

# SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST



A brief summary of financial proposals filed with and actions by the S.E.C.

Washington, D.C. 20549

(In ordering full text of Releases from Publications Unit, cite number)

(Issue No. 65-9-2)

FOR RELEASE September 2, 1965

**CLARENCE E. THORNTON REVOKED.** In a decision under the Securities Exchange Act announced today (Release 34-7693), the SEC revoked the broker-dealer registration of Clarence E. Thornton, of Baton Rouge, La., for violations of the anti-fraud and other provisions of the Federal securities laws. Willie J. Goudeau was found to be a cause of the revocation order. According to the decision, Thornton in March 1964 purchased 250 shares of stock from a customer at \$3.50 per share, when the market price of the stock was about \$5.10 per share, an "unconscionable" mark-down of 45% (expressed as a percentage of the purchase price); and he failed to disclose to the customer that she was entitled to receive about \$135 in dividends upon the conversion of her stock as a result of a merger involving the issuer. Goudeau aided and abetted Thornton in his violation. Thornton also falsified his books and records and a financial report filed with the Commission by reporting \$1,000 cash on hand and in banks, when, in fact, he had only \$195.34.

**GENERAL INDICATOR FILES FOR SECONDARY.** General Indicator Corporation, 770 Welsh Rd., Palo Alto, Calif., filed a registration statement (File 2-23975) with the SEC on August 27 seeking registration of \$960,000 of 6% sinking fund subordinated debentures (due 1972); \$92,500 of 6% serial subordinated debentures (due 1967); \$40,000 of 6% convertible subordinated debentures (due 1967); and 345,350 shares of common stock (and options to purchase 96,500 shares). The securities may be offered for public sale from time to time in the over-the-counter market at prices then current. Until February 1, 1966, the \$960,000 of debentures (due 1972) and 48,000 common shares are to be offered in units of \$1,000 principal amount of debentures and 50 common shares. The options, which expire on October 1, 1972, are exercisable initially at \$2 per share.

The company manufactures and sells or leases electrical indicating and information display systems, and internally illuminated plastic identification signs. In March 1965 it consummated a plan of refinancing pursuant to which the company made arrangements to obtain additional working capital to finance its current operations, and obtained deferral of payment of certain of its outstanding indebtedness. In addition to indebtedness, the company has outstanding 364,000 common shares, of which management officials own 196,100 shares. The prospectus lists 26 sellers of the debentures and 188,850 of the common shares, including Almonte Associates, Inc., offering 8,000 shares (of 11,885 held), \$160,000 of debentures due 1972, and \$15,000 of serial debentures due 1967; and Sierra Capital Co., 20,000 shares (of 40,000 held), \$400,000 of debentures due 1972, and \$37,500 of serial debentures due 1967. According to the prospectus, the debentures due 1972 and serial debentures, as well as 151,784 of the shares being registered, are held in escrow pursuant to a permit issued by the Commissioner of Corporations of the State of California which provides that the owners or persons entitled to said securities shall not consummate a sale or transfer without the written consent of said Commissioner. In addition, 103,784 shares owned in equal portions by Charles W. Gibbes and Judson G. Sherrill (directors) are subject to a voting agreement whereby they may sell 10% of their holdings per year free of such agreement.

**BELDEN & BLAKE PROPOSES OFFERING.** Belden & Blake and Company Limited Partnership No. 12, 702 Tuscarawas St., West, Canton, Ohio 44702, filed a registration statement (File 2-23984) with the SEC on August 30 seeking registration of 100 units of participation in the partnership, to be offered for public sale at \$2,700 per unit. The offering is conditioned upon the subscription of at least 75 units by December 1, 1965. The partnership was organized under Ohio law for the purpose of drilling oil and gas well locations in Ohio, where certain acreage can be acquired from Belden & Blake Oil Production, a general partnership. The latter is 75%-owned by Henry S. Belden, III, and Glenn A. Blake, general partners in the limited partnership. Belden and Blake will operate the business of the limited partnership.

**AMERICAN CHAIN & CABLE FILES EXCHANGE PROPOSAL.** American Chain & Cable Company, Inc., 230 Park Ave., New York 10017, filed a registration statement (File 2-23987) with the SEC on August 31 seeking registration of 187,557 shares of common stock. The shares are to be offered in exchange for common stock of Mechanical Handling Systems, Incorporated (MHS), in the ratio of one company share for each two and one-half shares of MHS common. The company desires to acquire at least 90% of the 468,893 outstanding shares of MHS common but proposes to proceed with the exchange if between 80% and 90% of such stock is tendered in acceptance of the exchange offer. Four of the officials of MHS and one other stockholder, who own an aggregate of approximately 45% of the MHS common, have agreed to accept the exchange offer.

The company manufactures and sells products ranging from nuts and bolts to technical electronic measurement and control devices. It intends to continue the existence of MHS (located in Warren, Mich.) as a subsidiary. The principal business of MHS is the design, manufacture and sale of materials handling equipment and systems, including conveyors, cranes, and monorail equipment. In addition to indebtedness and preferred stock, the company has outstanding 2,301,498 common shares, of which management officials own 16,772 shares. The William T. Morris Foundation, Inc. (of which Cyrus N. Johns, company board chairman, Wilmot F. Wheeler, Jr., president, and two other company officials are officers) owns approximately 18.1% of the company's outstanding stock.

OVER

**AMECO FILES FOR OFFERING AND SECONDARY.** Ameco, Inc., P. O. Box 11326, Phoenix, Ariz. 85017, filed a registration statement (File 2-23988) with the SEC on August 31 seeking registration of 400,000 shares of common stock. Of this stock, 200,000 shares are to be offered for public sale by the company and 200,000 shares (being outstanding stock) by the present holder thereof, Bruce Merrill (the company's board chairman, president, and sole stockholder). Hornblower & Weeks-Hemphill, Noyes, 8 Hanover St., New York 10004, is listed as the principal underwriter. The public offering price (\$21 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company is engaged in the manufacture and sale of component electronic equipment used in the operation of community antenna television systems (known as "CATV" systems), in constructing complete CATV systems, and in related activities. Net proceeds from its sale of additional stock will be added to working capital and used for general corporate purposes. The company may devote some of the proceeds to financing purchases by its customers. In addition to indebtedness, it has outstanding 1,000,000 common shares, all owned by Merrill.

**EAGLE GENERAL FILES FOR OFFERING AND SECONDARY.** Eagle General Corporation, 201 W. 46th St., New York, filed a registration statement (File 2-23989) with the SEC on August 31 seeking registration of 100,000 shares of common stock. Of this stock, 85,000 shares are to be offered for public sale by the company and 15,000 shares (being outstanding stock) by the present holders thereof. The offering is to be made at \$3.50 per share on a best efforts, all or none basis through Deeco Inc., 79 Wall St., New York 10005. The underwriter is to receive a \$.35-per-share selling commission. Contingent upon the consummation of this offering, the company has agreed to sell 2,500 additional common shares to Steve Giacobbe (a non-affiliated person) at \$.36 per share for services rendered in connection with the offering. In addition, the selling stockholders have sold an aggregate of 5,000 shares to the underwriter at the same price subject to its obligation to resell such shares to them at that price if the offering is not consummated.

Organized under Delaware law in August 1965, the company succeeded to the business of six companies engaged in the operation of messenger and parcel delivery services in the New York City metropolitan area. Net proceeds from its sale of additional stock will be used to pay off existing loans (incurred in connection with financing accounts receivable required by the company because of the expansion of its business), and the balance will be added to working capital and used for general corporate purposes. In addition to indebtedness, the company has outstanding 182,500 common shares, all of which were acquired in equal proportion by Harold Sigman (president), Bernard Stark (vice president), and Sol Gittelman (treasurer) in exchange for all of the outstanding stock of the six predecessor businesses. Each is offering 5,000 of his individual holdings of 57,500 shares. Sigman and Stark have each sold the underwriters 1,667 shares, and Gittelman sold 1,666.

**PREFERRED LIFE OF N. Y. PROPOSES OFFERING.** Preferred Life Insurance Company of New York, 220 E. 42nd St., New York 10017, filed a registration statement (File 2-23990) with the SEC on August 31 seeking registration of 300,000 shares of capital stock, to be offered for public sale at \$10 per share through company officials.

Organized under New York law in June 1965, the company proposes to engage in the business of writing life and accident and health insurance. Net proceeds from its stock sale will be used to meet the capital requirements for obtaining an insurance license in the State of New York and in the conduct of such business. Ira U. Cobleigh is president.

**LEAR JET FILES STOCK PLANS.** Lear Jet Corporation, 8220 W. Harry St., Wichita, Kans., filed a registration statement (File 2-23994) with the SEC on September 1 seeking registration of 150,000 shares of common stock to be offered pursuant to its Employee Savings and Retirement Program, and 125,000 common shares to be offered under the company's Qualified Stock Option Plan.

**HOUSEHOLD FINANCE PROPOSES DEBENTURE OFFERING.** Household Finance Corporation, Prudential Plaza, Chicago, Ill. 60601, filed a registration statement (File 2-23995) with the SEC on September 1 seeking registration of \$125,000,000 of debentures, due 1993. The debentures are to be offered for public sale through underwriters headed by Dean Witter & Co., 14 Wall St., New York 10005; White, Weld & Co., 20 Broad St., New York 10005; and William Blair & Co., 135 S. LaSalle St., Chicago, Ill. 60603. The interest rate, public offering price, and underwriting terms are to be supplied by amendment.

The company's primary business is the making of installment loans, principally to consumers, in comparatively small amounts. Net proceeds from its debenture sale will be used to reduce short-term bank and other loans made in connection with company operations. In addition to indebtedness and preferred stock, the company has outstanding 9,707,295 common shares. H. E. MacDonald is president.

**ASSOCIATED BABY SERVICES FILES STOCK PLAN.** Associated Baby Services, Incorporated, 149 Madison Ave., New York 10016, filed a registration statement (File 2-23996) with the SEC on September 1 seeking registration of 35,000 shares of common stock, to be offered pursuant to its Employees Stock Purchase 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
1632	Air & Space Underwriters Inc	Muncie, Ind.
1645	Belknap Hardware & Mfg Co.	Louisville, Ky.
1634	Big Bear Stores Co	Columbus, Ohio
1669	Buckeye Corp **	New York, N. Y.
1646	Calif. Portland Cement Co.	Los Angeles, Cal.

1649	James Dole Engineering Co.	San Fran., Cal.
1654	Elco Corp of Mich.	Troy, Mich.
1653	Genesee Brewing Co., Inc.	Rochester, N. Y.
1652	Hampton Sales Co., Inc.	Garden City, N.Y.
1670	Hotel Corp of Israel **	Chicago, Ill.
1643	Interstate Eng. Corp.	Anaheim, Cal.
1642	Investment Corp of America	Indianapolis, Ind.
1656	Mortgage Associates, Inc.	Milwaukee, Wis.
1644	National Terminals Corp.	Cleveland, Ohio
1638	Strulee of California, Inc.	Los Angeles, Cal.
1650	Terry Steam Turbine Co	Hartford, Conn.
1651	True Temper Corp	Cleveland, Ohio
1636	Valley Fair Corp	Little Ferry, N.J.

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. The captions of the items are as follows:

Item 1.	Changes in Control of Registrant.
Item 2.	Acquisition or Disposition of Assets.
Item 3.	Legal Proceedings.
Item 4.	Changes in Securities.
Item 5.	Changes in Security for Registered Securities.
Item 6.	Defaults upon Senior Securities.
Item 7.	Increase in Amount of Securities Outstanding.
Item 8.	Decrease in Amount of Securities Outstanding.
Item 9.	Options to Purchase Securities.
Item 10.	Revaluation of Assets or Restatement of Capital Share Account.
Item 11.	Submission of Matters to a Vote of Security Holders.
Item 12.	Other Materially Important Events.
Item 13.	Financial Statements and Exhibits.

Copies of the reports may be purchased from the Commission's Public Reference Section (please give News Digest's "Issue No." in ordering). Invoice will be included with requested material when mailed.

Genung's Inc July 65 (2)	1-4135-2	Consolidated Natural Gas Co July 1965 ( 12)	1-3196-2
Kingwood Corp July 65 (13)	0-460-2	Standard Oil Co (N.J.) July 1965 ( 13)	1-2256-2
Ozark Air Lines Inc June 65 (7)	0-1214-2		
Longines Wittnauer Watch Co Inc Amend #1 to 8K for Dec 63 (13)	1-3386-2	Universal Publishing & Distributing Corp July 1965 ( 11,13)	2-18339-2
Nebraska Consolidated Mills Co Amend #1 to 8K for Feb 65 (4)	2-14353-2	Park Electrochemical Corp July 1965 ( 2,13)	1-4415-2
Ore-Ida Foods, Inc, July 65, (3,4,13)	0-195-2	B. Brody Seating Co July 1965 ( 2,7,13)	2-22977-2
Scany, Inc, July 65, (2,11,12,13)	1-4549		
Recognition Equipmt Inc, July 65, (7, 13)	2-23572-2	Prudential Real Estate Trust July 1965 ( 2,3,7,8,13)	0-1061-2
Hanover Equities Corp, July 65, (12,13)	0-884-2	Wolf Corp July 1965 ( 2)	0-294-2
Gains Guaranty Corp, #1 to 8K for July 65, (12)	0-938-2	Angeles Crest Development Co Inc May 1965 ( 2,13)	2-17651-2
		Spencer Gifts, Inc April 1965 ( 2)	2-19723-2
Basic Products Corp July 1965 ( 12,13)	1-343-2	Associtaed Baby Services, Inc Amend #1 to 8K for July 1965 ( 13)	1-4684-2
Bloomfield Building Industries, Inc June 1965 ( 8,12,13)	1-4608-2	Foremost Dairies Inc Amend #1 to 8K for Jan. 1965 ( 13)	1-3884-2
July 1965 ( 7,12,13)	1-4608-2		
Mid-America Insurance Co April 1965 ( 11)	2-22921-2	Trailer Train Co Amend #1 to 8K for April 1965 (7)	2-20540-2

Atlantic Utilities Corp June 1965 ( 2,13)	2-19691-2	National Work-Clothes Rental July 1965 ( 12)	1-4794-2
Fidelitv & Deposit Company of Maryland July 1965 ( 9)	2-22407-2	American Motorist Insur. Co May 1965 ( 11,13)	2-7687-2
Win-Chek Industires, Inc Aug. 1965 ( 11)	2-16506-2	Emmer Glass Corp July 1965 ( 11,13)	0-1175-2
Los Angeles Drug Co July 1965 ( 11)	2-9100-2	Gas Service Company April 1964 ( 11)	0-328-2
Outlet Comapny July 1965 ( 4,7,11,13)	1-1209-2	April 1965 ( 11)	"
Peoples Tel. Corp July 1965 ( 7,8,13)	0-426-2	The Greenwich Gas Company July 1965 ( 7,13)	0-713-2
Greater Iowa Corp July 1965 ( 12)	0-1403-2	Sunair Electronics Inc July 1965 ( 11)	1-4334-2
Instrument Systems Corp July 1965 ( 2,9)	0-116-2	Consolidated Fenimore Iron Mines April 1965 ( 1)	2-9402-2
Nopco Chemical Co May 1965 ( 8)	1-2627-2	May 1965 ( 11)	"
June 1965 ( 8)	"		
July 1965 ( 8)	"		

**BALDWIN SECURITIES SEEKS ORDER.** Baldwin Securities Corporation, One Chase Manhattan Plaza, New York, has applied to the SEC for an order under the Investment Company Act further extending the period under prior orders during which Baldwin's ownership of stock of, and relationship with, General Industrial Enterprises, Inc. (both of which are non-diversified closed-end investment companies) shall be exempt from provisions of Section 12(d)(1) of the Act. The Commission has issued an order (Release IC-4341) giving interested persons until September 16 to request a hearing thereon. According to the application, Baldwin presently owns approximately 93% of the outstanding voting stock of General Industrial. It is intended that General Industrial will be merged into Baldwin without a vote of stockholders (pursuant to Delaware law) and that each stockholder of General Industrial, other than Baldwin, will receive Baldwin stock equal in net asset value to the net asset value of General Industrial's stock. By order of September 1, 1965, the Commission exempted the transactions incident to the proposed merger, and the extension requested by the instant application is sought to allow for the consummation thereof.

**ALLEGHENY POWER SEEKS ORDER.** Allegheny Power System, Inc., New York, has applied to the SEC for an order under the Holding Company Act releasing jurisdiction with respect to fee allowances in connection with the plan approved by the SEC in November 1964 and proposing the issuance of Allegheny stock in exchange for publicly held common shares (4.79%) of one of its public-utility subsidiaries, West Penn Power Company. The application states that fees and other expenses aggregate \$72,000. The Commission has issued an order (Release 35-15300) giving interested persons until September 22 to request a hearing thereon.

**COLUMBIA GAS SYSTEM SEEKS ORDER.** The Columbia Gas System, Inc., New York holding company, has applied to the SEC for an order under the Holding Company Act authorizing it to acquire from Columbia Gas of Kentucky, Inc., a wholly-owned subsidiary, an additional 24,000 shares of common stock at the aggregate par value of \$600,000 and installment promissory notes in the aggregate principal amount of \$400,000. The Commission has issued an order (Release 35-15301) giving interested persons until September 20 to request a hearing thereon. By order dated June 23, 1965, the Commission authorized Columbia of Kentucky to sell \$1,300,000 principal amount of installment promissory notes, the proceeds from which were to be used in financing its 1965 construction program. According to the application, the additional funds are required by the subsidiary because of (1) an increase of \$500,000 in its 1965 construction estimates and (2) the fact that certain refunds to customers must be made sooner than anticipated.

**OHIO POWER SEEKS ORDER.** Ohio Power Company, Canton, Ohio, electric-utility subsidiary of American Electric Power Company, Inc., has applied to the SEC for an order under the Holding Company Act authorizing it to acquire from the City of Willard, Ohio, the electric-utility system of Willard which presently serves approximately 2,160 customers and which consists principally of a 5,000 kw steam-electric generating plant, an electric distribution system, and a street-lighting system. The Commission has issued an order (Release 35-15302) giving interested persons until September 22 to request a hearing thereon. According to the application, Ohio Power submitted a cash bid of \$1,575,000 for the Willard electric system.

**SECURITIES ACT REGISTRATIONS.** Effective September 1: The Cincinnati and Suburban Bell Telephone Co., 2-23929 (Oct 12); Olympic Life Insurance Co., 2-23356 (40 days); Wallace-Murray Corp., 2-23918 (Oct 10). Effective September 2: Colortran Corp., 2-22876 (90 days); Kimberly-Clark Corp., 2-23909; Mayflower Investors, Inc., 2-23232 (40 days). Withdrawn September 2: Union Bankers Insurance Co., 2-23500.

**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.