



SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

A Daily Summary of
S.E.C. Activities

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FOR RELEASE July 20, 1972

DECISIONS IN ADMINISTRATIVE PROCEEDINGS

NASD SANCTIONS AGAINST DALEN INVESTMENTS & FUNDS, INC. AND ITS OPERATING HEAD MODIFIED. The SEC has issued an order modifying the disciplinary action taken against Dalen Investments & Funds, Inc., Miami, Fla., and its operating head and principal, D. Dale Regent, by the National Association of Securities Dealers, Inc. The SEC affirmed the censure imposed by the NASD against the firm and Regent but reduced from six months to thirty days the duration of the suspension of the firm's NASD membership and the bar of Regent from association with any member.

The Commission, as had the NASD, found violations of the NASD's Rules of Fair Practice in that the member had net capital deficiencies in November and December 1969 and that Regent was a cause of such violations. In its decision, the Commission affirmed the NASD's ruling that a claim for refund of federal income taxes filed by the member was not an asset readily convertible into cash and therefore not includable in the member's net capital. In shortening the suspension and bar, the Commission noted that the tax refund claim was originally included in net capital by the firm's certified public accountant, that the net capital deficiency was promptly corrected when Regent was alerted to it, and that no customers or other broker-dealers have suffered any injury thereby. (Rel. 34-9679)

WALTON-RICHARDSON OFFERING EXEMPTION SUSPENDED. The SEC has permanently suspended a Regulation A exemption from Securities Act registration with respect to a public offering of 150,000 shares of common stock at \$2 per share by Walton-Richardson Co. of Newark, N. J. The company is statedly engaged in the promotion and sale of perfume and cologne. The Commission's prior temporary suspension order has alleged that contrary to the terms of the offering circular, a special account in which receipts from subscribers were to be deposited was never opened and that funds amounting to at least \$7,650 were not returned to subscribers when the required minimum number of shares was not sold within the designated period. The order further alleged that the company had not filed a report as required by the Regulation.

No answer to the allegations of the temporary suspension order was filed and no hearing was requested. Accordingly, the suspension was made permanent pursuant to the Regulation. (Rel. 33-5273)

THE PREDICTOR, INC. AND OFFICERS SANCTIONED. The SEC announced the issuance of an order prohibiting The Predictor, Inc., a West Hartford, Conn. investment adviser, Robert A. Lerman, its president, and John F. Ferraro, secretary-treasurer, from advertising their services as investment advisers and accepting any new managed securities accounts for a period of 90 days effective July 24, 1972. Respondents are permitted, however, to solicit renewals from subscribers whose subscriptions expire during the 90-day period or within 30 days before or after.

According to the Commission's decision, respondents violated provisions of the Investment Advisers Act of 1940 in that, prior to publishing information concerning Belgium Standard, Ltd. (BSL), they made no effort to verify information received from a source known to be materially interested in BSL and employed by that company; failed to disclose those circumstances to clients, prospective clients and others; published false statements concerning BSL's profitability and prospects, comparisons of BSL to other firms which had been highly successful, BSL's acquisition of another company, the value of BSL's stock, and the acceptance and performance of its product; and, after receiving inquiries from the Commission's staff, published what purported to be a retraction or clarification of prior false statements which, however, contained additional false statements.

The Commission's order was based on an offer of settlement in which respondents, without admitting or denying the charges against them, consented to the above findings and the specified sanctions. The offer further provided that restitution will be offered to all subscribers of the Predictor market letter who suffered a loss by following the advice concerning BSL published therein, and that the Commission's Findings and Order will be published in that market letter and in all of registrant's publications. Respondents further consented to be enjoined from future violations of antifraud provisions of the Act in connection with BSL or any other security. (Rel. IA-324)

EDWARD A. MERKLE SUSPENDED. The SEC announced the issuance of an order suspending Edward A. Merkle, chief executive officer of Madison Fund, Inc., New York based investment company, from association with any investment company, broker-dealer or investment adviser for 60 days.

According to the Commission's decision, Merkle, during the period from about December 1966 to August 1971, violated various provisions of the securities acts. Among other things, he caused Madison Fund to purchase time certificates of deposit and place non-interest bearing demand deposits in various commercial banks in return for loans by those banks to Katy Industries, Inc., Missouri-Kansas-Texas Railroad Co. ("MKT"), and Southwestern States Management Company ("SSMC"), companies affiliated with Madison Fund and Merkle. In addition, in return for loans by certain banks to MKT and SSMC, Merkle caused Madison Fund to execute put

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options in favor of the banks, under the terms of which the banks could require Madison Fund to pay on demand the unpaid balances of the loans and accept the pledged collateral in exchange. Merkle also caused Madison Fund to enter into transactions involving portfolio securities on a joint or joint and several basis with Mad International Fund, Inc., an unregistered off-shore investment company of which Madison Fund was investment adviser and Merkle, chairman of the board. Further, Merkle caused Madison Fund to purchase 182,500 shares of National Industries, Inc. common stock and National convertible bonds in the principal amount of \$2 million without disclosing that he was a salaried employee of National, had National securities and stock options in his personal portfolio, and sold at least 8,100 shares of registered National common stock during the period of Madison Fund's purchases.

The Commission's order was based on an offer of settlement in which Merkle, without admitting or denying the charges against him, consented to the above findings and the indicated sanction. (Rel. IC-7280)

COURT ENFORCEMENT ACTION

MOTION FOR STAY DENIED ECOLOGICAL SCIENCE. The SEC announced that on July 14 the U. S. Court of Appeals for the Second Circuit denied the Motion for a Stay of an Order of the U. S. District Court which, among other things, preliminarily enjoined certain violations of the federal securities laws and which appointed Robert F. Wagner, Jr., as a limited receiver for Ecological Science Corporation. The Court of Appeals ordered that the appeal be expedited. (LR-5465)

SECURITIES ACT REGISTRATIONS

MAREMONT CORPORATION, 168 North Michigan Ave., Chicago, Ill. 60601, filed a registration statement on July 17 seeking registration of 40,304 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 (* \$31.50 per share maximum). The company is engaged in the manufacture and distribution of automobile replacement parts. (File 2-45054)

HYBRID 1972 CATTLE CORPORATION FUND (the Partnership), 122 East 42nd St., New York, N. Y. 10017, filed a registration statement on July 17 seeking registration of \$10 million of partnership interests, to be offered for public sale at \$5,000 per unit with a minimum purchase of two units by selected NASD members. The Partnership will be formed to engage in cattle feeding and commercial cattle breeding activities. (File 2-45055)

ADRs for BRACKEN MINES LTD. First National City Bank, 111 Wall St., New York, N. Y. 10015, filed a registration statement on July 18 seeking registration of 100,000 American Depositary Receipts for ordinary shares of Bracken Mines Limited, a South African corporation. (File 2-45056)

AGRI-LINK 1972 FUND (the Partnership), 2192 DuPont Dr., Irvine, Calif. 92664, filed a registration statement on July 18 seeking registration of \$4 million of partnership units, to be offered for public sale at \$1,000 per unit through selected NASD members. The Partnership is engaged in the commercial cattle production business including breeding of cattle and the purchase and feeding of cattle for beef production. Agri-Link Corp., a subsidiary of Linkletter Enterprises, Inc., is general partner. (File 2-45057)

ARROW INDUSTRIES, INC., 2625 Belt Line Rd., Carrollton, Tex. 75006, filed a registration statement on July 18 seeking registration of 340,000 shares of common stock, of which 140,000 are to be offered for public sale by the company and 200,000 (being outstanding shares) by the holders thereof. The offering is to be made (* at \$18 per share maximum) through underwriters headed by Eppler, Guerin & Turner, Inc., 3900 First National Bank Bldg., Dallas, Tex. 75202. The company is engaged in the processing and distribution of certain foods and related items and in the manufacture of charcoal briquets. Of the net proceeds of its stock sale, \$750,000 will be applied to the cost of a new polyethylene extrusion plant and the balance will be used for working capital and other corporate purposes. (File 2-45058)

MIRRO ALUMINUM COMPANY, 1512 Washington St., Manitowoc, Wis. 54220, filed a registration statement on July 18 seeking registration of 223,770 outstanding shares of common stock, to be offered for public sale by the holders thereof. The offering is to be made (* at \$39.75 per share maximum) through underwriters headed by The First Boston Corporation and Merrill Lynch, Pierce, Fenner & Smith Inc., One Liberty Plaza, both of New York. The company is engaged principally in the manufacture of aluminum cooking utensils and electric table appliances. (File 2-45060)

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:

AD Press, Ltd., New York, N. Y. (File 2-44855) - 100,000 shares
 Ronson Corporation, Woodbridge, N. J. (File 2-44874) - 135,000 shares
 Ludlow Corporation, Needham Hts., Mass. (File 2-44878) - 100,000 shares
 Turner Construction Company, New York, N. Y. (File 2-44902) - 100,000 shares
 Sperry Rand Corporation, New York, New York, N. Y. (File 2-44908) - 650,000 shares
 John Blair & Company, New York, N. Y. (File 2-44914) - 100,000 shares
 Hercules Incorporated, Wilmington, Del. (File 2-44917) - 115,600 shares
 Hasbro Industries, Inc., Pawtucket, R. I. (File 2-44919) - 25,000 shares
 Allied Control Company, Inc., Plantsville, Conn. (File 2-44925) - 50,000 shares
 Cerro Corporation, New York, N. Y. (File 2-44934) - 556,970 shares
 College/University Corporation, Indianapolis, Ind. (File 2-44935) - 50,000 shares
 The Murray Ohio Manufacturing Company, Nashville, Tenn. (File 2-44942) - 78,000 shares
 A. G. Edwards & Sons, Inc., St. Louis, Mo. (File 2-44944) - 100,000 shares

Teckla, Inc., Amarillo, Tex. (File 2-44945) - 729,005 shares
 Sparton Corporation, Jackson, Mich. (File 2-44948) - 40,000 shares
 INA Income and Convertible Fund, Philadelphia, Pa. (File 2-44949) - 4,125,000 shares
 Nuveen Tax-Exempt Bond Fund Series 44 Check-A-Month Plan (File 2-44950) - \$31,500,000 of units
 Neuwirth Realty Corporation, Middletown, N. J. (File 2-44951) - \$402,500 of units
 Open Road Industries, Inc., Redondo Beach, Calif. (File 2-44952) - 517,189 shares
 Dayton-Hudson Corporation, Minneapolis, Minn. (File 2-44953) - \$10,000,000 of interests
 Kansas City Life Insurance Company, Kansas City, Mo. (File 2-44955) - 7000 shares
 Shylman Transport Enterprises, Inc., Cherry Hill, N. J. (File 2-44957) - 80,000 shares

MISCELLANEOUS

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 (in ordering, please give month and year of report). 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 June 8 News Digest.

8K Reports For Mar 72

Geriatric & Medical Centers Inc (1,7,8,13,14)	0-3997-2	G W Murphy Inds Inc (3)	1-1974-2
Hartford Natl Corp Apr 72 (11)	1-6655-2	Teletrans Inds Inc (2,3,8,13)	1-6486-2
Interprovincial Pipe Line Co Apr 72 (11,13)	2-10050-2	Cellu-Craft Inc (1,2,7,8,14)	1-6608-2
Progressive Natl Corp (2)	0-2771-2	Combine Camera Stores Inc (7,13)	2-40982-2
Strawbridge & Clothier Apr 72 (14)	0-1308-2	Int'l Systems & Controls Corp (7,13,14)	0-1427-2
Telecredit Inc (13)	0-3934-2	Mark IV Homes Inc (12)	2-39262-2
Daitch Crystal Dairies Inc Apr 72 (3)	1-3700-2	United Jersey Banks (12)	1-6451-2
B Manischewitz Co (3)	1-534-2	United Merchants & Manufacturers Inc (7,14)	1-3185-2
Micropac Inds Inc (11,14)	0-5109-2	Computer Micrographics Inc (13)	0-5326-2
Moviematic Inds Corp Aug 71 (2,14)	1-1739-2	Hazel Park Racing Assoc Inc (12,13)	0-2759-2
Cubb-Pac Corp (12,14)	2-29553-2	Host Int'l Inc Apr 72 (11,14)	1-5616-2
Interpublic Group Of Companies Inc (8)	1-6886-2	Marion Corp (12)	0-1417-2
Presidential Realty Corp (7)	1-4503-2	Medical Invst Corp (9,13)	0-1467-2
H J Wilson Co Inc (7,13,14)	2-39582-2	Southland Invst Corp (2,7,14)	0-1812-2
Community Improvement Programs Inc (9)	0-3817-2	Stange Co Apr 72 (7,8)	1-6812-2
Medical Computer Systems Inc (2,12,13)	0-4797-2	Superscope Inc (12)	1-5307-2
Philip Morris Inc (8)	1-194-2	Wien Consolidated Airlines Inc Dec 71 (7,8)	0-2609-2
Photon Inc Apr 72 (11)	0-1025-2	Carrolls Develmnt Corp (12,13)	1-6553-2
Rocket Research Corp (3)	0-2412-2	Federated Investors Inc (2)	0-3038-2
Standard Oil Co Of Calif (3)	1-368-2	Harrell Int'l Inc (11)	0-2661-2
Vacu-Blast Corp (6)	0-3813-2	Ingersoll Rand Co (13,14)	1-985-2
Villager Inds Inc (3)	0-2178-2	Johns-Mansville Corp Apr 72 (11)	1-1251-2
Crown Zellerbach Corp Apr 72 (12)	1-2823-2	Marion Laboratories Inc Apr 72 (7)	1-5829-2
DCA Develmnt Corp (6)	1-4306-2	Maule Inds Inc (3)	1-4081-2
Intercraft Inds Corp (13,14)	0-5457-2	Medalist Inds Inc (2,7,8,12,13,14)	1-6322-2
NN Investors Life Ins Co Inc Apr 72 (11,14)	2-23768-2	United Inns Inc (11,13)	1-6848-2
Sterling Communications Inc Apr 72 (13)	0-3865-2	Holding Corp Of America Jun 71 (12,13)	0-2099-2
Unionamerica Inc (3)	1-5973-2	Module Systems & Develmnt Corp (13)	0-6090-2
Vesley Co May 72 (7)	1-6075-2	Natl Kinney Corp Feb 72 (12)	1-6856-2
Clark Equipment Co (7)	1-5646-2	The Ralph M Parsons Co Feb 72 (13)	1-6163-2

8K Reports For Mar 72 Cont'd

Peoples Gas Co (13)	1-5540-2	Signal Finance Corp (7,14)	2-42764-2
Standard Register Co (7,14)	0-1097-2	Tele-Communications Inc (7)	0-5550-2
Aberle Inds Inc (12)	0-5350-2	American Cement Corp Jan 72 (8)	1-4716-2
American Housing Systems Corp Feb 71 (12,13)	2-34140-2	Telco Marketing Services Inc (7,8)	2-41908-2
North American Mortgage Investors Apr 72 (11)	1-6078-2	Crown Corp (14)	1-6090-2
Mar 72 (7,9,14)	1-6078-2	Omaha Natl Corp Apr 72 (11)	0-4515-2
Sitkin Smelting & Refining Inc (2,3)	1-5516-2	Oxford Elec Corp (7,14)	1-5518-2
Victor Graphic Systems Inc (7,8)	0-6031-2	Seligman & Associates Inc (13,14)	2-42197-2
American Precision Inds Inc Apr 72 (11)	1-5601-2	Hampton Shirt Co Inc Apr 72 (12)	1-6105-2
Walt Disney Productions (7)	1-4083-2	Information Inds Inc (13)	0-4123-2
Macrodyne Chatillon Corp (3,6,12)	1-5592-2	Lorain Tel Co Apr 72 (11)	0-1110-2
Midwest Oil Corp (12,13)	1-3652-2	MFO Videotronics Inc (11)	1-4384-2
H O B Co APR 72 (2,4,13,14)	1-6390-2	Murphy Oil Corp (12)	1-4857-2
Standard Int'l Corp (7)	1-5249-2	Fancho's Mexican Buffet Inc (11,14)	0-4678-2
Telecheck Int'l Inc (2,3,6,13)	1-6616-2	STV Inc (2,7,13,14)	0-3415-2
Textone Inc (12)	0-4798-2	Seaboard Plywood & Lumber Corp (12)	1-4218-2
Mr Swiss Of The East Inc (11,14)	2-31523-2	Southeast Banking Corp Jan 72 (4,14)	0-3061-2
Natl Cleveland Corp (3)	0-590-2	Southwest Forest Inc Apr 72 (2,13)	1-5763-2
Southern RY Co (7,13)	1-743-2	Woods Corp Apr 72 (12,13)	1-5338-2
Sukut-Coulson Inc Feb 72 (11)	0-6039-2		

TRADING SUSPENSION CONTINUED. The SEC has ordered the suspension of over-the-counter trading in the common stock of LDS Dental Supplies Inc. for the further ten-day period July 20-29, inclusive.

SECURITIES ACT REGISTRATIONS. Effective July 18: Cadence Industries Corp., 2-44419; Continental Telephone Corp., 2-44627; Cotton Petroleum Co., 2-43557; The Dow Chemical Co., 2-44900; Household Finance Corp., 2-44806; Midlantic Banks Inc., 2-29789 (90 days); Scotty's Home Builders Supply, Inc., 2-44699; Standard Brands Paint Co., 2-44987; Summit Properties, 2-43911 (90 days); The Toledo Edison Co., 2-44873; Travel Equipment Corp., 2-43789 (Oct 16); Tucson Gas & Electric Co., 2-44807; United States Leasing International, Inc., 2-44959.

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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