

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 May 17, 1965

FABRIKANT SECURITIES REVOKED. The SEC today announced a decision under the Securities Exchange Act (Release 34-7600) revoking the broker-dealer registration of Fabrikant Securities Corporation, 1 Bushwick Pl., Brooklyn, N. Y., for violations of the anti-fraud, registration and other provisions of the Federal securities laws. The order also barred Martin Fabrikant (president), Edwin Lebow (vice president), Morton Gindin (secretary-treasurer), Maurice Rosen (a/k/a Marty Rosen) and Henry Kalish, together with Norman Aborn, Marvin Katz (a/k/a Martin Karr), Stuart Israel, Stan Lubow, Benjamin Saporta, Fred Weiss and Marek Wieseltier, salesmen, from being associated with any broker or dealer.

According to the decision, Fabrikant Securities violated the anti-fraud provisions during the period October 1961-September 1963 in the sale of securities of Continental Fund Distributors, Inc. (CFD), Capital Consultants Corp. (CCC), Aceto Chemical Co., Inc. (Aceto), Uneeda Vending Service Co. Inc. (Uneeda), and Jefferson Financial Corp. (Jefferson). Without making reasonable inquiry into the true nature and worth of the securities, Fabrikant Securities distributed flamboyant and misleading sales literature and made false and misleading representations concerning the issuers' earnings, financial condition, operations, mergers and dividends. The firm also used high-pressure selling techniques and did not provide adequate supervision of certain employees, who had "boiler-room" backgrounds or were unexperienced in the securities field. During the same period, the firm bid for and purchased securities of CFD, Aceto and Jefferson for accounts in which the firm and Fabrikant had a beneficial interest, in addition to violating the Securities Act registration requirements in the sale of CFD, CCC, Uneeda and Jefferson securities. The firm, aided and abetted by Fabrikant, also violated the SEC record-keeping rules. The individual defendants (except Ginden) were found by the Commission to have participated in or aided and abetted violations by the firm. Ginden consented to the bar order, as did certain of the other individual defendants; all others defaulted.

CREST ASSOCIATES PROPOSES OFFERING. Crest Associates/1965, Ltd., Security Life Bldg., Denver, Colo. 80202, filed a registration statement (File 2-23589) with the SEC on May 13 seeking registration of \$1,000,000 of limited partnership interests in its 1965 oil and gas exploration program, to be offered for public sale in \$5,000 units. The offering is to be made on a best-efforts basis through Collins, Eatherton & Associates, Inc., Petroleum Club Bldg., Denver, Colo. 80202, which will receive a \$300-per-unit selling commission. The offering is conditioned upon receipt of at least \$500,000 of subscriptions.

Organized under Colorado law in 1965, the partnership is essentially a one-year program and intends to explore for oil and gas primarily in the Rocky Mountain Region. The partnership will be managed by its General Partner, Crest Petroleum Management Co., also a Colorado limited partnership. The general partners of the Management Company are Alva J. Hickerson and Signal Exploration, Inc.

COLONIAL CORP. OF AMERICA FILES STOCK PLAN. Colonial Corporation of America, 45 W. 33d St., New York 10001, filed a registration statement (File 2-23593) with the SEC on May 12 seeking registration of 40,468 shares of common stock, to be offered pursuant to the company's Stock Option Plan.

ILLINOIS BELL TEL. PROPOSES RIGHTS OFFERING. Illinois Bell Telephone Company, 212 W. Washington St., Chicago, Ill. 60606, filed a registration statement (File 2-23594) with the SEC on May 14 seeking registration of 4,148,721 shares of common capital stock. The stock is to be offered for subscription by stockholders at \$20 per share, at the rate of one new share for each ten shares held on May 28. American Telephone and Telegraph Company, which owns 99.32% of the company's outstanding stock, is expected to purchase its pro rata portion of the offering.

The company will apply the net proceeds from its stock sale to repayment of advances from AT&T, which are expected to amount to \$109,000,000 at the time the proceeds are received. The company expended \$1,930,000,000 for construction purposes in 1964, and it is expected that its 1965 construction program will substantially exceed that amount. In addition to indebtedness, the company has outstanding 41,487,218 common shares. John D. deButts is president.

SPENCER PACKING FILES FOR SECONDARY. Spencer Packing Company, Spencer, Iowa, filed a registration statement (File 2-23595) with the SEC on May 14 seeking registration of 336,000 outstanding shares of common stock, to be offered for public sale by the present holders thereof. J. Cliff Rahel and Company, 1140 First National Bank Bldg., Omaha, Nebr. 68102, is listed as the principal underwriter. The public offering price (\$12 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is engaged in the purchase, slaughtering and dressing of fat cattle and the sale of beef carcasses and related by-products. In addition to indebtedness, the company has outstanding 840,000 common shares, of which management officials own 99.78%. The prospectus lists four selling stockholders, as follows: Thomas C. Mehesan (president and board chairman) and Sam R. Allen (vice president), each offering 67,200 of his holdings of 168,000 shares; and Gerald L. Pearson and Robert H. Pearson (both vice presidents), each offering 100,800 of his holdings of 249,600 shares, including stock held by their wives as custodians for minor children.

OVER

LAURENTIDE FINANCIAL FILES STOCK PLAN. Laurentide Financial Corporation Ltd., 1030 W. Georgia St., Vancouver, British Columbia, Canada, filed a registration statement (File 2-23596) with the SEC on May 14 seeking registration of 200,000 shares of common stock, to be offered pursuant to the company's United States Employees' Stock Purchase Plan.

MINNESOTA MINING FILES FOR SECONDARY. Minnesota Mining and Manufacturing Company, 2501 Hudson Rd., St. Paul, Minn. 55119, filed a registration statement (File 2-23597) with the SEC on May 14 seeking registration of 250,000 outstanding shares of common stock. The stock is to be offered for public sale by the present holder thereof through underwriters headed by Lazard Freres & Co., 44 Wall St., New York 10005. The public offering price (\$63 per share maximum*) and underwriting terms are to be supplied by amendment.

The company produces and markets products such as: electrical products; tape and allied products; graphic systems; abrasives, adhesives and chemicals; and photographic products. In addition to indebtedness the company has outstanding 53,359,124 common shares, of which management officials own 9.8%. The selling stockholder is listed as Istituto Finanziario Industriale, S.p.A. (IFI), an Italian corporation. On July 2, 1964, the company acquired all of the outstanding capital stock of Ferrania S.p.A., (an Italian corporation) and of a related holding company, Handel und Industrie Finanzierungs A.G. (a Switzerland corporation) in exchange for 846,153 company shares. The selling stockholder is one of the former stockholders of Ferrania and received 478,615 shares of the company's common stock in exchange for Ferrania shares then owned by it. Upon completion of the proposed stock sale, IFI will own 320,615 company shares, including 92,000 shares purchased since July 2, 1964, from one of the other former Ferrania stockholders. William L. McKnight is board chairman of the company and Bert S. Cross is president.

LAMSON & SESSIONS FILES STOCK PLAN. The Lamson & Sessions Co., 5000 Tiedeman Rd., Cleveland, Ohio 44109, filed a registration statement (File 2-23598) with the SEC on May 14 seeking registration of 26,250 shares of common stock, to be offered under its Incentive Stock Option Plan.

O/C REGISTRATIONS REPORTED. The following issuers of securities traded over-the-counter have filed registration statements with the Commission pursuant to requirements of Section 12(g) of the Securities Exchange Act (companies which currently file annual and other periodic reports with the SEC are identified by "***"):

File No.	Registrant	Location	File No.	Registrant	Location
839	American Financial Corp. **	Cincinnati, Ohio	880	Morrison-Knudsen Co., Inc. **	Boise, Idaho
901	Associated Truck Lines Inc.	Grand Rapids, Mich.	898	Narragansett Elec. Co. **	Providence, R.I.
893	Avemco Corp. **	Silver Spring, Md.	883	J. M. Nash Co., Inc. **	Milwaukee, Wisc.
910	Bol-Inca Mining Corp.	Atherton, Cal.	867	Packard Instrument Co., Inc. **	Downers Grove, Illinois
888	Bonanza Airlines Inc. **	Las Vegas, Nev.	896	Penna. Life Co. **	Beverly Hills, Cal.
902	Clark Oil & Refining Corp. **	West Allis, Wisc.	879	Pubco Petroleum Corp. **	Albuquerque, N.M.
899	Clayton Corp. of Del.	St. Louis, Mo.	887	Public Service Co of N. M. **	Albuquerque, N.M.
912	Diversified Industrial Corp. of Kansas Inc.	Hays, Kansas	889	Rexach Construction Co., Inc. **	San Juan, P. R.
890	Edgewater Steel Co.	Oakmont, Pa.	869	Ryan Consolidated Petroleum Corp.	Dallas, Tex.
897	Hanover Shoe Inc. **	Hanover, Pa.	903	Jos. Schlitz Brewing Co. **	Milwaukee, Wisc.
878	Hilton Credit Corp. **	L. A., Cal.	873	Telephone Utilities Inc.	Ilwaco, Wash.
875	Kellett Aircraft Corp.	Willow Grove, Pa.	900	Union Stock Yards Co. of Omaha	Omaha, Nebr.
895	Keystone Portland Cement Co. **	Phila., Pa.	904	Universal Surgical Supply, Inc. **	El Segundo, Cal.
886	Leaseway Transportation Corp. **	Cleveland, Ohio	872	Utilities & Industries Corp.	N. Y., N.Y.
874	Marine Bancorporation	Seattle, Wash.	911	Werner Transportation Co.	Minneapolis, Minn.
871	Mission Equities Corp.	L. A., Cal.	919	Western Gas Service Co. **	El Paso, Tex.
			885	Yuba Consolidated Industries, Inc. **	San Francisco, Cal.

SECURITIES ACT REGISTRATION STATEMENTS. During the week ended May 13, 1965, 29 registration statements were filed, 39 became effective, 1 was withdrawn, and 304 were pending at the week-end.

SECURITIES ACT REGISTRATIONS. Effective May 14: Goodale, Bertman & Co., Inc. (File 2-23488); Modern Life Insurance Co., 2-22966 (Aug 13). Effective May 17: Intercontinental Life Insurance Co., 2-23188 (90 days); William Penn Racing Association, 2-23465 (Aug 18).

NOTE TO DEALERS. The last date or 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.