

## 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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COMMISSION ANNOUNCEMENTS

INTEC OFFERING 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 proposed stock offering by Intec, Incorporated of Lutherville, Md. The order provides an opportunity for hearing, upon request, on the question whether or not the suspension should be vacated or made permanent.

Regulation A provides a conditional exemption from registration with respect to the public offering of securities not exceeding \$500,000 (\$300,000 at the time of Intec's filing). Intec filed a notification with the Commission in March 1970 proposing an offering of 60,000 shares of common stock at \$5 per share.

In its suspension order the Commission asserts that it has "reasonable cause" to believe that the notification and accompanying offering circular were false and misleading in omitting to state material facts with respect to (1) sales of unregistered securities by Intec in violation of Sections 5 and 17 of the Act, (2) the contingent liability resulting from the sale of unregistered securities, and (3) finder's fees paid in connection with the sale of unregistered securities by Intec. In addition, Item 10 of the notification failed to disclose that it was offering unregistered securities in addition to those covered by the notification.

DEFENSE CONTRACTOR PROCEEDINGS. Proceedings in the public investigation in the matter of disclosures by registrants engaged in defense contracting have been scheduled for April 13, 1971 at 10:00 A.M. in the Commission's headquarters office. The Commission's staff plans to take testimony from representatives of North American Rockwell Corp. The staff also plans to take testimony on April 14, 1971 from a representative of the American Institute of Certified Public Accountants concerning the disclosure of and accounting for defense contracting.

COURT ENFORCEMENT ACTIONS

FORMAN, SCOTT ENJOINED. The SEC Denver Regional Office today announced that on March 19 the Federal court in Denver permanently enjoined Robert Forman of Miami and Robert R. Scott of Salt Lake City from violating the registration provisions of the Federal securities laws in the offer and sale of securities of J B & T Co., and S & M Industries, Inc. The defendants consented to the entry of injunction without admitting or denying the allegations in the complaint. (LR-4959)

R. L. TAYLOR CONVICTED IN LOUISIANA. The SEC Fort Worth Regional Office today announced that on March 26 the District Court of Monroe, La. convicted Robert L. Taylor, Jr. West Monroe, La., of one count of theft in connection with solicitation of monies from investors for the purpose of speculating in the commodity markets. (LR-4960)

COMPLAINT NAMES ZIM SECURITIES, ZIMMERMAN. The SEC New York Regional Office today announced the filing of a complaint on April 1 in Federal court in New York seeking a preliminary and permanent injunction against Zim Unified Securities, a registered broker-dealer of New York, and its president Aron H. Zimmerman, for violating the net capital, anti-fraud and bookkeeping provisions of the Federal securities laws. (LR-4961)

SEC COMPLAINT CITES ACOUSTICA ASSOCIATES. The SEC today announced the filing of a complaint in Federal court in Washington seeking an order directing Acoustica Associates, Inc., Culver City, Calif. to comply with the reporting requirements of the Securities Exchange Act of 1934. According to the complaint, Acoustica failed to file a certified balance sheet as of February 28, 1970 and a certified profit and loss statement for the fiscal year ended February 28, 1970. The complaint further requests a permanent injunction enjoining and restraining Acoustica from violating the reporting requirements of the Federal securities acts and rules of the Commission. (LR-4962)

COMPLAINT CITES CROWN DRUG CO. The SEC Seattle Regional Office today announced the filing of a complaint in Federal court in Seattle seeking to direct Crown Drug Company of Seattle to comply with the reporting requirements of the Securities Exchange Act of 1934. The complaint alleges, among other things, the failure on the part of Crown to file annual, semi-annual and periodic reports for any period beyond January 31, 1970. Pending public dissemination of material facts regarding losses by Crown from its drug store and real estate operations, the Commission ordered that over-the-counter trading in Crown by brokers and dealers be suspended for a ten day period from April 2 through April 11. (LR-4963)

INVESTMENT COMPANY ACT RELEASES

SCUDDER DUO-VEST RECEIVES ORDER. The SEC has issued an order under the Investment Company Act granting Scudder Duo-Vest, New York closed-end management investment company, <sup>an order</sup> modifying the order of exemption issued by the Commission on March 22, 1967 to permit Scudder to purchase its own shares on the New York Stock Exchange and exempting such purchases from certain provisions of the Act. (Release IC-6442) OVER

**SMALL BUSINESS INVESTMENT RECEIVES ORDER.** The SEC has issued an order under the Investment Company Act exempting Small Business Investment Company of New York, closed-end management investment company from certain provisions of the Act so that it may invest in the common stock of Willie Daniels & Co., a proposed broker-dealer firm that intends to purchase a seat on the New York Stock Exchange to deal primarily in institutional and substantial individual accounts. (Release IC-6444)

#### HOLDING COMPANY ACT RELEASE

**CONNECTICUT L&P SEEKS ORDER.** The SEC has issued an order under the Holding Company Act giving interested persons until April 26 to request a hearing upon an application by Connecticut Light & Power Company, Berlin, Conn. to increase the maximum amount of borrowings from \$61 million to \$139,400,000, that the time of issuance and sale of short-term notes be extended for one year to June 30, 1972, and that the aggregate amount of bank borrowings outstanding at any one time be increased from \$50,340,000 to \$72,390,000. CL&P was to utilize the proceeds of the sale of its notes for construction expenditures and for investments in nuclear generating companies. (Release 35-17087)

#### SECURITIES ACT REGISTRATIONS

**KRAFTCO SHARES IN REGISTRATION.** Kraftco Corporation, 260 Madison Ave., New York 10016, filed a registration statement with the SEC on March 25 seeking registration of 649,350 shares of common stock. These shares are issuable upon conversion of the 7-1/2% Deutsche Mark convertible bearer bonds, due 1985 of Kraftco International Capital Corporation, a subsidiary of Kraftco Corp. (File 2-39754)

**\*U. S. PLYWOOD-CHAMPION SHARES IN REGISTRATION.** U. S. Plywood-Champion Papers Inc., 777 Third Ave., New York, filed a registration statement with the SEC on March 30 seeking registration of 238,955 shares of common stock, of which 215,700 are outstanding shares issued in connection with acquisitions and 23,255 have been or will be issued pursuant to stock options assumed by a subsidiary of the company. The holders or recipients of such shares may offer them for sale from time to time at prices current at the time of sale (\$34.50 per share maximum). (File 2-39850)

**\*SUMMIT NATIONAL HOLDING CO. PROPOSES OFFERING.** Summit National Holding Company, 1815 W. Market St., Akron, Ohio 44313, filed a registration statement with the SEC on March 30 seeking registration of 500,000 shares of common stock with warrants to purchase 500,000 shares, to be offered for public sale in units, each consisting of one share and one warrant, and at \$4 per unit. The underwriter is to be specified later.

The company owns all the outstanding shares of Summit National Life Insurance Company and Summit National Operating Company, which performs services for the insurance company. Of the net proceeds of its stock sale, \$600,000 will be used to pay bank indebtedness and the balance for general corporate purposes. (File 2-39833)

**HOUSTON FIRST FINANCIAL GROUP FILES FOR OFFERING AND SECONDARY.** Houston First Financial Group, Inc., 711 Fannin St., Houston, Tex. 77002, filed a registration statement with the SEC on March 30 seeking registration of 500,000 shares of common stock, of which 250,000 are to be offered for public sale by the company and 250,000 (being outstanding shares) by the holders thereof. The offering is to be made (\*\*at \$21 per share maximum) through underwriters headed by Eastman Dillon, Union Securities & Co. Inc., One Chase Manhattan Plaza, New York 10005.

The company is a holding company whose principal assets consist of all the permanent reserve fund stock of Houston First Savings Association. Net proceeds will be used for general corporate purposes, including acquiring other businesses. The company has outstanding 2,163,918 common shares, of which W. E. Dyche, Jr., president, owns 10.75% and management officials as a group 36.39%. George A. Butler is board chairman. (File 2-39834)

**RAPOCA RESOURCES FILES FOR OFFERING AND SECONDARY.** Rapoca Resources, Inc., 511 Walnut St., Cincinnati, Ohio 45202, filed a registration statement with the SEC on March 30 seeking registration of 900,000 shares of common stock, of which 540,000 are to be offered for public sale by the company and 360,000 (being outstanding shares) by the holders thereof. The offering is to be made through underwriters headed by W. E. Hutton & Co., 14 Wall St., New York 10005, and Johnson, Lane, Space, Smith & Co., Inc., 34 Broad St., N. W., Atlanta 30303.

The company is primarily engaged in the mining and sale of bituminous coal and also in the sale of coal produced by others. Of the net proceeds of its stock sale, \$3.5 million will be used to construct two new preparation plants and the balance for general corporate purposes. In addition to indebtedness, the company has outstanding 2,745,634 common shares (with a \$2.13 per share book value), of which Jay C. Thompson, president, owns 68% and management officials as a group 95.2%. Thompson proposes to sell 263,196 shares and two others the remaining shares being registered. (File 2-39835)

**PACESETTER INDUSTRIES TO SELL STOCK.** Pacesetter Industries, Inc., 425 Park Ave. South, New York 10016, filed a registration statement with the SEC on March 30 seeking registration of 100,000 shares of common stock, to be offered for public sale at \$4 per share. The offering is to be made by William Norton & Co., Inc., 120 Wall St., New York 10005.

The company is primarily engaged in converting, jobbing, and to a lesser extent, in manufacturing fabrics for sale to manufacturers of neckties. Net proceeds of its stock sale will be used for working capital purposes. The company has outstanding 379,094 common shares, of which Jeffrey Britz, president, owns 96%. (File 2-39837)

**MONONGAHELA POWER PROPOSES OFFERING.** Monongahela Power Company, 1310 Fairmont Ave., Fairmont, W. Va. 26554, filed a registration statement with the SEC on March 30 seeking registration of \$20 million of first mortgage bonds, due 2u01, and 50,000 shares of \$100 par cumulative preferred stock, Series G, to be offered for public sale at competitive bidding. The company will use the net proceeds for the construction program of the company and its subsidiary (including payment of \$16 million of short-term bank loans incurred therefor). Construction expenditures for 1971 and 1972 are estimated at \$115 million. (File 2-39838)

**GREIT REALTY TRUST PROPOSES OFFERING.** GREIT Realty Trust (the Trust), 2118 Two Girard Plaza, Philadelphia, Pa. 19102, filed a registration statement with the SEC on March 30 seeking registration of 500,000 shares of beneficial interest, to be offered for public sale (\*\*at \$25 per share maximum). The offering is to be made through underwriters headed by Drexel Firestone Inc. and G. H. Walker & Co. Inc., 503 Locust St., St. Louis, Mo. 63101.

Also included in this statement are 199,500 warrants to purchase common stock of Remico, Inc. (which was organized in October 1970 to serve as advisor and administrator of the Trust). Pursuant to the Trust's agreement with Remico, the warrants are to be delivered to shareholders of the Trust, including holders of the 500,000 shares being registered, at the rate of a warrant to purchase one Remico share for each five Trust shares held of record 60 days after the effective date of the registration statement.

The Trust derives its income principally from rentals of shopping centers, apartment projects, commercial buildings and improved land which it owns. Edmund L. Zalinski is presiding trustee. (File 2-39840)

**CREATIVE MANAGEMENT ASSOCIATES SHARES IN REGISTRATION.** Creative Management Associates, Inc., 600 Madison Ave., New York, filed a registration statement with the SEC on March 30 seeking registration of 127,403 outstanding shares of common stock and outstanding warrants to purchase 98,000 shares of common stock. These securities may be offered for public sale from time to time by the holders thereof at prices current at the time of sale (\*\*\$18 per share maximum). The company represents performing artists, writers, directors and producers in the entertainment industry. It has outstanding 1,048,885 common shares. (File 2-39841)

**\*BURNS DETECTIVE AGENCY TO SELL STOCK.** The William J. Burns International Detective Agency, Inc., 320 Old Briarcliff Rd., Briarcliff Manor, N. Y. 10510, filed a registration statement with the SEC on March 30 seeking registration of 180,000 shares of Class A common stock. The offering is to be made (\*\*at \$30 per share maximum) through underwriters headed by Smith, Barney & Co. Inc., 1345 Avenue of the Americas, New York 10019.

The company is engaged in furnishing protective services to industrial and commercial clients principally by means of uniformed guards. Of the net proceeds an unspecified amount will be used to repay the outstanding indebtedness of \$3,500,000 under a \$5 million revolving credit agreement with Chase Manhattan and the balance will be used to finance the purchase and installation of electronic equipment. (File 2-39836)

**MATHEMATICA FILES FOR OFFERING AND SECONDARY.** Mathematica, Inc., One Palmer Sq., Princeton, N. J. 08540, filed a registration statement with the SEC on March 30 seeking registration of 220,000 shares of common stock, of which 125,000 are to be offered for public sale by the company and 95,000 (being outstanding shares) by the holders thereof. The offering is to be made through underwriters headed by Thomson & McKinnon Auchincloss, Inc., Two Broadway, New York 10004.

The company is engaged in operations research, management consulting and other services. Of the net proceeds of its stock sale, \$250,000 will be used to repay short-term bank borrowings and the balance for general corporate purposes. The company has outstanding 500,000 common shares (with a \$1.31 per share net tangible book value), of which Market Research Corporation of America owns 25% and management officials as a group 37.3%. Oskar Morgenstern is board chairman and Tibor Fabian president. Market Research proposes to sell 75,000 shares (which have been pledged to secure payment of a \$300,000 7% note) and Morgenstern 20,000 shares. (File 2-39842)

**STUART McGUIRE CO. SHARES IN REGISTRATION.** The Stuart McGuire Company, Inc., 115 Brand Rd., Salem, Va. 24153, filed a registration statement with the SEC on March 30 seeking registration of 134,456 shares of common stock, of which 85,000 are issuable pursuant to the company's 1970 Employee Stock Purchase Plan. The remaining 49,456 are outstanding shares which may be offered for sale from time to time by the holders thereof at prices current at the time of sale (\*\*\$10 per share maximum). (File 2-39843)

**T. ROWE PRICE SHARES IN REGISTRATION.** T. Rowe Price and Associates, Inc., One Charles Center, Baltimore, Md. 21201, filed a registration statement with SEC on March 30 seeking registration of 154,775 shares of common stock. Of these shares, at least 67,875 are outstanding shares and may be offered for sale from time to time by the holders thereof at prices current at the time of sale (\*\*\$22 per share maximum). Of the remaining shares, 15,000 may be offered for sale by the company to certain employees pursuant to the company's stock purchase agreement and 69,900 are issuable pursuant to its stock option plan.

The company serves as investment adviser to individual, corporate and other institutional investors. It has outstanding 661,285 common shares. Charles W. Shaeffer is president and board chairman. (File 2-39844)

**NATIONAL LEISURE TO SELL STOCK.** National Leisure, Inc., 1900 Avenue of the Stars, Century City, Los Angeles, Calif. 90067, filed a registration statement with the SEC on March 30 seeking registration of 360,000 shares of common stock. The shares are to be offered for public sale (\*\*at \$12 per share maximum) through underwriters headed by W. E. Hutton & Co., 14 Wall St., New York 10005.

Organized in May 1969, the company operates two African wildlife preserve and theme amusement parks. Of the net proceeds of its stock sale, \$2 million will be used for construction and development of a new African wildlife park in Atlanta and the balance for general corporate purposes. In addition to indebtedness, the company has outstanding 1,304,916 common shares (with a 51¢ per share net tangible book value), of which Koorn N.V. holds 54.7% and management officials as a group 19.7%. Harry Shuster is board chairman and president. (File 2-39845)

GEICO SHARES IN REGISTRATION. Government Employees Insurance Company, 5260 Western Ave., Chevy Chase, Md. 20015, filed a registration statement with the SEC on March 30 seeking registration of 184,367 shares of common stock, issuable pursuant to the company's stock option plan for key employees. (File 2-39846)

MEDCOM FILES FOR OFFERING AND SECONDARY. Medcom, Inc., 280 Park Ave., New York, N. Y., filed a registration statement with the SEC on March 30 seeking registration of 351,058 shares of common stock, of which 200,000 are to be offered for public sale by the company and 131,058 (being outstanding shares) by the holders thereof. The offering is to be made (\*\*at \$20 per share maximum) through underwriters headed by F. S. Moseley & Co., 50 Congress St., Boston.

The company is engaged in the preparation and production of health and medical information programs. Of the net proceeds of its stock sale \$950,000 will be used for the development and production of new educational programs and the production of existing programs and the balance for general corporate purposes. The company has outstanding 1,224,808 common shares, of which SYP Corporation owns 16.5% and management officials as a group 45.7%. Robert E. Fuisz is president. (File 2-39847)

FUQUA INDUSTRIES SHARES IN REGISTRATION. Fuqua Industries, Inc., 3800 First National Bank Tower, Atlanta, Ga., filed a registration statement with the SEC on March 30 seeking registration of 1,256,898 shares of common stock, which have been or may be issued in connection with the company's acquisition program and 212,242 shares of common stock issuable pursuant to its 1969 Stock Option Plan. These shares may be offered for sale from time to time by the recipients or holders thereof at prices current at the time of sale (\*\*\$21.88 per share maximum). The company is a multi-market company with operations in the areas of leisure time products and services, transportation, shelter and agribusiness. It has outstanding 6,568,851 common shares. (File 2-39848)

\*ATLANTIC BANCORPORATION TO SELL DEBENTURES. Atlantic Bancorporation, 121 Hogan St., Jacksonville, Fla. 32202, filed a registration statement with the SEC on March 30 seeking registration of \$20 million of sinking fund debentures, due 1996, to be offered for public sale through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith, Inc., 70 Pine St., New York 10005. The company is a bank holding company controlling 17 banks. Of the net proceeds of its debenture sale, some \$14 million will be used in the construction of two office buildings and the balance for working capital and other corporate purposes. (File 2-39849)

ECHLIN MFG. SHARES IN REGISTRATION. The Echlin Manufacturing Company, Echlin Rd. and U.S. Route #1, Branford, Conn. 06405, filed a registration statement with the SEC on March 29 seeking registration of 6,500 outstanding shares of common stock. These shares were issued in connection with the company's acquisition of Britannic & European Auto Products, Inc., and may be offered for sale from time to time by the holders thereof at prices current at the time of sale (\*\*\$35.25 per share maximum). (File 2-39851)

20TH CENTURY CORP. FILES FOR OFFERING AND SECONDARY. 20th Century Corporation, 2921 N. Front St., Harrisburg, Pa. 17110, filed a registration statement with the SEC on March 30 seeking registration of 250,000 shares of common stock, of which 200,000 are to be offered for public sale at \$7 per share by the company and 50,000 (being outstanding shares) by the holder thereof (Great Northern Management Co.). No underwriting is involved.

The company is a holding company engaged through subsidiaries in the sale of life insurance in conjunction with mutual fund sales. Of the net proceeds of its stock sale, \$289,833 may be used to redeem the company's outstanding preferred stock (\$10 par) and the balance for general corporate purposes, including repayment of some \$560,326 of inter-corporate debts owed to subsidiaries. In addition to indebtedness and preferred stock, the company has outstanding 1,426,270 common shares. James C. Robertson is president and board chairman. (File 2-39852)

SECURITIES ACT REGISTRATIONS. Effective April 5: M & S Bancorp., 2-38868 (90 days); Tenneco, Inc., 2-39787. Effective April 6: Avtek Corp., 2-37794 (90 days); Baltimore Gas & Electric Co., 2-39561; Colorado Interstate Corp., 2-39602; Computrend Fund, Inc., 2-37055; Consolidated Foods Corp., 2-39571; Creative Logic Corp., 2-37781 (90 days); The Foxboro Co., 2-39614; Heart of America Growth Fund, Inc., 2-35322; Midland Mortgage Investors Trust, 2-39566; National Mortgage Fund, 2-39352; United Refining 2-39557.

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.

\* This is a reporting company and further information with respect to its business and operations is available in the Commission's Public Reference files.

\*\* As estimated for purposes of computing the registration fee.