

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST



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

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(Issue No. 71-17)

FOR RELEASE January 26, 1971

HOLDING COMPANY ACT RELEASE

GPU SEEKS ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16974) giving interested persons until February 12 to request a hearing upon an application of General Public Utilities Corporation, New York holding company, to submit to its stockholders at its annual meeting scheduled for April 5, 1971, a proposal to amend its Articles of Incorporation to increase from 30,000,000 to 40,000,000 the aggregate number of authorized shares of common stock. The proposed amendment will require the affirmative vote of holders of the majority of the 29,792,689 outstanding shares of common stock.

COURT ENFORCEMENT ACTIONS

DONALD McCONNELL ENJOINED. The SEC Chicago Regional Office announced January 19 (LR-4881) that the Federal court in Cleveland had entered a final judgment permanently enjoining Donald B. McConnell of Mayfield Hts., Ohio, from violating the anti-fraud provisions of the Federal securities laws in the sale of fractional interests in oil and gas leases. The defendant consented to the injunction without admitting or denying the violations.

LOEWENSTINE'S ENJOINED. The SEC Chicago Regional Office announced on January 19 (LR-4882) that the Federal court in Cincinnati had entered an order permanently enjoining Harold Loewenstine, Sr., and Harold Loewenstine, Jr., from violating the registration and anti-fraud provisions of the Federal securities laws in the offer and sale of securities of Paupic Gold Mines, Ltd. The defendants consented to the entry of the injunction without admitting the violations.

INDICTMENT NAMES DAYON, GLUSKIN, OTHERS. The SEC New York Regional Office announced on January 20 (LR-4883) that a Federal grand jury in New York had returned indictments charging the following persons with conspiracy to violate the registration and anti-fraud provisions of the Federal securities laws and the mail fraud statute in connection with transactions in stock of Mastercraft Electronics Corporation: Al Dayon, of Brooklyn, Bernard Leon Goldenberg and H. John Gluskin of New York, and Philip R. Leeds of Tucson, Ariz. Dayon, Gluskin and Goldenberg were also charged with violating the registration provisions of the Securities Act of 1933.

JEROME OLSON SENTENCED. The SEC Denver Regional Office announced January 23 (LR-4884) that the Federal court for the district of North Dakota imposed a \$5,000 fine upon Jerome Olson, Bismarck, N. D., a certified public accountant, following his plea of nolo contendere to a charge of making false statements in applications and reports filed with the Commission by State Acceptance Corporation.

SECURITIES ACT REGISTRATIONS

COASTLINE PETROLEUM PROPOSES OFFERING. Coastline Petroleum Corporation, 14724 Ventura Blvd., Sherman Oaks, Calif. 91403, filed a registration statement (File 2-39261) with the SEC on January 22 seeking registration of \$3,000,000 of limited partnership interests in Coastline Oil and Gas Exploration Program--1971 (the "Partnership"), to be offered for public sale in minimum subscriptions of \$5,000. The offering is to be made on a best efforts basis through Stuart P. Kastner & Associates, Inc., 14724 Ventura Blvd., Sherman Oaks, Calif. 91403, and Prudential Securities Company, which will receive an 8% selling commission plus \$15,000 for expenses. The Partnership is to be formed for the purpose of exploring for, developing and producing and selling oil and gas. Frederick L. Stead is president of the company.

MARK IV HOMES TO SELL STOCK. Mark IV Homes, Inc., Moosic Rd. and Honey Lane, Old Forge, Pa. 18518, filed a registration statement (File 2-39262) with the SEC on January 22 seeking registration of 200,000 shares of common stock, to be offered for public sale through D. H. Blair Securities Corp., 66 Beaver St., New York 10004. The offering price (\$6 per share maximum*) and underwriting terms are to be supplied by amendment. The company has agreed to pay Blair Securities \$18,000 for expenses and to sell to it, for \$18, six-year warrants to purchase 18,000 shares, exercisable after 13 months at 120% of the offering price.

Organized in December, the company is engaged in the design, manufacture and sale to dealers of medium and low priced mobile homes and the development and operation of mobile home parks. Of the net proceeds of its stock sale, \$600,000 will be used to finance the balance of the cost of construction and equipping of a second plant in a suburb of Scranton, Pa., and to provide related start-up costs and working capital; \$100,000 will be advanced to Huguenot Estates East, Inc. and Burlingham Estates, Inc. in New York state (in which a subsidiary had invested), to be used for the building and development of mobile home parks; the balance will be added to the company's working capital and used for general corporate purposes. The company has outstanding 504,000 common shares (with a 45¢ per share net tangible book value), of which

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Paul A. Delaney, president, owns 16.9%, Sal H. Alfiero, board chairman, 10.5%, Donald G. Gill, a director, 16.3%, and Piedmont Paper Products, Inc. of which Joseph G. Donohoo a director of the company, is a stockholder, officer and director, 10.0%; management officials as a group own 65.6%. Purchasers of the shares being registered will acquire 200,000 shares for their investment of \$1,200,000*; present shareholders will own 504,000, for which they paid \$50,400, or 10¢ per share.

LEISURE LODGES SHARES IN REGISTRATION. Leisure Lodges, Inc., 2910 Jenny Lind Ave., Fort Smith, Ark. 72901, filed a registration statement (File 2-39264) with the SEC on January 22 seeking registration of 271,795 shares of common stock, issued to certain former holders of Convalescent Nursing Centers of America, Inc. ("CNC") in connection with the consolidation, effective December 31, 1970, of CNC with Southwest General Services Corp. into a new corporation known as Leisure Lodges, Inc. These shares may be pledged or offered for sale from time to time by the holders thereof at prices current at the time of sale (\$4 per share maximum*).

The company owns or leases nursing centers in Arkansas and Texas. It has outstanding 1,343,884 common shares. Gus Blass II and C. J. Giroir, Jr., directors, may pledge or sell 31,666 and 7,333 shares, respectively, and a large number of others may pledge or sell the remaining shares being registered.

GREEN SHOE MFG. FILES FOR SECONDARY. Green Shoe Manufacturing Company, 960 Harrison Ave., Boston, Mass. 02118, filed a registration statement (File 2-39265) with the SEC on January 22 seeking registration of 187,000 outstanding shares of common stock, to be offered for public sale by the holders thereof. The offering is to be made through underwriters headed by Kidder, Peabody & Co., Inc., 20 Exchange Pl., New York 10005; the offering price (\$31.50 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is engaged exclusively in producing children's shoes. In addition to indebtedness and preferred stock, it has outstanding 1,328,097 common shares, of which Arnold Hiatt, president, proposes to sell 46,008 of 114,607 shares owned, Samuel L. Slosberg, board chairman, 15,000 of 38,484, the Samuel L. Slosberg Trust, 22,000 of 57,071, and 18 others the remaining shares being registered.

CENTRAL POWER & LIGHT TO SELL BONDS. Central Power and Light Company, 120 North Chaparral St., Corpus Christi, Tex. 78403, filed a registration statement (File 2-39266) with the SEC on January 22 seeking registration of \$36,000,000 of first mortgage bonds, due 2001, to be offered for public sale at competitive bidding. A public utility, the company will use the net proceeds of its bond sale to finance a part of its construction expenditures, including the payment of \$9,160,000 of an aggregate of \$12,160,000 of short-term borrowings incurred by the company for interim financing of such expenditures. The company's construction expenditures are estimated at \$58,000,000 for 1971 and \$49,000,000 for 1972.

ALEXANDER'S FILES FOR OFFERING AND SECONDARY. Alexander's, Inc., 500 Seventh Ave., New York, N. Y. 10018, filed a registration statement (File 2-39267) with the SEC on January 22 seeking registration of \$15,000,000 of convertible subordinated debentures, due 1966, to be offered for public sale by the company through underwriters headed by Lazard Freres & Co., 44 Wall St., New York 10005. The interest rate, offering price and underwriting terms are to be supplied by amendment. Also included in this statement are 125,000 shares of common stock to be offered for sale by the holders thereof at prices current at the time of sale (\$22.50 per share maximum*).

The company operates nine department stores in the metropolitan New York area. The net proceeds of its debenture sale will be added initially to general funds and will be available for general corporate purposes and for investment opportunities, including future acquisitions in allied or other fields. In addition to indebtedness, the company has outstanding 4,702,495 common shares, of which Ruth Farkas, a director, owns 12.5% and management officials as a group (not including those held by Ruth Farkas, as trustee) 30%. Of the shares being registered, Alexander Farkas, president, will sell 15,000 of 390,239 shares owned, Ruth L. Farkas will sell 10,000 of 117,295 owned and 25,000 of 470,529 held as trustee for Jonathan Farkas and others the remaining shares being registered. Milton E. Mermelstein is board chairman.

DAMSON EXPLORATION FUND PROPOSES OFFERING. Damson 1971 Exploration Fund, 366 Madison Ave., New York, 10017, filed a registration statement (File 2-39270) with the SEC on January 22 seeking registration of \$15,000,000 of limited partnership interests, to be offered for sale in minimum amounts of \$5,000. The offering is to be made on a "best efforts" basis by Shearson, Hammill & Co., Inc., 14 Wall St., New York, 10005, which will receive a 7% selling commission; participating NASD dealers will receive a 6% selling commission up to \$500,000 of interests sold and 7% in excess of that amount. The partnership intends through exploratory drilling activity to seek significant oil and gas reserves. Damson Oil Corporation is the general partner; Barrie M. Damson is president and board chairman.

WISCONSIN TELEPHONE TO SELL DEBENTURES. Wisconsin Telephone Company, 722 North Broadway, Milwaukee, Wis. 53202, filed a registration statement (File 2-39271) with the SEC on January 22 seeking registration of \$90,000,000 of debentures, due 2001, to be offered for public sale at competitive bidding. A telephone utility, the company intends to apply the proceeds of the sale of the debentures toward repayment of advances from AT&T and toward repayment of notes payable (bank loans and commercial paper). Such advances and notes payable are expected to be about \$48,000,000 and \$51,000,000, respectively, at the time the proceeds of the sale are to be received. The company's construction expenditures for 1971 and 1972 are expected to continue at the 1970 level of \$101,000,000 or higher.

CRS DESIGN FILES FOR OFFERING AND SECONDARY. CRS Design Associates, Inc., 1111 West Loop South, Houston, Tex. 77027, filed a registration statement (File 2-39275) with the SEC on January 25 seeking registration of 350,000 shares of common stock, of which 150,000 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 through underwriters headed by Underwood, Neuhaus & Co. Incorporated, 724 Travis St. at Rusk Ave., Houston, Tex. 77002; the offering price (\$12 per share maximum) and underwriting terms are to be supplied by amendment. The company has agreed to sell the Underwood firm, for \$750, a five-year warrant to purchase 7,500 shares, exercisable after one year at prices ranging from 107% to 128% of the offering price.

The company is engaged in providing comprehensive professional services principally in the fields of architecture (including related engineering services) and planning. Of the net proceeds of its sale of additional stock, \$425,000 will be applied to the prepayment of short-term indebtedness incurred primarily for general capital expenditures and working capital purposes, \$400,000 for working capital to furnish, equip and develop the Los Angeles and the proposed Chicago offices and \$139,130 to pay the balance on debt incurred to acquire four undeveloped acres adjacent to the company's principal office in Houston; the balance will be added to the company's general funds and used for working capital to develop its capability in the area of construction management and to finance other anticipated expansion activities either through internal development or by acquisition and for other corporate purposes. In addition to indebtedness, the company has outstanding 1,003,875 common shares (with a \$2.57 per share net tangible book value), of which Thomas A. Bullock, board chairman, owns 12.8% and management officials as a group 86.1%. William W. Caudill, a director, proposes to sell 40,862 of 175,965 shares held, Wallie E. Scott, Jr., a director, 32,682 of 141,675 and Bullock 29,690 of 128,220.

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:

Jim Walter Corporation, Tampa, Fla. 33607 (File 2-39260) - 150,000 shares
 After Six, Incorporated, Philadelphia, Pa. 19103 (File 2-39263) - 60,000 shares
 Integon Corporation & Integon Life Insurance Corporation, Winston-Salem, N. C. 27102 (File 2-39268) - \$193,600 of interests in Integon Corp. Stock Purchase Plan for Home Office Employees, \$108,000 of interests of Integon Life Insurance Corporation Stock Purchase Plan for Full-Time Life Insurance Agents and \$5,600 of interest in Integon Life Insurance Corporation Stock Purchase Plan for Multiline Agents
 On-Line Systems, Inc., Pittsburgh, Pa. 15237 (File 2-39269) - 62,500 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 January 5 News Digest.

8K Reports for November 1970

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|---|-----------|---|-----------|
| Cybermark Systems, Inc. (2,4,13) | 2-28416-2 | Union Pacific RR Co. (13) | 1-1324-2 |
| Mem Co., Inc. (8) | 1-5292-2 | Universal Container Corp (3,12,13) | 1-4277-2 |
| Nardis Of Dallas Inc. (12,13) | 0-5122-2 | American Bancorporation Inc. (7) | 2-35882-2 |
| R.C.L.Electronics, Inc. (1,8,13) | 0-3262-2 | American Seating Co. (3) | 1-5266-2 |
| Air Reduction Co. Inc. (4,7,8,13) | 1-111-2 | California Medical Centers (12) | 0-3661-2 |
| Ashland Oil, Inc. (7,13) | 1-2918-2 | Context Industries, Inc. (1,2,7,12,13) | 0-3667-2 |
| Atchison Topeka & Santa Fe Ry Co. (2) | 1-868-2 | Colony Kitchens, Inc. (11,13) | 0-5176-2 |
| Behring Corporation (4,7,9,13) | 1-6448-2 | Continental Air Lines, Inc (7) | 1-3661-2 |
| Conductron Corp (12) | 1-5043-2 | Cross Company (4,7,13) | 0-115-2 |
| Continental Investment Corporation & Investors Mortgage Ins. Co. (7,13) | 0-3655-2 | Crown Corp. (7,8) | 1-6090-2 |
| Honeggers' & Co., Inc. (11) | 0-1893-2 | FBN Development Corp (2,13) | 0-4664-2 |
| Investors Fidelity Corp (2,7,8,13) | 0-2492-2 | Financial Land Corp (11) | 0-4469-2 |
| Lony Village Investment Company Dec 1970 (11) | 0-3322-2 | Honda Motor Co., Ltd. (6K) Nov 1970 | 2-20888-2 |
| Republic Powered Metals, Inc. Oct 1970 (2,13) | 0-5132-2 | American Cement Corp (3,6) | 1-4716-2 |
| Tanger Industries (1,2,7,13) | 1-6301-2 | American Recreation Centers, Inc. Oct 1970 (7) | 0-2849-2 |

8K Reports for November 1970 (Con't)

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| Athlone Industries, Inc. (8) | 1-5573-2 | Life of Kentucky Financial Corporation (12) | 0-4861-2 |
| Citizens Commonwealth Corporation (7,13) | 0-4746-2 | Slick Corporation (2,13) | 1-3942-2 |
| Columbia General Corporation Nov & Dec 70 (7,13) | 0-4229-2 | TSI, Inc. (2) | 0-2958-2 |
| Cooper Industries, Inc. (7,12,13) | 1-1175-2 | Union Commerce Corporation (3) | 2-36033-2 |
| Dahlstrom Mfg. Corporation (12) | 0-2471-2 | Warner Lambert Pharmaceutical Co. (2,4,7,12,13) | 1-3608-2 |
| Fermentor Corporation Dec 1970 (2,13) | 0-1081-2 | Allen Dental-Medical Development Corp (11,13) | 2-30585-2 |
| Tally Corp (12) | 0-1104-2 | Early & Daniel Co. (2) | 1-548-2 |
| Time Sharing Terminals, Inc. (12) | 0-4316-2 | Hydro-Ski International Corp (1,12) | 0-4089-2 |
| Sept 1970 (12) | 0-4316-2 | Illinois Central Industries Inc. (12) | 1-4710-2 |
| Trans-Industries, Inc. (2,13) | 0-4539-2 | Management Assistance Inc. (12) | 0-2017-2 |
| | | Marinduque Mining & Industrial Corp (6K) for Dec 70 | 1-5534-2 |
| Alco Standard Corp (7,8) | 1-5964-2 | Medfield Corporation (11,13) | 1-5606-2 |
| Broadway Joe's Inc. (2,6,13) | 0-5157-2 | Piasecki Aircraft Corp (12) | 1-4006-2 |
| First Western Financial Corp (12) | 0-2904-2 | Prior Ltd. (6K) July 70 | 2-21666-2 |
| Howell Corporation (7) | 2-32765-2 | Unisource Corporation (12) | 0-4452-2 |
| Jmaesway Corporation (12) | 1-5898-2 | Wakefield Engineering, Inc. (2,13) | 0-4219-2 |
| Matrix Corporation (3,6,12,13) | 0-3071-2 | Beaver Creek Industries, Inc. (2,13) | 0-3923-2 |
| New Family Welcome Kit, Inc. (1) | 2-30081-2 | Capezio and Things, Inc. (11) | 2-33378-2 |
| Northern California Developers, Inc. (10,11,13) | 0-2884-2 | Commonwealth Edison Co (7,12,13) | 1-1839-2 |
| Jos. Schlitz Brewing Co. (9) | 1-5431-2 | First Northwest Industries of America Inc. (1) | 0-3986-2 |
| Synchronous Corporation (11,13) | 0-4682-2 | Hershey Foods Corp (8,12,13) | 1-183-2 |
| World Computer Corporation (12,13) | 0-5098-2 | Instrument Systems Corp (3,7,8,12,13) | 1-5643-2 |
| Cutty's, Inc. (2,11,13) | 2-35798-2 | Lectro Management Incorporated (7,13) | 1-6266-2 |
| Frontier Airlines, Inc. (12) | 1-4877-2 | Mister Gasket Co (3) | 0-5142-2 |
| Louisville & Nashville RR Co. (3) | 1-1116-2 | Keabody Galion Corporation (7,13) | 1-3593-2 |
| Macoid Industries, Inc. (11,13) | 1-4615-2 | Prime Equities Inc. (1) | 0-5191-2 |
| R. H. Macy & Co., Inc. (3,11) | 1-556-2 | Taco Bell (7) | 0-4982-2 |
| McGraw Edison Company (12) | 1-169-2 | Travelers Corp (3) | 1-5799-2 |
| Micropac Industries, Inc. (12) | 0-5109-2 | Westrans Industries, Inc. (9,12,13) | 1-5167-2 |
| Gray Drug Stores Inc. (11,13) | 1-1387-2 | Centronics Data Computer Corp (11) | 2-32982-2 |
| Gyrodyne Co. of America Inc (12,13) | 0-1684-2 | Maine Public Service Co. (13) | 1-3429-2 |
| Ideal Basic Industries Inc. (12,13) | 1-4070-2 | Marquette Cement Mfg. Co. (12,13) | 1-3708-2 |
| Inoco-Gateway Corp (12) | 1-5806-2 | Medic-Home Enterprises Inc. (2,13) | 0-3387-2 |
| International Minerals & Chemical Corp (12,13) | 1-483-2 | | |
| Jaeger Machine Co. (1,12) | 1-597-2 | | |
| Jamaica Water & Utilities Inc. (7,13) | 0-2315-2 | | |

SECURITIES ACT REGISTRATIONS. Effective January 25: Crutcher Resources Corp., 2-39014 (90 days); Sanitas Service Corp., 2-39046; Sapphire Hill Village, Inc., 2-38315 (90 days); Scientific Incineration Devices, Inc., 2-38686 (90 days); Wilson Certified Foods, Inc., 2-38870; Wilson-Sinclair Co., 2-38869.

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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