

# 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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FOR RELEASE October 10, 1968

**FLORIDA POWER TO SELL BONDS.** Florida Power Corporation, 101 Fifth St. South, St. Petersburg, Fla. 33701, filed a registration statement (File 2-30425) with the SEC on October 8 seeking registration of \$30,000,000 of first mortgage bonds, due 1998, to be offered for public sale at competitive bidding. An electric utility, the company will use net proceeds of its bond sale to repay some \$30,000,000 of temporary bank loans incurred for construction purposes. Construction expenditures for 1968 are estimated at \$67,300,000.

**SIX FLAGS FUND PROPOSES OFFERING.** Six Flags, Ltd., 34 Broad St., N. W., Atlanta, Ga., filed a registration statement (File 2-30427) with the SEC on October 8 seeking registration of \$4,350,000 of limited partnership interests, to be offered for public sale in \$10,875 units. Property Research Interstate, Inc., will solicit acceptances of the subscription offer; if all interests are sold, Property Research will receive \$200,000 as commission. The Fund was organized under Georgia law in October 1967 for the principal purpose of purchasing, for \$23,000,000, Six Flags Over Georgia Amusement Park from Great Southwest Atlanta Corp., becoming the limited partner in Six Flags Over Georgia, Ltd. ("Flags"), a limited partnership to be formed to own, operate and manage the Amusement Park. Net proceeds of its sale of partnership interest will be applied toward the purchase price of the Amusement Park. Great Southwest Atlanta Corp. will be general partner of Flags. Lonnie M. Dunn is the general partner of the Fund and Angus G. Wynne, Jr., is president of Great Southwest.

**CATO STORES PROPOSES OFFERING.** Cato Stores, Inc., 3330 Monroe Rd., Charlotte, N. C. 28205, filed a registration statement (File 2-30428) with the SEC on October 8 seeking registration of 100,000 shares of common stock, to be offered for public sale through underwriters headed by The Robinson-Humphrey Company, Inc., Two Peachtree St., N. W., Atlanta, Ga. 30303, and Johnson, Lane, Space, Smith & Co., Inc., 101 E. Bay St., Savannah, Ga. 31401. The offering price (\$20 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company operates, through subsidiaries, 194 ladies' apparel stores operating under the name "Cato's," and 6 discount department stores operating under the name "Waco's," located in 8 southeastern states. Net proceeds of its stock sale will be used during the next fiscal year for equipping, stocking and opening new stores and equipping new office and warehouse facilities. In addition to indebtedness, the company has outstanding 530,884 common shares, of which W. H. Cato, Jr., president, owns 32.13%, Edgar T. Cato, senior vice president, 17.94%, and W. H. Cato, Sr., board chairman, 10.92%.

**KENRICH CORP. FILES FOR SECONDARY.** Kenrich Corporation, 777 Third Ave., New York 10017, filed a registration statement (File 2-30429) with the SEC on October 8 seeking registration of 337,972 shares of Class A common stock. Such shares may be offered for sale from time to time by the present holders thereof at prices current at the time of sale (\$3 per share maximum\*).

The company through subsidiaries is principally engaged in the fabrication of uninsulated copper wire and cable and in the finance business. It also owns industrial rental properties at several commercial locations and has investments arising principally from the sale and liquidation of former operations. In addition to indebtedness and preferred stock, the company has outstanding 1,933,489 Class A and 150,000 Class B common shares. Of the Class A shares, Martin Wright, board chairman, owns 6%, Hermann Rogge, president, 1% and management officials as a group 14%; and of the Class B shares, Wright owns 35% and Rogge 47%. National Arbitrage Corporation (the largest selling stockholder) proposes to sell 125,000 shares and nine others the remaining shares being registered.

**OHIO FARMERS GROWTH FUND PROPOSES OFFERING.** Ohio Farmers Growth Fund, Inc., One Park Circle, Leroy, Ohio 44251, filed a registration statement (File 2-30430) with the SEC on October 7 seeking registration of 2,500,000 shares of common stock, to be offered for public sale at net asset value plus a sales charge of 8% on purchases of less than \$10,000 (\$10.87 per share maximum\*). The Fund was organized under Ohio law in September 1968 as an open-end, diversified, management investment company, sponsored by Ohio Farmers Insurance Group. Ohio Farmers Equity Sales Company is principal underwriter and The Ohio Farmers Insurance Company is investment adviser of the Fund. T. B. Rowe is president of the adviser and Leroy R. Hoffman, is president of the Fund and of the underwriter.

**INDUSTRIAL AIR PRODUCTS FILES FOR SECONDARY.** Industrial Air Products Co., 3200 N. W. Yeon Ave., Portland, Oregon 97210, filed a registration statement (File 2-30431) with the SEC on October 9 seeking registration of 325,000 outstanding shares of common stock, to be offered for public sale through underwriters headed by Francis I. duPont, A. C. Allyn, Inc., 1 Wall St., New York 10005. The offering price (\$15 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company and its subsidiaries are engaged in the manufacture and distribution of oxygen, nitrogen, argon, acetylene and other gases for commercial, industrial, medical and other uses, and in the distribution of welding and cutting equipment and accessories. In addition to indebtedness, the company has

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outstanding 1,222,500 common shares, of which Manuel Schnitzer, board chairman, and Gilbert Schnitzer, president, own 10.2% each and Morris Schnitzer, vice board chairman, and Leonard Schnitzer, secretary, own 9.9% and 9.6%, respectively. Schnitzer Steel Products Co. owns 678,720 (55.5%) and proposes to sell the 325,000 shares being registered. (Each of the Schnitzer brothers, together with his immediate family, owns beneficially 25% of the outstanding shares of Schnitzer Steel Products.)

**"AUTOMATIC" SPRINKLER FILES FOR SECONDARY.** "Automatic" Sprinkler Corporation of America, 722 Illuminating Bldg., 55 Public Square, Cleveland, Ohio 44113, filed a registration statement (File 2-30432) with the SEC on October 9 seeking registration of 19,518 shares of common stock (issuable upon conversion of 6% convertible preferred shares) to be offered for public sale by the recipients thereof through the New York, Midwest and Pacific Coast Exchanges at prices prevailing at the time of sale (\$30 per share maximum\*). In addition to indebtedness and preferred stock, the company has outstanding 6,593,473 common shares. Harry E. Figgie, Jr., is board chairman and chief executive officer and James H. Goss president. Howard M. Metzenbaum and Alva T. Bonda propose to sell 5,913 shares each and Maurice Saltzman 7,692.

**NUVEEN FUND PROPOSES OFFERING.** Nuveen Tax-Exempt Bond Fund, Series 20, 208 S. LaSalle St., Chicago, Ill. 60604, filed a registration statement (File 2-30433) with the SEC on October 9 seeking registration of \$16,500,000 of units. The Fund is one of a series of investment companies created by the sponsor and underwriter, John Nuveen & Co., a wholly-owned subsidiary of Nuveen Corporation; it consists of a diversified portfolio of interest-bearing obligations issued by or on behalf of states, counties, municipalities and territories of the United States and authorities and political subdivisions thereof, the interest from which, in the opinion of counsel for the sponsor, is exempt from all Federal income taxes under existing law.

**MEDICAL COMMUNICATIONS PROPOSES OFFERING.** Medical Communications, Inc., 299 Park Ave., New York 10017, filed a registration statement (File 2-30434) with the SEC on October 9 seeking registration of 100,000 shares of common stock, to be offered for public sale at \$10 per share through company officials (and possibly through NASD dealers, which will receive up to a 50¢ per share selling commission).

Organized under Massachusetts law in January 1966, the company is engaged in the business of the development and distribution of health and medical information for educational and training purposes by means of audio-visual (videotape, film and film loops) and written materials. Of the net proceeds of its stock sale, \$180,000 will be used for the production and marketing of the Pediatric Counseling Programs, \$180,000 for the production and marketing of para-medical training programs and \$400,000 for the production of programs dealing with continuing physician education and patient-education; the balance will be applied to research, marketing and promotion. The company has outstanding 924,808 common shares (with a 28¢ per share book value) of which Robert E. Fuisz, M.D., president, owns 17%, Richard C. Fuisz, vice president, 16.2% and Harold J. Kissell, executive vice president, 14.9%; management officials as a group own 61.1%. Upon completion of this offering, the purchasers of the shares being registered will have paid \$1,000,000 (or \$10 per share) for 10% of the stock to be outstanding, while the present shareholders have paid \$402,100 in cash, services, or cancellation of indebtedness (or 43¢ per share) for 90% of the shares to be outstanding.

**KING BROS. PRODUCTIONS PROPOSES RIGHTS OFFERING.** King Bros. Productions, Inc., 10202 West Washington Blvd., Culver City, Calif. 90230, filed a registration statement (File 2-30426) with the SEC on October 8 seeking registration of 400,000 shares of common stock, to be offered for subscription by common stockholders at the rate of one new share for each share held. Frank, Herman and Maurice King, all company officials, have indicated their intent to exercise in full their basic subscription rights and to oversubscribe to an aggregate of 50,000 shares.

The company (formerly a wholly-owned subsidiary of Macrodyne, Inc., and separated in a spin-off transaction in April 1968) is principally engaged in the production of motion pictures for theatrical release and has also produced one television series. Since 1965 production costs have been advanced by Metro-Goldwyn-Mayer pursuant to production-financing agreements. Net proceeds of its stock sale will be set aside for future use in financing the production of motion pictures for theatrical and television exhibition; the balance will be added to general corporate funds and will be available as working capital. The company has outstanding 363,875 common shares, of which management officials as a group own 5.35%. Frank King is president and board chairman.

**TWO RECEIVE TEN-YEAR SENTENCES.** The SEC Fort Worth Regional Office announced October 4 (LR-4124) that Stephen J. Dinneen, of Key Biscayne, Fla., and Joseph Ryan Missett, of Golden Beach, Fla., received ten-year prison sentences following their conviction of fraud in the sale of securities of Lords Bank and Trust Company, Ltd., a Bahamian corporation.

**FOUR SENTENCED IN WESTEC CASE.** The SEC announced October 2 (LR-4125) that James W. Williams, former board chairman of Westec Corporation, received a 15-year prison sentence following his conviction on charges of manipulating the market price of Westec stock and of disseminating false information concerning the company. Ernest M. Hall, Jr., former Westec president, Malcolm G. Baker, Jr., and Lester L. Lilley, who had entered pleas of guilty to certain counts, received sentences, as follows: Hall, eight years; Baker 18 months; and Lilley, 12 months.

**NINE ENTER PLEAS.** The SEC Chicago Regional Office announced October 4 (LR-4126) that the following had entered pleas of guilty to an information charging them with securities violations involving securities of Investment Corporation of America, Chappell Securities Corporation and Aquila Life Insurance Company: Thomas L. DeVol, Jack A. Hagans, David A. Rowland, Robert O. Toland, Mathias A. Werner, and David J. Mullin, all of Indiana, and Richard S. Russell, of St. Louis, Mo. Each defendant was fined \$100 and costs; and an earlier indictment charging similar violations was dismissed as to such defendants. Oilfield Research, Inc. was fined \$500 on its "nolo" plea to one count of the indictment, which was dismissed as to its president, Marlin F. Krieg.

**PITTSBURGH INDICTMENT NAMES SEVEN.** The SEC Washington Regional Office announced October 7 (LR-4127) that the following were indicted by Federal grand jury in Pittsburgh on charges of violating the Securities Act anti-fraud provisions in the sale of stock of Home Makers Savings Corporation while employed by C. A. Benson & Co., Inc., former broker-dealer firm: Carl A. Benson, James H. Alm, Richard N. Cea, James C. Conklin, Kenneth E. Fisher, Robert E. Kness, and Frank P. Wayhart. The Benson firm along with Home Makers Savings Corp., Patrick M. Flannery, Robert E. Horne and Joseph P. Webb were named as co-conspirators but not as defendants.

**FIRST HARTFORD FUND DEFENDANT FILES STIPULATION.** The SEC New York Regional Office announced October 1 (LR-4128) that James W. Deer, secretary and a director of First Hartford Exchange Fund, Inc., and a defendant in an SEC action against the Fund and others, having entered into an undertaking (but without admitting or denying the allegations of the Commission's complaint) on the basis of which it appears that the remedial and protective provisions of the Federal securities laws have been adequately implemented as to him, the action was discontinued as to him.

**BROKER-DEALER, ADVISER ADVERTISING RULES PROPOSED.** The SEC today announced proposals for the adoption of rules governing the distribution of market letters, sales literature and advertisements by brokers and dealers (Release 34-8425), and of investment advisory communications by investment advisers (Release IA-231). Interested persons are invited to submit views and comments thereon not later than November 15.

The proposed rules would require, among other things, that each such communication be dated and that the firm issuing same shall be identified along with the person who prepared it if other than the firm or a partner or officer thereof. If financial statements are included, the date of or period covered thereby would have to be disclosed. If a recommendation is made, it would have to have a reasonable basis and state the market price at the time the communication is published, and the price at which or the price range within which the recommendation is to be acted upon; and in the case of a broker-dealer, whether he makes a market, whether he is offering to buy or sell for his own account and certain other material information.

The proposed rules also would include prohibitions against the publication of any communication which contains any untrue statement of a material fact or which is otherwise false or misleading. In addition, they would require that each such communication be approved in writing by the broker-dealer or investment adviser or a designated official thereof, in order to insure that the preparation thereof was supervised by a responsible person. Moreover, the proposed rules would extend to broker-dealers the prohibitions against "testimonials" now applicable to investment advisers.

**UNLISTED TRADING SOUGHT.** The SEC has issued an order under the Securities Exchange Act (Release 34-8422) giving interested persons until October 24 to request a hearing upon an application of the Boston Stock Exchange for unlisted trading privileges in the common stocks of The Bunker-Ramo Corporation, Consumers Power Company, INA Corporation and Indiana General Corporation.

**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 (please give News Digest "Issue No." in ordering). 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 October 7 News Digest.

Harvest Markets Inc Aug 68 (12,13)	0-2786-2	Gamble Skogmo Inc Aug 68(7)	1-3478-2
		General Motors Corp Aug 68(3)	1-143-2
		Keystone Railway Equipment Co Aug 68(2,13)	1-5310-2
General Mills Inc Aug 68 (11,12,13)	1-1185-2	Northeast Airlines Inc Aug68(13)	1-3200-2
		Jones & Laughlin Steel Corp Aug 68(1)	1-463-2
Mountain National Corp Aug 68 (1,12,13)	0-2814-2	General Research Corp Aug 68(2,13)	0-3226-2
Niagara Mohawk Power Corp Aug 68 (7,12,13)	1-2987-2	Midas-Internatl Corp Aug 68 (12)	0-1041-2
		Jersey Central Power & Light Co Aug 68 (10)	1-3141-2
Instrument Systems Corp Aug 68(2,3,7,8,12,13)	1-5643-2	Greater Arizona Savings & Loan Assoc Aug 68 (11)	0-2840-2
Mickelberry's Food Prods Co Aug 68(3)	1-67-2	Natl Beef Packing Co Aug 68(7)	2-29314-2
Chesapeake Utilities Corp Feb & Nov 67 (7)	0-593-2	Siboney Corp Jul 68 (1)	1-3952-2
Maine Public Serv Co Aug 68(13)	1-3429-2	May 68 (1,2,7,8,13)	1-3952-2
		Jun 68 (1,7,8,11)	1-3952-2
General United Group Inc Jul 68 (13)	0-2008-2	Feb 67 (12,13)	1-3952-2
Gulf Resources & Chemicals Corp Aug 68(7,8,13)	1-4815-2	Stuart Hall Co Inc Aug68(11,13)	0-237-2

Gains Guaranty Corp Aug68(2,13)	0-938-2	Systems Eng Labs Inc	
Petrodyne Inds Inc Aug 68 (2,3)	2-28660-2	Aug 68 (7,9,12)	1-5635-2
United Artists Theatre Circuit Inc		Zale Corp Aug 68 (7)	1-4129-2
Aug 68 (3,9,12,13)	0-2341-2		
U S Pipe & Foundry Co		Natpac Inc Aug 68 (2,4,7,13)	0-2223-2
Aug 68 (3,7,8)	1-121-2	Puget Sound Power & Lgt Co	
		Sept 68 (7)	1-4393-2
Natl Sugar Refining Co Aug68(13)	1-3248-2	Racine Hydraulics Inc	
Omega Equities Aug 68 (2,7,13)	0-188-2	Aug 68 (11,13)	0-1891-2
Palms of Pasadena Hosp Corp		Rowan Inds Inc Aug 68 (13)	0-2642-2
Jun 68 (7)	1-5606-2	Turbo Cast Inds Inc Nov 67(7,13)	0-2312-2
Power Industrial Prods Co		USM Corp Aug 68 (12)	1-1599-2
Feb 68 (11,13)	0-2311-2		
Royal Inds Aug 68 (7,13)	1-5319-2	Jantzen Inc Aug 68 (3)	0-629-2
Sanders & Thomas Inc Aug 68 (1)	0-2973-2	Technamation Inc	
B F Saul Real Estate Invest Trust		Aug 68 (7,8,12,13)	0-2394-2
Aug 68 (2,7)	2-21825-2		
Screw & Bolt Corp of Amer		Royal Dutch Petroleum Co	
Aug 68 (2,11)	1-898-2	(6K) Sept 68	1-3788-2
Sunnyside Tel Co Aug68(7)	0-1152-2	Skaggs Drug Ctrs Inc Aug68(11,13)	1-5392-2
Teledyne Inc Aug 68 (7)	1-5212-2	Sundstrand Corp Aug 68(7)	1-5358-2
Yoo-hoo Choc Beverage Corp			
Aug 68 (12)	1-5342-2	Philips Inds Philips NV & Philips Trust	
Zurn Inds Inc Jun 68 (7)	1-5502-2	(6K) Aug 68	2-20193-2
		St Lawrence & Adirondack Ry Co	
Torrington Co Jun 68 (7,13)	1-518-2	Sept 68 (11)	1-1618-2
Wash Steel Corp Jan 68 (7,11,13)	1-5539-2	Tastee Freez Inds Inc	
		Aug 68 (8,11,13)	1-4722-2
Lums Inc Aug 68 (2,4,12,13)	0-2946-2	Topsy's Internatl Inc	
Perfect Film & Chemical Corp		Aug 68 (2,7,13)	2-27562-2
Aug 68 (4,7,9,13)	1-2991-2	U S Life Insur Co in the City of N Y	
Superior Oil Co Jul 68 (12)	1-4744-2	May 68 (11)	2-12563-2
Trion Inc Aug 68 (7,10)	0-3108-2		
Unicare Health Sers Inc		Interpace Corp Aug 68 (3)	1-4669-2
Aug 68 (12,13)	2-29127-2	Schaevitz Eng Aug 68 (1)	0-2696-2
Whittaker Corp Aug 68 (7,13)	1-5407-2	Tex Inds Inc May 68 (7)	1-4887-2
		Vegas Village Shopping Corp	
Interlake Steel Corp Aug 68 (12)	1-1068-2	Sept 68 (1,13)	0-1966-2
Natl Dairy Prods Corp Aug68(13)	1-1146-2	Wilson & Co Inc Apr68(11)	1-5433-2
Natl Student Marketing Corp		Wilson Sporting Goods Co Apr68(11)	1-5435-2
Jun 68 (3)	0-3211-2	Jun 68 (11,13)	1-5435-2
Northern Ind Pub Ser Co Aug68(13)	1-4125-2	Wyle Labs Aug68(2,4,7,11,12,13)	1-5374-2
		Husky Oil Can Ltd Aug 68 (7,13)	1-4307-2
		Thorofare Mkts Inc Sept 68 (13)	0-19-2
		R Liquidating Corp Aug68(12,13)	0-2859-2
		San Fernando Elec Mfg Co	
		Jun 68 (2,13)	0-2981-2

SECURITIES ACT REGISTRATIONS. Effective October 9: Bache & Co. Inc., Goodbody & Co. and Walston & Co., Inc. Sponsors of Municipal Investment Trust Fund, Series L, 2-30027; Connecticut Consolidated Industries, Inc., 2-29167 (90 days); Federal-Mogul Corp., 2-30213; Herff Jones Co., 2-29561 (40 days); Pacific Clay Products, 2-29690 (40 days); Peterson, Howell & Heather, Inc., 2-29562.

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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