particular the rentals to be received under the Lease, will be pledged for the payment of the principal of and premium, if any, and interest on the bonds. In addition, the bonds will be secured by the Mortgage and by the Guaranty.

CONTINUED

FOUR SEASONS NURSING CENTERS FILES. Four Seasons Nursing Centers of America Inc., 1624 United Founders Tower, Oklahoma City, Okla. 73112, filed a registration statement (File 2-30089) with the SEC on September 9 seeking registration of 562,550 shares of common stock. Of this stock, 100,000 shares are to be offered for public sale by the company and 462,550 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters headed by Walston & Co., Inc., 74 Wall St., New York 10005; the offering price (\$42 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is engaged in the development, construction, management and operation of health care centers providing skilled nursing, convalescent and rehabilitative care. It now operates fourteen 100-bed health care facilities, six being owned by the company in proportions ranging from 30 to 100 per cent. The company is constructing seven additional facilities, in six of which the company has an ownership interest. Six of these facilities will be managed by the company. In addition, the company has contracted to construct five facilities, four of which will be 30% owned, one will be 52.5% owned and all will be managed by the company. The company intends to furnish mortgage loans of approximately \$2,125,000 of two 100-bed and one 200-bed health care facilities presently under construction and one 100-bed facility under contract. In the event such mortgage loans are sold, the proceeds of such sales will be available for future activities of the company. The balance of the proceeds together with the proceeds from refinancing of mortgage loans on individual facilities will be used for the future development and construction of additional facilities. In addition to indebtedness, the company now has outstanding 1,500,000 common shares, of which Jack L. Clark, president, Amos D. Bouse and Tom J. Gray, vice presidents, own 23.7%, 18% and 11.4%, respectively. Clark proposes to sell 103,000 of 310,800 shares held, Bouse 82,000 of 247,200, and Gray 47,000 of 138,000. A partnership consisting of certain officers and stockholders of the Walston firm proposes to sell 75,000 of 150,000 shares held. The balance of the shares being registered are to be offered by 26 other selling stockholders.

NATIONAL CAN TO SELL DEBENTURES. National Can Corporation, 5959 South Cicero Ave., Chicago, Ill. 60638, filed a registration statement (File 2-30093) with the SEC on September 10 seeking registration of \$10,000,000 of convertible subordinated debentures, due 1993. The debentures are to be offered for public sale through underwriters headed by Bear, Stearns & Co., 1 Wall St., New York 10005; the interest rate, offering price and underwriting terms are to be supplied by amendment.

The company is a manufacturer of metal containers and related products; recently it acquired a pet food business based in California and the fruit and vegetable processing business of three California companies. It also has agreed to acquire another pet food business in the Northeastern region of the United States and the fruit and vegetable processing business of another California company. Net proceeds of its debenture sale will be applied to reduce short-term indebtedness incurred to finance the purchase of the pet food business of the Lewis Food Company purchased in June for \$16,000,000. Anticipated insurance company loans of \$12,000,000 will be used in part (\$6,250,000) to retire the remaining short-term indebtedness so incurred and the balance will be added to working capital. In addition to indebtedness and preferred stock, the company has outstanding 1,719,480 common shares.

SALES FOLLOW-UP CORP. FILES FOR OFFERING AND SECONDARY. Sales Follow-Up Corporation, 4140 West Fullerton Ave., Chicago, Ill. 60639, filed a registration statement (File 2-30096) with the SEC on September 10 seeking registration of 110,000 common shares, of which 61,200 are to be offered for public sale by the company and 48,800 (being outstanding shares) by the present holders thereof. The offering is to be made by underwriters headed by Blunt Ellis & Simmons, 111 W. Monroe St., Chicago, Ill. 60603; the offering price (\$27 per share maximum*) and underwriting terms are to be supplied by amendment.

The company's principal business is the creation and production of post sale follow-up programs designed to build customer loyalty and to secure repeat and referral business. To date, the company's programs have been sold primarily to automobile dealers. Through the recent acquisition of Beauti Gard Industries, Inc., the company entered into the sale of stainless steel molding strips for automobiles. Net proceeds of its sale of additional stock may be applied to the construction of a new plant for company operations in Lake Bluff, Ill. The company now has outstanding 409,938 common shares, of which William C. Bachman, president, owns 23.3% and management officials as a group 70.1%. Bachman and two other officials propose to sell 15,000 shares each, and two others 1,900 shares each.

OHIO EDISON BORROWINGS APPROVED. The SEC has issued an order under the Holding Company Act (Release 35-16157) authorizing Ohio Edison Company, of Akron, Ohio, to issue unsecured notes to banks from time to time prior to March 31, 1969, in amounts not to exceed \$40,000,000 outstanding at any one time (including exempt borrowings of \$28,609,218, of which \$23,500,000 of notes issued as of July 1). The funds have been and will be used to finance, in part, the company's 1968 construction program, estimated at \$75,000,000.

DELISTING APPROVED. The SEC has issued an order under the Securities Exchange Act (Release 34-8406) granting an application of the New York Stock Exchange to strike from listing and registration the 3 $\frac{1}{4}$ % convertible debentures, due 1969, of The Detroit Edison Company. According to the application, the principal amount of such debentures now outstanding approximates \$120,500.

B/D MANAGEMENT RESPONSIBILITIES STRESSED. The SEC joined with six other Agencies in a statement issued today urging the broker-dealer community "to consider more fully its various operational problems and the broker-dealer's responsibility for adequate supervision of such operations." Those joining with the SEC in the statement were the Maryland Division of Securities, the Pennsylvania Securities Commission, the Virginia Division of Securities and the Public Service Commission of the District of Columbia, as well as the Philadelphia-Baltimore-Washington Stock Exchange and Districts 10 and 11 of the NASD.

"Improper sales practices and techniques and deficiencies in back office procedures reflect inadequate supervision," the Agencies observed; and notwithstanding various supervisory procedures suggested by the NYSE, NASD and other self-regulatory agencies, many broker-dealer managements "have not adequately used these or any other supervisory procedures aimed at current selling and back office problems in any meaningful manner."

"Clearly," the statement continued, "the primary responsibility of assuring that the firm's operation complies with sound business practices and the rules and regulations of all regulatory bodies rests with the firm's management. All steps necessary to achieve compliance in view of the specific firm's pattern of business should be instituted as soon as possible."

A failure to recognize the nature and extent of this duty to supervision, the agencies warned "has resulted and will continue to result in disciplinary action against the firm and responsible individuals." (See Release 34-8404).

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 3 News Digest.

Northrop Corp Jul 68(4,13)	1-3229-2	Borden Inc Jul 68(3)	1-71-2
Potter-Englewood Corp Jul 68(2,4,11,12,13)	1-1632-2	Colorado CNB Bankshares Inc Jul 68(12)	2-28007-2
Charles Town Racing Assoc Inc Jul 68 (1)	0-1433-2	Kinney National Service Inc May Jun & Jul 68(12,13)	1-4671-2
Chicago & North Western Ry Co Jul 68(2,7,12,13)	1-3211-2	Skaggs Pay Less Drug Stores Jul 68(7,8)	0-1434-2
Drexel Dynamics Corp Jan 68(2,9,13)	0-2824-2	Fleetwood Enterprises Inc Aug 68(7)	1-5602-2
Instrument Systems Corp Jul 68(2,3,7,8,12,13)	1-5643-2	Internatl Inds Inc Jul 68(11,13)	1-5036-2
Jefferson Lake Petrochemicals of Canada Ltd Aug 68(12,13)	1-4588-2	Caribbean Shoe Corp Jul 68(7,8)	0-108-2
McDonald's Corp Jul 68(3)	1-5231-2	Franklin Creamery Inc Jun 68(6,11,13)	0-1476-2
Clark Equipment Co Jul 68(13)	1-825-2	Mammoth Mart Inc May 68(7,11,13)	1-5059-2
Computing & Software Inc Jul 68(2,7,8,13)	1-5586-2	Monongahela Power Co Jul 68(11,13)	1-5164-2
Port Huron Paper Corp Jul 68(4,7,13)	0-2693-2	Tinsley Laboratories Inc Apr 68(4,11,13)	0-3063-2
Midwestern Companies Inc Jul 68(2,13)	0-1925-2	AMK Corp Jul 68(7,8)	1-2704-2
Allied Tele Co May June & July 68(7,8,12,13)	2-28374-2	Allstate Invmt Corp Jun 68(2,9,13)	0-3051-2
Florida Gas Transmission Co Jul 68(7)	2-26874-2	Cenco Instruments Corp Jul 68(4,13)	1-3730-2
Technamation Inc Jul 68(11)	0-2394-2	Gaylords Natl Corp Jul 68(2,13)	1-5389-2
		Globe Rubber Prods Corp Jul 68(2,12)	0-428-2

SECURITIES ACT REGISTRATIONS. Effective September 10: Ashland Oil & Refining Co, 2-28555 (40 days); Cluett, Peabody & Co., Inc., 2-29928; Statistics for Management Data Processing Corp., 2-29471 (40 days); Mobile Home Industries, Inc., 2-29184 (Dec 9); Washington Natural Gas Co., 2-29875 (40 days); Zenith Laboratories, Inc., 2-29049 (40 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.