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# SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

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A Daily Summary of  
S.E.C. Activities

(Issue No. 71-173)

FOR RELEASE September 8, 1971

## COMMISSION ANNOUNCEMENT

**COOK NAMED GENERAL COUNSEL.** Chairman William J. Casey today announced the appointment of G. Bradford Cook, Jr. as General Counsel of the Securities and Exchange Commission to succeed Philip A. Loomis, Jr., who was recently named a Member of the Commission. Prior to assuming the position of General Counsel, Mr. Cook was a partner with the law firm of Winston, Strawn, Smith and Patterson in Chicago, where he specialized in corporate and securities law.

Born in Lincoln, Nebraska on May 10, 1937, Mr. Cook was educated at Phillips Exeter Academy, received his B.A. degree from Stanford in 1959, and his J.D. (with honors) from the University of Nebraska Law School in 1962, where he served as Associate Editor of the Nebraska Law Review. He is a member of the American, Nebraska, Illinois and Chicago Bar Associations.

## DECISION IN ADMINISTRATIVE PROCEEDING

**DONOGHUES BARRED.** The SEC has issued an order barring Patrick and Ann M. Donoghue, of Wichita, Kansas, from association with any broker or dealer. The action was based on findings that during the period November 1969-February 1971, while respondents were associated with CIC Securities, Inc., a registered broker-dealer, they violated and aided and abetted violations of the registration and antifraud provisions of the securities acts in connection with transactions in the common stocks of Aircraft Instrument & Development, Inc. and Business Data Research, Inc. According to the decision, respondents sold unregistered Aircraft stock, and, among other things, controlled and dominated the market for both stocks, recommended purchases of securities not then owned by them without disclosing their intent to purchase such shares at a later date at materially lower prices, charged unreasonable markups, and made untrue and misleading representations regarding the speculative nature of such securities and the relationship of respondents to the issuers. Respondents also failed reasonably to supervise other persons under their supervision with a view to preventing violations by them.

The respondents consented to the findings of violations and to the bar order, for the purposes of the administrative proceedings and without admitting the charges. (Release 34-9324)

## COURT ENFORCEMENT ACTION

**BYRON E. PRUGH CHARGED.** The SEC Fort Worth Regional Office today announced that on August 25, the Federal court in Kansas City, Mo. charged Byron E. Prugh, of Ft. Lauderdale, Florida, with criminal contempt of a court order permanently enjoining him from violations of the registration provisions of the Federal securities laws by continuing to offer and sell securities, namely, common stock of Continental Investment Corporation, for which no registration statement had been filed with the SEC and no exemption from registration granted. (LR-5157)

## SECURITIES ACT REGISTRATIONS

**PRINCETON ELECTRONIC PRODUCTS, INC.,** P.O. Box 101, North Brunswick, N.J. 08902, filed a registration statement on August 27 seeking registration of 80,000 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 (\*\$40 per share maximum). (File 2-41614)

**BRENTWOOD ORIGINALS, INC.,** 20030 South Normandie, Torrance, Calif. 90503, filed a registration statement on 8/30 seeking reg. of 300,000 shares of common stock, to be offered for public sale (\*at \$5 per share maximum) through underwriters headed by First California Company, Inc., 555 California St., San Francisco, Calif. 94120. The company manufactures and distributes pillows. Of the net proceeds of its stock sale, \$500,000 will be used to reduce short-term bank indebtedness incurred for increased inventories and the balance for working capital purposes. (File 2-41620)

**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:  
Precision Instrument Company, Palo Alto, Calif. (File 2-41647) - 110,165 shares  
Lane Wood, Inc., Dallas, Tex. (File 2-41648) - 100,817 shares

OVER

SOUTHERN CALIFORNIA MORTGAGE & LOAN CORPORATION, 555 North "D" St., San Bernardino, Calif. 92401, filed a registration statement on August 30 seeking registration of 293,700 shares of common stock, of which 200,000 are to be offered for public sale by the company and 93,700 (being outstanding shares) by the holders thereof. The offering is to be made (\*at \$10 per share maximum) through underwriters headed by Crowell, Weedon & Co., One Wilshire Blvd., Los Angeles, Calif. 90017. The company is a mortgage banker engaged in the origination and servicing of loans secured by real property. Of the net proceeds of its stock sale, \$1.7 million will be used to reduce short-term indebtedness and the balance to add branch offices and for other corporate purposes. (File 2-41621)

FIDELITY CONVERTIBLE & SENIOR SECURITIES FUND, INC., 35 Congress St., Boston, Mass. 02109, filed a registration statement on August 30 seeking registration of 10,000,000 shares of capital stock, to be offered for public sale (in minimum amounts of 50 shares) at \$10 per share. The offering is to be made through underwriters headed by duPont Glore Forgan Inc., 1 Wall St., and Walston & Co., Inc., 74 Wall St., both of New York 10005. The Fund is a diversified, open-end investment company seeking primarily capital appreciation, together with income and relative protection of shareholders' capital which may be generally associated with securities senior to speculative common stock. Fidelity Management & Research Company is the investment adviser. (File 2-41622)

STRAUSS STORES CORPORATION, 53-06 Grand Avenue, Maspeth, N.Y. 11378, filed a registration statement on August 30 seeking registration of 250,000 shares of common stock and warrants to purchase 125,000 shares, to be offered for public sale in units, each consisting of one share and one warrant to purchase  $\frac{1}{2}$  share. Of the units, 160,000 are to be offered by the company and 90,000 (being outstanding securities) by the holders thereof. The offering is to be made (\*at \$7 per unit maximum) through underwriters headed by Michael G. Kletz & Co., Inc., Time and Life Bldg., Rockefeller Center, New York 10020. The company operates a chain of retail automotive supply stores in the New York City area. Net proceeds of its stock sale will be added to the company's working capital and used for general corporate purposes. (File 2-41623)

EXCEL INVESTMENT COMPANY, 2501 18th St., Bettendorf, Iowa 52722, filed a registration statement on August 30 seeking registration of 250,000 shares of common stock, to be offered for public sale (\*at \$10.63 per share maximum) through underwriters headed by Dain, Kalman & Quail, Inc., 100 Dain Tower, Minneapolis, Minn. 55402. The company is engaged through subsidiaries in insuring lenders from loss on real estate loans, principally first mortgage loans on single-family, owner-occupied, non-farm homes. Of the net proceeds of its stock sale, \$580,000 will be used to retire short-term bank debt used to repay loans originally incurred to finance increases in capital and surplus of two subsidiaries and to provide working capital, and the balance will be used for working capital and other corporate purposes. (File 2-41625)

ROLAND INTERNATIONAL CORPORATION, 8101 Biscayne, Blvd. Miami, Fla. 33138, filed a registration statement on August 30 seeking registration of 600,000 shares of common stock, to be offered for public sale (\*at \$10 per share maximum) through underwriters headed by New York Securities Co., Inc., One New York Plaza, New York. The company is engaged in the acquisition, subdivision, sale and development of large tracts of land in Florida. Of the net proceeds of its stock sale, \$2.9 million will be used to repay indebtedness incurred for working capital purposes and the balance for working capital and other corporate purposes. (File 2-41626)

TERRA RESOURCES, INC., 1400 Fourth National Bank Bldg., Tulsa, Okla. 74119, filed a registration statement on August 30 seeking registration of 800,000 shares of common stock, to be offered for public sale by the company (\*at \$17.50 per share maximum) through underwriters headed by Bache & Co., Inc., 100 Gold St., New York, 10038. The company is engaged in exploring for, producing, and selling oil and gas and acquiring and developing oil and gas properties. Of the net proceeds of its stock sale, \$6 million will be used to reduce bank indebtedness and the balance for working capital and other corporate purposes. (File 2-41627)

UNITED TENNESSEE BANCSHARES CORPORATION, 45 South Second St., Memphis, Tenn. 38103, filed a registration statement on August 30 seeking registration of 1,263,950 shares of common stock. It is proposed to offer these shares in exchange for all the 1,487,000 outstanding shares of capital stock of Nashville City Bank and Trust Co., at the rate of .85 shares for each Nashville City Bank share. Bancshares is a bank holding company with three affiliated banks. (File 2-41629)

VIRGINIA COMMONWEALTH BANCSHARES, INC., 800 East Main St., Richmond, Va. 23260, filed a registration statement on August 30 seeking registration of 667,974 shares of common stock, of which 600,000 are to be offered for public sale by the company and 67,974 (being outstanding shares) by the holders thereof. The offering is to be made (\*at \$28 per share maximum) through underwriters headed by Wheat & Co., Inc., 801 East Main St., Richmond, Va. 23211. A bank holding company, the company controls 15 commercial banks (two of which have not opened for business) as well as corporations not engaged in commercial banking. (File 2-41630)

THE CANNON GROUP, INCORPORATED, 405 Park Ave., New York, New York, 10022, filed a registration statement on Aug. 30 seeking registration of 330,000 shares of common stock, of which 295,000 are to be offered for public sale by the company and 35,000 (being outstanding shares) by the holders thereof. The offering is to be made (\*at \$10 per share maximum) through underwriters headed by Philips, Appel & Walden, Inc., 111 Broadway, New York 10006. The company is engaged in the distribution of feature length motion pictures for exhibition in theaters. Of the net proceeds of its stock sale, some \$1 million will be used to pay current liabilities as they mature and the balance will be added to the company's working capital and used for general corporate purposes. (File 2-41631)

CONSOLIDATED NATURAL GAS COMPANY, 30 Rockefeller Plaza, New York 10020, filed a registration statement on August 30 seeking registration of \$25 million of debentures due 1996, to be offered for public sale at competitive bidding. Net proceeds of its debenture sale will be used, together with proceeds of the sale of \$40 million of debentures in May 1971, to finance, in part, the 1971 plant construction expenditures, estimated at \$97,800,000. (File 2-41632)

MICHAEL, PRESCOTT'S READY-TO-SEW INDUSTRIES, INC., 180 Madison Ave., New York 10016, filed a registration statement on August 30 seeking registration of 100,000 shares of common stock, to be offered for public sale at \$5 per share. The offering is to be made by Kurz-Liebow & Co., Inc., 1 East 42nd St., New York 10017. Organized in June, the company is engaged in designing and selling pre-cut clothing for sewing at home. Net proceeds of its stock sale will be used principally to reduce short-term debt and to finance expansion and the balance for working capital purposes. (File 2-41633)

REGAL APPAREL, LTD., 14 W. 33rd St., New York 10001, filed a registration statement on August 30 seeking registration of 400,000 shares of common stock, of which 200,000 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 \$10 per share maximum) through underwriters headed by Weis, Voisin, & Co., 17 Battery Place North, New York 10004. The company is engaged in the importation, distribution and sale of medium and popular priced men's and boys' wearing apparel. Net proceeds will be applied to reduction of short-term indebtedness. (File 2-41635)

UNION INVESTMENT COMPANY, First National Bldg., Detroit, Mich. 48226, filed a registration statement on August 30 seeking registration of 200,000 shares of common stock, to be offered for public sale (\*at \$19.125 per share maximum) through underwriters headed by First National Plaza, Chicago, Ill. 60670. The company is engaged in the consumer finance and commercial finance business. Net proceeds of its stock sale will be applied initially to reduce the company's outstanding short-term debt. (File 2-41636)

DANKER & WOHLK, INC., 635 Nassau Rd., Uniondale, N.Y. 11553, filed a registration statement on Aug. 30 seeking registration of 105,000 shares of common stock and warrants to purchase 105,000 shares, to be offered for public sale in units, each consisting of one share and one warrant, and at \$10 per share. The offering is to be made through underwriters headed by D.H. Blair Securities Corporation, 437 Madison Ave., New York 10022. The company is engaged principally in manufacturing and marketing its exclusive design of prescription contact lenses under the name "Parabolar" and Parabolette." Of the net proceeds of its stock sale, \$250,000 will be used for research&development on the company's proposed soft lenses and the balance for working capital and other corporate purposes. (File 2-41637)

LAMA INDUSTRIES, INC., 214 Front St., South Plainfield, N.J., filed a registration statement on Aug. 30 seeking registration of 100,000 shares of common stock, to be offered for public sale (\*at \$5 per share maximum) through underwriters headed by Kamen & Co., 50 Broadway, New York 10005. The company is a contract knitter of double-knit fabrics. Of the net proceeds of its stock sale, \$115,000 will be used as down payments for the purchase of 15 knitting machines and the balance for working capital and other corporate purposes. (File 2-41638)

PRINCE GEORGE'S LAND INVESTMENT AND DEVELOPMENT CORPORATION, 1220 East-West Highway, Silver Spring, Md. 20910, filed a registration statement on August 30 seeking registration of 500,000 shares of common stock, to be offered for public sale at \$1 per share. The offering is to be made by Zerkin and Associates, Inc., Bethesda, Md. The company was organized in 1969 to engage in buying and selling undeveloped acreage in Prince Georges County, Maryland. Of the net proceeds of its stock sale, \$127,500 will be used to repay three bank loans and the balance for working capital and other corporate purposes. (File 2-41639)

ENVIRONMENTAL TECTONICS CORPORATION, Newtown Industrial Commons, Newtown, Pa. 18940, filed a registration statement on August 30 seeking registration of 200,000 shares of common stock, to be offered for public sale (\*at \$7 per share maximum) through underwriters headed by Danes Cooke and Company, Inc., 26 Beaver St., New York. The company is engaged in the design, development, manufacture and sale of products used in connection with environmental control. Of the net proceeds of its stock sale, \$150,000 will be used for the purchase of handling and fabrication equipment and the balance for working capital and other corporate purposes. (File 2-41640)

LINDAL CEDAR HOMES, INC., 18601 Pacific Highway South, Seattle, Wash. 98188, filed a registration statement on August 30 seeking registration of 165,000 shares of common stock, to be offered for public sale (\*at \$10 per share maximum) through underwriters headed by Birr, Wilson & Co., Inc., 155 Sansome St., San Francisco, Calif. 94104. The company is primarily engaged in the manufacture and distribution of pre-cut cedar homes. Of the net proceeds of its stock sale, \$550,000 will be used for additional company-owned display centers and balance for working capital and other corporate purposes. (File 2-41641)

TESORO PETROLEUM CORPORATION, 8520 Crownhill Blvd., San Antonio, Tex. 78209, filed a registration statement on August 30 seeking registration of 4,100 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 (\*at \$26.50 per share maximum). (File 2-41642)

CAROLS DEVELOPMENT CORPORATION, 968 James St., Syracuse, N.Y. 13203, filed a registration statement on August 27 seeking registration of 388,268 outstanding shares of common stock, of which 250,000 are to be offered for public sale by the company and 138,268 (being outstanding shares) by the holders thereof. The offering is to be made (\*at \$13.63 per share maximum) through underwriters headed by C.E. Unterberg, restaurants and operates and manages motion picture theatres. Of the net proceeds of its stock sale (together with \$3.5 million available under a bank loan agreement), some \$5,955,000 will be used for equipment and development of company operated restaurants and mini theatres and for remodeling and improving equipment and real estate for certain of the restaurants and the balance for working capital and other corporate purposes. (File 2-41615)

MISCELLANEOUS

TRADING SUSPENSION CONTINUED. The SEC has ordered suspension of over-the-counter trading in the securities of Continental Vending Machine Corporation for the further ten-day period, September 8-17, 1971, inclusive.

CORRECTION RE WALTHAM RESOURCES. The SEC has issued an order under the Investment Company Act discontinuing the proceeding upon an application of Waltham Resources Corp., of New York City, for an order declaring that it is primarily engaged in a business other than that of an investment company. Waltham withdrew its application on September 1, 1971, prior to commencement of the hearing. (Release IC-6716)  
The report on Waltham Resources in the September 7 News Digest was incorrect.

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 "\*\*\*"):

<u>NO.</u>	<u>O- REGISTRANT</u>	<u>LOCATION</u>			
5601	Adobe Corporation**	Midland, TX	5645	Metalcrafters Specialties, Inc.**	Bronx, NY
5626	Arts & Leisure Corp**	Chicago, IL			Newark, NJ
5602	Automatic Drilling Machines, Inc.**	Dallas, TX	5608	Midantic Banks Inc.	Denver, CO
5607	Banks of Iowa, Inc.**	Cedar Rapids, IA	5655	Natural Resources Fund 1969-3	Denver, CO
5629	Bekland Resources Corp.**	Dallas, TX	5654	Natural Resources Fund 1969-4	Denver, CO
5613	Bio-Medical Sciences, Inc.**	Fairfield, NJ	5656	Natural Resources Fund 1970-1	Denver, CO
5612	Brink's, Inc.	Chicago, IL	5657	Natural Resources Fund 1970-2	Denver, CO
5625	Browning-Ferris Inds, Inc.**	Houston, TX	5658	Natural Resources Fund 1970-3	Denver, CO
5679	CSI Computer Systems Inc.**	Florence, KY	5659	Natural Resources Fund 1970-3A	Denver, CO
5641	Clevetrust Realty Investors**	Cleveland, OH	5649	North American Watch Corp**	New York, NY
5665	Computer Congenerics Corp**	Oklahoma City, OK	5648	Oshman's Sporting Goods, Inc.**	Houston, TX
5606	Computer Knowledge Corp	San Antonio, TX	5610	Packaging Systems Corp**	New York, NY
5754	Diversified Media, Inc.	New York, NY	5598	Popeil Brothers, Inc.**	Chicago, IL
5628	Dyna-Flex Corp	Salt Lake City, UT	5609	Rahall Communications Corp**	St. Petersburg, FL
5647	Fashion Fabrics, Inc.**	Salt Lake City, UT		Retrieval Control Systems, Inc.**	New York, NY
5615	First Builders Bancorp**	Oakland, CA	5635	Stadium Realty Trust**	Boston, MA
5636	First Fidelity Invest Trust**	Kansas City, MO	5643	Sun City Industries, Inc.**	Miami, FL
5748	Home-Stake Production Co	Tulsa, OK	5634	Telemation, Inc.**	South Salt Lake City, UT
5753	Indiana-Florida Realty Trust	Kokomo, IN	5650	Tidal Marine Internat'l Corp**	New York, NY
5670	Inexco Oil & Gas Fund, Ltd. No. 69-2	Houston, TX	5622	Ultra Dynamics Corp**	Paterson, NJ
5671	Inexco Oil & Gas Fund, Ltd. No. 70-4	Houston, TX	5620	Ultrasonic Systems, Inc.**	Farmingdale, NY
5600	Information Machines Corp**	Santee, CA	5621	United Publishing Corp**	Washington, DC
5603	Kansas Beef Industries, Inc.**	Wichita, KS	5676	Vindale Corp**	Dayton, OH
5604	The Lampart Agency, Inc.**	New York, NY			

SECURITIES ACT REGISTRATIONS: Effective September 3: Bank Computer Network Corp., 2-38543 (90 days); Central Illinois Public Service Co., 2-41468; Condominiums Northwest, Inc., McMillan Inns, Inc., 2-35354; Great Western Financial Corp., 2-41446; The Guardian Park Avenue Fund, Inc., 2-38246; Pacific Coast Knitting Mills, Inc., 2-40544 (90 days); Pip Ventures, Inc., 1971 Drilling Fund, 2-38492; Tesoro Petroleum Corp., 2-37316; Zoecon Corp., 2-41042 and 2-41403.

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 issuer.

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

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GPO 912-804