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# SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

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A Daily Summary of  
S.E.C. Activities

(Issue No. 72-71)

FOR RELEASE April 14, 1972

## DECISION IN ADMINISTRATIVE PROCEEDINGS

GLIDDEN, MORRIS & CO.; GLIDDEN SANCTIONED. The SEC has suspended, with certain exceptions, the operations of the New York City office of Glidden, Morris & Co. for 3 months, and has suspended A. Leland Glidden, a general partner of Glidden Co., from association with any broker or dealer for a like period. The suspensions commence April 17.

According to the decision, respondents violated antifraud, registration and recordkeeping provisions of the securities acts and failed to properly supervise. It was found that during the period from August 1968 to November 1969 respondents participated in a distribution of securities of Bookshelf of America when no registration statement was filed or in effect with respect to such securities, the market and price of such securities were controlled and manipulated, and over 200,000 shares were acquired from Bookshelf and others, which were offered and sold at artificially inflated prices on which excessive and undisclosed profits were realized. It was further found that respondents made false and misleading entries on registrant's books and records, and from March 1965 to April 1966 offered and sold unregistered securities of National Home Products, Inc. (known as Power-Pak Industries, Inc. until November 9, 1965).

The Commission's action was taken pursuant to an offer of settlement in which respondents, without admitting or denying the charges, consented to the findings and sanctions. (Rel. No. 9557)

## COMMISSION ANNOUNCEMENT

CJA INDUSTRIES REG. A EXEMPTION SUSPENDED. The SEC has issued an order temporarily suspending a Regulation A exemption from registration under the Securities Act of 1933 with respect to a public offering of stock by CJA Industries, Inc., of Copiague, New York. The order provides an opportunity for hearing upon request, on the question whether the suspension should be vacated or made permanent.

Pursuant to a notification filed on October 13, 1970, CJA offered 150,000 shares of common stock for sale at \$2 per share. According to the order, the Commission's staff has reason to believe that the offering circular failed to state, or contains untrue statements of, material facts with respect to the use of proceeds of the offering, more particularly, the amount to be allocated to two subsidiaries, ADCO Advertising, Inc. and Aristocrat Screen Process, Inc., to laboratory construction and purchase of instrumentation, to the repayment of corporate indebtedness (including loans made by CJA officers) and to making a loan to the underwriter and the inherent risks in such a loan.

SUSPEND TRADING IN DASHAW BUSINESS MACHINES. The Commission yesterday ordered the temporary suspension of the over-the-counter trading in the securities of Dashaw Business Machines Inc., a Delaware corporation with offices in El Segundo, Calif., for a ten-day period commencing at 12:30 P.M. (EST) on April 13, 1972. The suspension will terminate on April 22, 1972. The suspension, which was requested by the company, was ordered by the Commission in order to permit dissemination by the company of information concerning recent adverse corporate developments. (Rel. 34-9573)

## NEW RULES AND RULE PROPOSALS

SEC PROPOSES SECO FEE AMENDMENT. The Commission has announced a proposed amendment to Rule 15b-9 under the Securities Exchange Act of 1934 to set annual assessments for nonmember (SECO) broker-dealers for the current fiscal year. Under the proposal SECO firms would be required on or before June 1, 1972 to file Form SECO-4-72 and to pay the charges prescribed by the form which are: (1) a base fee of \$150 and (2) a "head tax" of \$7.50 for each associated person. Interested persons are invited to submit their comments by April 25. (Rel. 34-9571)

RULE EXEMPTS SBIC SECURITIES. The Commission has adopted Rules 3c-3 and 18c-2 under the Investment Company Act to enable small business investment companies licensed under the Small Business Investment Company Act of 1958 to make full use of the new statutory power of the Small Business Administration to guarantee debentures issued by such SBICs without violating certain provisions of the Act. Rule 3c-3 provides, among other things, that the term "public offering" as used in Section 3(c)(1) would not be deemed to include offers and sales of the SBA guaranteed debentures and Rule 18c-2 exempts such securities, under certain conditions, from the provisions of Section 18(c) which prohibits a closed-end investment company from issuing more than one class of senior debt security. The rules will become effective April 17, 1972. (Rel. IC-7127)

## COURT ENFORCEMENT ACTION

COMUTRIX ENJOINED. The SEC announced April 11 that the Federal court in the District of Columbia had entered a judgment by default enjoining Comutrix Corporation, a Florida corporation, from violating the reporting provisions of the Federal securities laws and requiring Comutrix to file with the SEC within 30 days certain required reports and amendments. (LR-5376)

OVER

SECURITIES ACT REGISTRATIONS

NEWBERY ENERGY CORPORATION, 3826 S. 28th St., Phoenix, Ariz. 85040, filed a registration statement on April 11 seeking registration of 300,000 shares of common stock, of which 200,000 are to be offered for public sale by the company and 100,000 (being outstanding shares) by the holders thereof. The offering is to be made (\*at \$6.50 per share maximum) through underwriters headed by Roberts, Scott & Co., Inc., First National Bank Bldg., San Diego, Calif. 92101. The company is principally engaged in the construction and installation of all types of electrical systems and in the wholesale distribution of electrical and plumbing products chiefly to construction contractors. Of the net proceeds of its stock sale, \$150,000 will be used to expand existing storage and to construct additional warehouse facilities, and the balance to reduce short-term bank indebtedness. (File 2-43769)

SOUTHERN CALIFORNIA EDISON COMPANY, 2244 Walnut Grove Ave. (P. O. Box 800), Rosemead, Calif. 91770, filed a registration statement on April 11 seeking registration of 750,000 shares of R100 cumulative preferred stock, to be offered for public sale through underwriters headed by The First Boston Corp., 20 Exchange Pl., New York 10005 and Dean Witter & Co., Inc., 45 Montgomery St., San Francisco, Calif. 94106. Net proceeds will be used to repay short-term obligations incurred in connection with the company's construction program (estimated at \$10,000,000) and the balance for other corporate purposes. Construction expenditures are estimated at \$745 million for the years 1972-73. (File 2-43770)

SYBRON CORPORATION, 1100 Midtown Tower, Rochester, N.Y. 14604, filed a registration statement on April 10 seeking registration of 79,202 outstanding shares of common stock, which may be offered for sale from time to time by the holders thereof at prices current at the time of sale (\* \$35.50 per share maximum). (File 2-43772)

ITEK CORPORATION, 10 Maguire Road, Lexington, Mass. 02173, filed a registration statement on April 10 seeking registration of 66,815 outstanding shares of common stock, which may be offered for sale from time to time by the holders thereof at prices current at the time of sale (\* \$71.875 per share maximum). (File 2-43773)

CHESEBROUGH-POND'S INC., 485 Lexington Ave., New York 10017, filed a registration statement on April 11 seeking registration of 50,000 shares of common stock, issuable pursuant to the company's stock option plans. (File 2-43774)

FUND C 721 PARTNERSHIP (the Partnership), c/o Arthur Andersen & Co., 69 West Washington St., Chicago, Ill. 60602, filed a registration statement on April 11 seeking registration of \$1 million of general partnership interests, to be offered only to partners, participating principals and overseas representatives of Arthur Andersen & Co. at \$1,000 per unit (subject to mandatory calls up to \$3,000). The Partnership was organized by the Andersen firm to invest principally in real estate. The Andersen firm is the general partner. According to the statement, the Partnership's investment objectives shall at all times be subject and subordinate to the interests of the Andersen firm. (File 2-43775)

HARDING OIL COMPANY, 4317 Oak Lawn Ave., Dallas, Tex. 75219, filed a registration statement on April 10 seeking registration of \$258,000 of fractional undivided interests in oil and gas leases, to be offered for public sale at \$1,000 per unit. The company is engaged in the exploration and development of oil and gas properties. (File 2-43776)

KINDER-CARE LEARNING CENTERS, INC., 515 Bell St., Montgomery, Ala. 36104, filed a registration statement on April 11 seeking registration of 200,000 shares of common stock and warrants to purchase 200,000 shares. It is proposed to offer these securities in units, each consisting of one share and one warrant, each two warrants are exercisable to purchase one share of stock. The offering is to be made at \$5 per unit through underwriters headed by First Alabama Securities, Inc., 400 Frank Leu Bldg., Montgomery, Ala. The company operates day care centers offering educational and recreational programs, and other services. Of the net proceeds of its stock sale, \$500,000 will be used for a continuing expansion of its acquisition, construction and leasing program and the balance for working capital and other corporate purposes. (File 2-43781)

LEVITZ FURNITURE CORPORATION, 212 High St., Pottstown, Pa. 19464, filed a registration statement on April 11 seeking registration of 600,000 shares of common stock, to be offered for public sale (\*at \$50 per share maximum) through underwriters headed by Bache & Co., 100 Gold St., New York 10038. The company sells home furnishings through a chain combination warehouse-showroom retail facilities. Net proceeds of its stock sale, will be used for pre-opening expenses of new warehouse-showroom units and the balance for working capital and other corporate purposes. (File 2-43782)

BUILDING AND LAND TECHNOLOGY CORPORATION, E-210 Route 4, Paramus, N.J. 07652, filed a registration statement on April 11 seeking registration of 350,000 shares of common stock of which 200,000 are to be offered for public sale by the company and 150,000 (being outstanding shares) by the holders thereof. The offering is to be made (\*at \$18 per share maximum) through underwriters headed by I. M. Simon & Co., 315 N. 4th St., St. Louis, Mo. 63102. The company is primarily engaged in the acquisition of unimproved land for resale to builders and also conducts a general real estate brokerage business. Of the net proceeds of its stock sale, \$1,500,000 will be used to repay short-term bank indebtedness and the balance for working capital and general corporate purposes. (File 2-43785)

SHELTER CAPITAL CORP., 477 Madison Ave., New York 10022, filed a registration statement on April 11 seeking registration of 300,000 shares of common stock, to be offered for public sale (\*at \$11 per share maximum) through underwriters headed by Devon Securities, 60 East 56th St., New York 10022. Organized in 1971, the company proposes to become a broad-based realty and financial service organization, and initially, to engage in the investment and management of the assets of Shelter Capital Partners (Series 1), the Partnership. The Partnership was formed to acquire equity interests in residential, commercial and industrial real estate projects. Shelter Capital General Corp., a wholly-owned subsidiary of the company, is the general partner. Net proceeds of stock sale will be used by the company to make an initial investment in the General Partner (not less than 10% of the aggregate contributed Partnership capital), to fund organizational expenses of an investment banking and financial advisory subsidiary and for other corporate purposes. (File 2-43786)

In a separate registration statement, the Partnership seeks registration of \$15 million of partnership interests, to be offered for public sale at \$5,000 per unit. Devon Securities, 60 East 56th St., New York, N.Y. 10022, has agreed to use its best efforts, as agent for the Partnership, to sell the interests. (File 2-43787)

THE TI CORPORATION (OF CALIFORNIA), 433 South Spring St., Los Angeles, Calif. 90013, filed a registration statement on April 11 seeking registration of 110,553 outstanding shares of common stock, to be offered for public sale by the holders thereof. The offering is to be made (\* at \$27.50 per share maximum) through underwriters headed by Lazard Freres & Co., 44 Wall St., New York 10005, and Merrill Lynch, Pierce, Fenner & Smith Inc., 70 Pine St., both of New York. The company is engaged in the real estate title insurance business. (File 2-43788)

TRAVEL EQUIPMENT CORPORATION, P. O. Box 512, Goshen, Ind. 46526, filed a registration statement on April 12 seeking registration of 350,000 shares of common stock, of which 250,000 are to be offered for public sale by the company and 100,000 (being outstanding shares) by the holders thereof. The offering is to be made (\*at \$12 per share maximum) through underwriters headed by G. A. Saxton & Co., Inc., 100 Wall St., New York 10005. The company is engaged in the manufacture and sale of recreational vehicles. Net proceeds will be used to repay current bank debt and for working capital and other corporate purposes. (File 2-43789)

WHEATHEART CATTLE COMPANY, 315 South Main St., Perryton, Tex. 79070, filed a registration statement on April 12 seeking registration of \$6 million of subscriptions in limited partnerships to engage in cattle feeding programs, to be offered for public sale in minimum amounts of \$5,000. The company is a wholly-owned subsidiary of Wheatheart Feeders, Inc., and was formed for the purpose of servicing as general partner in certain cattle feeding programs. (File 2-43792)

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

Holiday Inns, Inc., Memphis, Tenn. (File 2-43767) - 177,446 shares  
 Cities Service Company, New York, N.Y. (File 2-43771) - 600,000 shares  
 The Travelers Corporation, Hartford, Conn. (File 2-43777) - 60,000 shares  
 Central and South West Corporation, Wilmington, Del. (File 2-43778) - 403,000 shares  
 American Telephone and Telegraph Company, New York, N.Y. (File 2-43779) - 4,000,000 shares  
 Burroughs Corporation, Detroit, Mich. (File 2-43780) - 600,000 shares  
 General Motors Corporation, Detroit, Mich. (File 2-43783) - 170,000 shares and  
 (File 2-43784) - 700,000 shares  
 Standun Inc., Compton, Calif. (File 2-43790) - 68,000 shares  
 AFC Industries, Inc., New York, N.Y. (File 2-43793) - 160,000 shares  
 Illinois Tool Works Inc., Chicago, Ill. (File 2-43797) - 300,000 shares

UNLISTED TRADING GRANTED. The SEC has issued an order granting an application of the Philadelphia-Baltimore-Washington Stock Exchange for unlisted trading privileges in the common stock of Jeannette Corporation. (Rel. 34-9572)

SECURITIES ACT REGISTRATIONS. Effective April 12: Alco Standard Corp., 2-43421; Alkon Industries, Inc., 2-42726 (90 days); American Thermal Resources, Inc., 2-43076 (Jun 11); Bache & Co., Inc., 2-43319; Consolidated Edison Co., 2-43339; Dentalloy, Inc., 2-42945 (90 days); ETZ Limited, 2-41945 (90 days); Harley Corp., 2-43205 (90 days); Israel Bank of Agriculture Ltd., 2-41957 (90 days); LCA Corp., 2-43386; Mark Twain Bancshares, Inc., 2-43358; Mortgage Associates, Inc., 2-43257; Newell Companies, Inc., 2-43403; Oriole Land & Development Corp., 2-43305; Polychrome Corp., 2-43304; RB Industries, Inc., 2-43482; The Scott & Fetzer Co., 2-43599; Weil-McLain Company, Inc., 2-43510; Zion Utah Bancorporation, 2-43303.

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.

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