



# SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

A Daily Summary of  
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FOR RELEASE October 8, 1971

## DECISIONS IN ADMINISTRATIVE PROCEEDINGS

SANCTIONS IMPOSED ON WALSTON & CO. AND OFFICERS. The SEC announced a decision under the Securities Exchange and Investment Advisers Acts imposing sanctions on the broker-dealer firm of Walston & Co., Inc., of New York, and George Cabell, Ernest A. Mayer and George R. Griffin, vice-presidents of the firm. Over-the-counter activities in Walston's St. Paul, Minn. branch office were suspended for 30 days, Walston's LaSalle Street, Chicago, branch office was suspended for 5 business days from soliciting orders for the purchase or sale of securities, and the firm was censured. The suspensions, which become effective on October 18, 1971, are subject to certain exceptions noted in the Commission's decision. In addition, Cabell, Mayer and Griffin were suspended, effective October 18, from association with any broker or dealer for respective periods of 5 business days, 10 days and 20 days, and Mayer was suspended for 10 days thereafter from engaging in any supervisory functions after which he may resume supervisory duties upon an appropriate showing to the Commission's staff.

According to the Commission's decision, Walston violated the registration provisions of the securities laws in connection with the solicitation and obtaining of subordinated accounts from customers during the period September 1 to December 28, 1970, and in the offer and sale of stock of S & M Industries, Inc., and Cabell failed to exercise reasonable supervision with a view to preventing the latter violations. The Commission also found that the firm violated the antifraud provisions by inducing a customer to engage in excessive securities transactions in his account, and that Mayer and Griffin failed to exercise proper supervision with respect to that violation. In addition, Griffin was found responsible for a supervisory failure with respect to fraudulent representations concerning prospective price increases in certain securities.

The Commission's order was issued pursuant to offers of settlement in which respondents, without admitting the allegations in the Commission's orders for proceedings, consented to the above findings and the indicated sanctions. As part of its settlement, Walston agreed to terminate the subordinated accounts it solicited from customers during the September-December 1970 period, and to solicit such accounts from customers in the future only pursuant to certain guidelines enumerated in the Commission's order. (Rel. 34-9362)

EXAMINER'S DECISION AS TO WHITE & COMPANY FINAL. The Commission announced that an interim decision of the Hearing Examiner with respect to White & Company, Inc., St. Louis, restricting its broker-dealer operations pending final disposition of administrative proceedings against it and certain other respondents, has become final. The Commission declared effective the examiner's order which, pending final determination, forecloses registrant from engaging in any securities transactions on behalf of retail customers and orders it to furnish the Commission's staff with a daily summary of securities transactions and monthly trial balance and net capital computation. (Release 34-9360)

EXAMINER'S ORDER WITH RESPECT TO PAYMENT OF FEES BY PENNZOIL UNITED BECOMES FINAL. The SEC announced that the hearing examiner's initial decision approving the payment by Pennzoil United, Inc. of fees and expenses to various attorneys and other persons for services rendered in connection with proceedings under the Public Utility Holding Company Act of 1935 relating to the consolidation of Pennzoil Company and United Gas Corp. as Pennzoil United, and ordering payment of compensation and expenses to a United Gas shareholder, has become the final decision of the Commission, no petitions for Commission review having been filed. (Release 35-17302)

## NEW RULES AND PROPOSALS

SEC ADOPTS REVISIONS TO ANNUAL REPORT FORM N-1R FOR MANAGEMENT INVESTMENT COMPANIES. The SEC has adopted a revision of its Form N-1R for annual reports filed with the SEC by most management investment companies. The revision effects changes in the items of Form N-1R and the EDP attachments to the form consistent with changes made in the Investment Company Act by the Investment Company Amendments Act of 1970. The revision also provides a means of reporting information for the fiscal year of the investment company within which the amendments to the Act become effective, by a new general instruction to Form N-1R applicable to the annual report for that fiscal year. The revision is effective for all fiscal years ending on and after December 31, 1971. The release sets forth the revision of the form and attachments. When printing of the entire Form N-1R and attachments as revised has been completed, copies will be mailed to all registered investment companies and made available to other persons upon request. (Release IC-6748)

## COMMISSION ANNOUNCEMENTS

EXEMPT UNIVERSAL SURGICAL SUPPLY. The SEC issued an order exempting from provisions of Section 13 and 14 of the Securities Exchange Act, Universal Surgical Supply Co., Inc., on condition that the company does not become an operating company, and there is no reduction in the amount of stock and the percentage of outstanding voting securities held by its parent.

OVER

TIME SET FOR COMMISSION HEARINGS ON MARKET STRUCTURE. The Commission's hearings into the market structure of the securities industry, which begin October 12, 1971, will commence at 9:15 a.m. and not at 10:00 a.m. as previously announced. The 9:15 a.m. beginning time will also apply to all succeeding hearing days. The hearing will be held in Room 776 at the Commission's headquarters building, 500 N. Capitol St., Washington, D.C.

#### INVESTMENT COMPANY ACT RELEASES

CHELSEA FUND, INC. The Commission issued a notice under the Investment Company Act giving interested persons until October 27 to request a hearing on application of Chelsea Fund, Inc., of New York, for an order declaring that it has ceased to be investment company as defined in the Investment Company Act. Chelsea filed a notification of registration with the Commission on May 1, 1969 and has determined that as a result of market conditions and other factors it does not desire to proceed at this time with the establishment of a mutual fund; no securities have been issued, and it has engaged in no business activities. (Release IC-6760)

SCRIPP-HOWARD INVESTMENT COMPANY. The Commission issued an order giving interested persons until October 28 to request a hearing upon an application of Scripps-Howard Investment Company of Cincinnati, (Fund) for an order exempting from certain provisions of the Investment Company Act, the sale by the fund of shares of the Pittsburgh Press Company and Fort Worth Press Company to the E.W. Scripps Company. Scripps owns 9.24% of the outstanding voting securities of the Fund and therefore, Fund and Scripps, may be deemed affiliated persons of each other. 1/ (Release IC-6761)

#### SECURITIES ACT REGISTRATIONS

CANAVERAL INTERNATIONAL CORP., 7100 Biscayne Blvd., Miami, Fla. 33138, filed a registration statement on September 30 seeking registration of 408,000 shares of common stock, 36,000 outstanding shares of common stock, and 687,500 shares of Class A stock. Of these shares, 308,000 are issuable upon exercise of warrants issued with 9 1/2% guaranteed convertible debentures, due 1975 of Canaveral International Financial Corp., N.V., a wholly-owned subsidiary of the company, 100,000 are issuable upon exercise of warrants to be issued by the company to Nuvest, S.A. and selling group members for acting as underwriter and as dealers in the sale of the abovementioned debentures, and 687,500 Class A shares may be offered for sale from time to time by the holders thereof at prices current at the time of sale (\*\$5.75 per share maximum). The company is engaged in the mobile home, real estate development, shipping and air conditioning businesses. (File 2-41994)

ONICS, INC., 6837 Hayvenhurst Ave., Van Nuys, Calif. 91406, filed a registration statement on October 1 seeking registration of 170,000 shares of common stock and warrants to purchase 170,000 shares of common stock, to be offered for public sale in units, each consisting of one share and one warrant, and at \$6 per unit. The offering is to be made through underwriters headed by L.C. Wegard & Co., Inc., U.S. Highway 130, Willingboro, N.J. 08046. The company is engaged primarily in internally funded development of technological products primarily in the fields of safety, health and pollution and in performing research services on a contractual basis for the U.S. Government and others. Of the net proceeds of its stock sale, \$435,000 will be used for the development of an x-ray recording device and the balance for working capital and other corporate purposes. (File 2-41996)

REDKEN LABORATORIES, INC., 14721 Califa St., Los Angeles, Calif. 91401, filed a registration statement on October 1 seeking registration of 200,000 shares of common stock, of which 160,000 are to be offered for public sale by the company and 40,000 (being outstanding shares) by the holders thereof. The offering is to be made (\*at \$10 per share maximum) through underwriters headed by Mitchum, Jones & Templeton Inc., 510 South Spring St., Los Angeles, Calif. 90013. The company develops, manufactures and markets hair and cosmetic products for use and resale in beauty and hairstyling salons. Of the net proceeds of its stock sale, \$1,035,000 will be used to repay short-term indebtedness incurred for working capital purposes and the balance for working capital and other corporate purposes. (File 2-41997)

SAGA ADMINISTRATIVE CORPORATION, One Saga Lane, Menlo Park, Calif. 94025, filed a registration statement on October 1 seeking registration of 780,000 shares of common stock, of which 200,000 are to be offered for public sale by the company and 580,000 (being outstanding shares) by the holders thereof. The offering is to be made (\*at \$24 per share maximum) through underwriters headed by Smith, Barney & Co., Inc., 1345 Avenue of the Americas, New York 10019. The company is engaged principally in providing food management services for institutions and other establishments. Net proceeds of its stock sale together with other funds, will be used to repay bank notes of some \$5 million. (File 2-41998)

SPIR, INC. (the company), and SEARS POINT PROPERTIES, LTD. (the partnership), Patrick, Buchanan & Phillips, 601 California St., San Francisco, Calif. 94108, filed a registration statement on October 1 seeking registration of 75,000 shares of common stock of the company and \$1,500,000 of limited partnership interests in the partnership, to be offered for public sale in units each consisting of 50 shares and one partnership interest, and at \$1,000 per unit. The offering is to be made on a best efforts, all or none basis by Waldron & Co., Inc., 4380 Redwood Hwy., San Rafael, Calif. The partnership was organized in September to acquire the real property and improvements known as Sear Point International Raceway, Sonoma County, California. The company was organized in March to operate motor sports racing events at the Raceway. Substantially all of the net proceeds to be received by the partnership will be used for the purchase of Sears Point International Raceway property and improvements from a wholly-owned subsidiary of Filmways, Inc. Net proceeds to be received by the company will be used for rental prepayment to the partnership for the lease of the Raceway and for general working capital purposes. (File 2-41999)

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## MISCELLANEOUS

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 "\*\*")

NO.	O- REGISTRANT	LOCATION
0-5708	AD Press, Ltd**	New York, NY
0-5744	Abitibi Asbestos Mining Co, Ltd	Quebec, Ca
0-5752	American Appraisal Assoc., Inc**	Milwaukee, WI
0-5815	American Consumers, Inc	LaFayette, Ga
0-5745	Aseco, Inc	Warren, MI
0-5778	Bache & Co, Inc	New York, NY
0-5721	Barnett Mortgage Trust**	Jacksonville, Fla.
0-5724	Bass Financial Corp**	Norridge, Ill
0-5718	Bi-Lo, Inc**	Mauldin, SC
0-5764	Black Industries, Inc	Durham, NC
0-5781	Burton-Hawks, Inc	Casper, WY
0-5760	Capitol Reclamation Corp**	Wash. D.C.
0-5833	Cardiodynamics, Inc	Dublin, Ca
0-5762	Cenco Hospital & Convalescent Homes**	Chicago, Ill.
0-5715	Citinationl Devel. Tr**	Beverly Hills, Ca
0-5756	Electro-Data, Inc**	Garland, Tex.
0-5755	Expediter Systems, Inc	Birmingham, Al
0-5790	First Universal Realty	Columbus, Oh
0-5722	General Care Corp**	Nashville, Tenn.
0-5818	General Growth Properties**	Des Moines, Io
0-5747	Glosser Bros., Inc**	Johnstown, Pa
0-5726	Greta Midwest Corp**	Kansas City, Mo
0-5716	Hi-Tech Industries, Inc**	Jamaica, NY
0-5731	Land Consultants of America, Inc**	Los Angeles, Ca
0-5831	The Lauriat Corp	Fairfield, NJ
0-5704	Naynard Oil Company**	Dallas, Tex.
0-5703	J. Michaels, Inc**	Brooklyn, NY
0-5712	Mid-Texas Communications Systems, Inc**	Kileen, Tex
0-5799	Minerals Intl., Inc	Pasadena, Ca
0-5809	Mobiland, Inc	Atlanta, Ga
0-5751	Neuro-Psychiatric & Health Services, Inc**	Newport Beach, Ca
0-5746	Ocean Oil & Gas Co**	New Orleans, La
0-5728	Oceanography Mariculture Ind., Inc**	Riviera Bc., Fl
0-5800	Oregon Trail Savings & Loan Association	Gresham, Or.
0-5757	Patrick Petroleum Co**	Jackson, MI
0-5734	Pioneer Standard Electronics, Inc**	Garfield Ht., Oh
0-5707	Radiation Intl., Inc**	Hanover, NJ

SECURITIES ACT REGISTRATIONS. Effective October 6: Adams-Russell Co., Inc., 2-40193; Amprep Corp., 2-41534; Data Products Corp., 2-41050; The Manitowoc Company, Inc., 2-41573; Skelly Oil Co., 2-41425; Volume Merchandise, Inc., 2-41346; Zwicker Electric Company, Inc., 2-41242.

\* 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

1/ Pending distribution of this Release by the Commission to the appropriate mailing lists, interested persons should consult the Federal Register for more details of the release.

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