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# SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

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A Daily Summary of  
S.E.C. Activities

(Issue No. 72-42)

FOR RELEASE March 6, 1972

## DECISIONS IN ADMINISTRATIVE PROCEEDINGS

DECISION AS TO JONES FINAL. The SEC today announced that a decision of a hearing examiner with respect to Edwin Gomer Jones, Jr., Hollywood, California, has become final. The examiner, on the basis of findings that from June through August 1968, Jones had violated the registration provisions of the Securities Act in connection with transactions in the stock of Mountain States Development Company, Inc. had ordered that he be suspended from association with any broker-dealer for 15 business days. The sanction will become effective at the opening of business on March 6, 1972. (Rel. 34-9507)

COORDINATED SECURITIES AND NICHOLAS ELLIOTT SANCTIONED. The SEC has issued an order revoking the broker-dealer registration of Coordinated Securities Inc., Melville, New York, and suspending Nicholas Elliott, its president, from association with any broker-dealer for six months, effective March 6, 1972. The order further provides that following the suspension Elliott may become associated with a broker-dealer only in a non-supervisory capacity upon a showing of adequate supervision. According to the decision, the respondents violated net capital and recordkeeping provisions of the Securities Exchange Act and rules thereunder during the period from about June 30 to September 7, 1971, and they were permanently enjoined by a federal court from violating those provisions. The order was issued pursuant to an offer of settlement in which the respondents, without admitting or denying the allegations in the order for proceedings, consented to the indicated findings and sanctions. (Rel. 34-9508)

GELFAND BARRED. The SEC has barred Milton Gelfand, New York City, from being associated with any broker or dealer. The remedial action was based on findings that Gelfand aided and abetted violations of the qualifications, fee and financial reporting requirements of the Exchange Act. Gelfand did not file an answer to the order for proceedings and was in default, and the findings were based upon the charges made against him. (Rel. 34-9510)

## INVESTMENT COMPANY ACT RELEASE

FIFTH AVENUE COACH/GRAY LINE. The SEC has issued a notice giving interested persons until March 21 to request a hearing upon an application of Fifth Avenue Coach Lines, Inc. and Gray Line Corporation, both New York closed-end, non-diversified management investment companies, for an order exempting from certain provisions of the Act certain transactions incident to an agreement of January 3, 1972 between Fifth and Gray Line and exempting from the stockholder voting requirements of the Act certain proposed steps to accomplish the liquidation and dissolution of Gray Line thereby causing it to cease to be an investment company. The agreement is designed to settle certain claims of Fifth and Gray Line. (Rel. IC-7025)

## HOLDING COMPANY ACT RELEASE

MISSISSIPPI POWER. The SEC has issued a notice giving interested persons until March 24 to request a hearing upon an application of Mississippi Power Company, Gulfport, Miss. subsidiary of The Southern Company, to issue and sell \$25 million of first mortgage bonds at competitive bidding. Net proceeds of its bond sale will be used to finance, in part, the company's 1972 construction program (estimated at \$63,677,000), to repay short-term notes incurred for such purpose (of which \$10,800,000 are expected to be outstanding) and for other corporate purposes. (Rel. 35-17473)

## COURT ENFORCEMENT ACTION

CONTINENTAL DYNAMICS, INC., OTHERS ENJOINED. The SEC announced today that on March 1, 1972 the U. S. District Court for the District of Columbia entered a judgment of permanent injunction, enjoining Continental Dynamics, Inc., Continental Dynamics, Ltd., Morrison and Lee from violations of Sections 5 and 17(a) of the Securities Act and Section 10(b) and Rule 10b-5, and Sections 12(g) and 26 of the Exchange Act. Freeman was enjoined from violating Sections 5 and 17(a) of the Securities Act and Section 10(b) and Rule 10b-5 of the Exchange Act. In addition, Continental Dynamics, Inc. was ordered to file with the SEC within 30 days an amended Form 10 registration statement. (LR-5340)

## SECURITIES ACT REGISTRATIONS

GROUNDHOG MOUNTAIN CORPORATION, (Corporation), Groundhog Mountain, Inc. (Groundhog, Inc.), and Groundhog Mountain Development Corporation, (Development), Route 2, Hillsville, Va., filed a registration statement on February 28 seeking registration of 342,990 shares of common stock of Corporation, 217,240 outstanding common shares of Groundhog, Inc. and 125,750 outstanding common shares of Development. The shares of Groundhog, Inc. and Development were sold at prices ranging from \$1 to \$4 per share during the period April 1966 to May 1969. Groundhog, Inc. and Development offer to repurchase from such investors all shares so purchased and held in return for repayment of their entire purchase price, plus a prorata share of interest earned on funds placed in escrow. Corporation offers to those shareholders who do not accept the rescission offer to exchange Corporation common stock on a share-for-share basis for any and all outstanding common shares of Groundhog, Inc. and Development. Corporation is engaged in the development of a resort community located near the Blue Ridge Parkway in Virginia, 65 miles from Roanoke. Groundhog, Inc. and Development were organized solely for the purpose of providing funds for Corporation's development activities. (File 2-43200)

OVER

HOME LIFE SEPARATE ACCOUNT C, 253 Broadway, New York, N.Y. 10007, filed a registration statement on February 28 seeking registration of \$5 million of variable annuity contracts for tax sheltered annuity plans. The contracts are designed to provide retirement annuity benefits in connection with annuity purchase plans adopted by public school systems and certain tax-exempt organizations pursuant to Section 403(b) of the Internal Revenue Code. Under the contracts, purchase payments are paid to Home Life Insurance Company, a mutual life insurance company, and accumulated in the Separate Account and invested in shares of Home Life Equity Fund, Inc., which in turn invests mainly in common stocks. (File 2-43201)

HOME LIFE SEPARATE ACCOUNT D, 253 Broadway, New York, N.Y. 10007, filed a registration statement on February 28 seeking registration of \$5 million of variable annuity contracts. The contracts are designed to provide retirement annuity benefits. Under the contracts, purchase payments are paid to Home Life Insurance Company and are accumulated in the Separate Account and invested in shares of Home Life Equity Fund, Inc., which in turn invests mainly in common stocks. (File 2-43202)

BUDD INDUSTRIES, INC., 512 Seventh Ave., New York 10018, filed a registration statement on February 28 seeking registration of 120,000 shares of common stock, to be offered for public sale at \$5 per share by Samuel Weiss & Co. Inc., 706 Yonkers Avenue, Yonkers, New York 10704. The company is principally engaged in designing, manufacturing and distributing ready-to-wear "fake fur" outer garments for women. Net proceeds of its stock sale will be used for working capital and other corporate purposes. (File 2-43203)

BARCLAY INDUSTRIES, INC., 65 Industrial Road, Lodi, N.J. 07644, filed a registration statement on February 28 seeking registration of 165,652 shares of common stock, of which 74,586 are to be offered for public sale by the company and 75,414 (being outstanding shares) and 15,652 (issuable pursuant to a warrant) by the holders and recipient thereof. The offering is to be made (\*at \$20 per share maximum) through underwriters headed by Burnham & Co. Inc., 60 Broad St., New York 10005. Also included in this statement are 90,000 shares of common stock, issued or to be issued pursuant to the company's Qualified Stock Options Plans. The company manufactures and markets products for home and commercial remodeling, redecorating and improvement. Of the net proceeds of its stock sale, \$1,400,000 will be used for the proposed installation of an additional automated hardboard and finishing line and the balance for working capital and other corporate purposes. (File 2-43204)

HARLEY CORPORATION, P. O. Box 5497, Spartanburg, S.C. 29301, filed a registration statement on February 29 seeking registration of 167,000 shares of common stock, of which 67,000 are to be offered for public sale by the company and 100,000 (being outstanding shares) by the holders thereof. The offering is to be made (\*at \$16 per share maximum) through underwriters headed by The Robinson-Humphrey Co., Inc., Two Peachtree St., N.W., Atlanta, Georgia 30303. The company is principally engaged in the fabrication and sale of printed paper sacks. Net proceeds will be used in connection with the purchase and installation of a rotogravure printing press and the balance for working capital and other corporate purposes. (File 2-43205)

LA-Z-BOY CHAIR COMPANY, 1284 N. Telegraph Rd., Monroe, Mich. filed a registration on 2/29/ registration of 320,128 shares of common stock, of which 150,000 are to be offered for public sale by the company and 170,128 (being outstanding shares) by the holders thereof. The offering is to be made (\*at \$30 Per share maximum) through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith Inc., 70 Pine St., N.Y. 10005. The company is engaged in manufacturing upholstered reclining and reclining-rocking chairs. Of the net proceeds \$3,100,000 will be used to expand the company's facilities, and for the purchase of manufacturing equipment. (File 2-43206)

NORDSKOV LAND DEVELOPMENT CORPORATION, 639 Melody Lane, Naperville, Ill., filed a registration statement on February 28 seeking registration of 500,000 shares of capital stock, to be offered for public sale at \$3 per share. No underwriting is involved. The company was organized in November 1971 for the purpose of engaging in various phases of residential and commercial real estate development. Net proceeds will be used for general corporate purposes. (File 2-43207)

ITT THORP CORPORATION, 418 East Stanley St., Thorp, Wis. 54771, filed a registration statement on February 29 seeking registration of \$35 million of senior debentures, due 1992, to be offered for public sale through underwriters headed by Kuhn, Loeb & Co., 40 Wall St., New York, N.Y. 10005, and Lazard Freres & Co., 40 Wall St., New York, N.Y. 10005. The company engages in direct lending and the purchase of installment sales contracts relating to durable personal property; it also sells life and health insurance. Net proceeds will be used to reduce current debt. (File 2-43208)

STAR REALTY MANAGEMENT, INC. (the general partner), 8600 S. Interstate 35, Oklahoma City, Okla. 73109, filed a registration statement on February 29 seeking registration of \$1 million of partnership interests in Star Realty Fund-1972 (the partnership), to be offered for public sale at \$5,000 per unit. No underwriting is involved. The Partnership will engage in the acquisition and development of commercial and industrial real estate projects. (File 2-43214)

TUFTCO CORP., 2318 Holtzclaw Ave., Chattanooga, Tenn. 37408, filed a registration statement on February 29 seeking registration of 878,000 shares of common stock, of which 150,000 are to be offered for public sale by the company and 728,000 (being outstanding shares) by the holders thereof. The offering is to be made (\*at \$17.50 per share maximum) through underwriters headed by Reynolds Securities Inc., 120 Broadway, New York 10005. The company is engaged in the manufacture and sale of yardage tufting machinery utilized by producers of carpeting, and in the manufacture and sale of mobile homes. Net proceeds will be used for expansion of its facilities and working capital and other corporate purposes. (File 2-43215)

INTERNATIONAL STRETCH PRODUCTS, INC., 111 W. 40th St., New York 10018, filed a registration statement on February 29 seeking registration of 25,000 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. Such shares were issued in connection with the acquisition by the company of Viking Associates, Inc. and two affiliated companies. International Stretch is engaged in the production and sale of various stretch fabrics. (File 2-43216)

TWELVE PARTNERSHIPS PROPOSE RESCISSION OFFER. First West Manor Ltd., First West Manor Company, Kings Court Company, Kings Court Ltd., Lampson Court Ltd., Place Villa Royale Company, Sherwood Riviera Ltd., and Trinidad Apartments Ltd., all of 10880 Wilshire Blvd., Los Angeles, Calif. 90024, and First West Manor Ltd., The Manor Beaumont Company, The Manor Santa Ana Company and Place Villa Royale Ltd., all of 8620 East Prairie Rd., Skokie, Ill. 60076, filed a registration statement on February 29 seeking registration of \$1,800,000 of outstanding partnership interests. These interests may have been offered and sold in violation of the registration requirements of the Securities Act of 1933. The Partnerships, aided by Property Industries, Inc., propose to offer to repurchase such partnership interests for the original purchase price plus interest. The Partnerships own nine apartment houses in California, having a total of 416 rental units. (File 2-43217)

NEW COMMUNITIES CORPORATION, 968 Easton Rd., Warrington, Pa. 18976, filed a registration statement on February 29 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 Renneisen, Renneisen & Redfield, Inc., 54 W. State St., Doylestown, Pa. The company is engaged in developing and managing mobile home communities owned by it or by partnerships or other entities formed by the company with other investors and to sell mobile homes manufactured by others. Net proceeds of its stock sale will be added to the company's working capital and used for general corporate purposes. (File 2-43218)

NEW ENGLAND TELEPHONE AND TELEGRAPH COMPANY, 185 Franklin St., Boston, Mass. 02107, filed a registration statement on February 29 seeking registration of \$100 million of notes, due 1979, to be offered for public sale at competitive bidding. A subsidiary of AT&T, the company will apply net proceeds toward repayment of interim debt consisting of advances from AT&T and notes payable (bank loans and commercial paper), expected to be about \$1,000,000 and \$139,000,000, respectively. Construction expenditures are estimated at \$515 million for 1972. (File 2-43219)

FUTURONICS CORPORATION, 178 Hanse Ave., Freeport, N. Y. 11520, filed a registration statement on February 29 seeking registration of 260,000 shares of common stock, of which 200,000 are to be offered for public sale by the company and 60,000 (being outstanding shares) by the holders thereof. The offering is to be made (\*at \$9 per share maximum) by T. H. Lehman & Co. Inc., 120 Wall St., New York 10005. The company is engaged in the design, manufacture and sale of electronic and electro-mechanical products used in the fields of communication and information handling. Net proceeds of its stock sale will be used to develop, market and sell in the commercial area communications and information handling systems and equipment, to build sales demonstration models, to expand its facilities and for other corporate purposes. (File 2-43220)

ASSOCIATED MORTGAGE INVESTORS, 250 Boylston St., Boston, Mass. 02116, filed a registration statement on February 29 seeking registration of 5,000 outstanding shares of beneficial interest, to be offered for sale from time to time by the holders thereof at prices prevailing at the time of sale (\*\$24.28 per share maximum). Associated is a real estate investment trust which invests primarily in construction and development first mortgage loans. (File 2-43221)

GENERAL INSTRUMENT CORPORATION, 65 Gouverneur St., Newark, N. J. 07104, filed a registration statement on February 29 seeking registration of 84,585 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 per share maximum). (File 2-43222)

DAVIDGE CAPITAL FUND, INC., 1747 Pennsylvania Ave., N. W., Washington, D.C. 20006, filed a registration statement on February 29 seeking registration of 200,000 shares of common stock, to be offered for public sale at net asset value without a sales charge (\*at \$10 per share maximum). The Fund is a diversified, open-end management investment company, whose investment objective is long-term growth of market value and increase of future income through investments. Davidge & Company is investment adviser. (File 2-43223)

MILTON ROY COMPANY, 5000 Park St. North, St. Petersburg, Fla. 33733, filed a registration statement on February 29 seeking registration of 27,841 outstanding shares of common stock, which may be offered for sale from time to time by the holders thereof (\*at \$34-7/8 per share maximum). The company is engaged in the manufacture and sale of specialized industrial and health-care products. (File 2-43224)

SHARE PARTNERS, LTD. -- 1972 (the Partnership), 1838 Century Park East, Los Angeles, Calif. 90067, filed a registration statement on March 1 seeking registration of \$8,000,000 of partnership interests, to be offered for public sale at \$1,000 per unit through Bache & Co. Inc., 100 Gold St., New York, as selling agent. The Partnership proposes to purchase specified improved real properties and to operate such properties with the primary objective of generating cash flow and capital growth and the secondary objective of generating tax advantages for investors. Shareholders Realty Corporation is the general partner. (File 2-43225)

FERRO CORPORATION, One Erieview Plaza, Cleveland, Ohio 44114, filed a registration statement on March 1 seeking registration of 400,000 shares of common stock, to be offered for public sale (\*at \$36 per share maximum) through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith Inc., 70 Pine St., New York 10005. The company is engaged in the development, production and sale of specialty materials for use in porcelain enamel, ceramics and plastics. Of the net proceeds of its stock sale, \$3,575,000 will be used to pre-pay a bank term loan, \$3,000,000 will be invested in new plant and equipment for the manufacture of fiber glass and the balance for working capital and other corporate purposes. (File 2-43226)

IMODCO, INC., 11661 San Vicente Blvd., Los Angeles, Calif. 90049, filed a registration on March 1 seeking registration of 125,000 shares of common stock and 125,000 warrants to purchase common stock, to be offered for public sale in units, each consisting of one share and one warrant (\*and at \$6 per unit maximum). The offering is to be made through underwriters headed by Culverwell & Co., Inc., Sears Crescent Bldg., City Hall Plaza, Boston, Mass. The company has developed and markets a single buoy off-shore marine terminal system used for mooring ships. Net proceeds will be added to the company's working capital and used for general corporate purposes. (File 2-43227)

SUTRO MORTGAGE INVESTMENT TRUST, 4900 Wilshire Blvd., Los Angeles, Calif. 90010, filed a registration statement on March 1 seeking registration of \$25 million of subordinated debentures, due 1992, with Series B warrants to purchase shares of beneficial interest, to be offered for public sale in units, each consisting of a \$1,000 debenture and an unspecified number of warrants. The offering is to be made at \$1,000 per unit through underwriters headed by Shields & Co. Inc., 44 Wall St., New York 10005, and Mitchum, Jones & Templeton Inc., 510 S. Spring St., Los Angeles, Calif. 90013. The Trust invests primarily in short-term, and to a lesser extent intermediate-term, construction loans secured by first mortgages. Ralph C. Sutro Co. is investment adviser. (File 2-43228)

THE MUNICIPAL BOND FUND, Series 2, filed a registration statement on March 1 seeking registration of \$20 million of units. The Fund was created pursuant to a trust indenture and agreement between Paine, Webber, Jackson & Curtis Incorporated and Dean Witter & Co. Incorporated (Sponsors), United States Trust Company of New York (Trustee) and Standard & Poor's Corporation (Evaluator). It consists of Federal income tax-free interest bearing obligations of states, counties, municipalities, and territories of the United States and authorities, agencies and other political subdivisions thereof. The minimum rating of the bonds is Standard & Poor's Corporation rating "BBB" or Moody's Investor Service rating "Baa." (File 2-43229)

COMMODITIES EQUITIES CORP., 181 Keap St., Brooklyn, N. Y. 11211, filed a registration statement on March 1 seeking registration of 100,000 shares of common stock, to be offered for public sale at \$6 per share by R. A. Wolk & Co., Inc., and Gotham Securities Corp., both of 605 Third Ave., New York 10016. The company intends to engage in buying, selling and otherwise trading and dealing in commodity futures contracts and cash commodities. Net proceeds of its stock sale will be used for working capital and other corporate purposes. (File 2-43230)

HARTZ MOUNTAIN PET FOODS, INC., 700 S. 4th St., Harrison, N. J. 07029, filed a registration statement on March 1 seeking registration of 1,750,000 shares of common stock, to be offered for public sale (\*at \$21.75 per share maximum) through underwriters headed by Goldman, Sachs & Co., 55 Broad St., New York 10004. The company is principally engaged in the manufacture, packaging and distribution of pet supplies. Of the net proceeds of its stock sale, part will be used to prepay indebtedness (totalling \$10,746,000) and the balance for working capital and other corporate purposes. (File 2-43231)

#### MISCELLANEOUS

TRADING SUSPENSION CONTINUED. The SEC has ordered the suspension of over-the-counter trading in the common stock of Meridian Fast Food Services, Inc., for the further ten-day period March 7-16, inclusive.

SECURITIES ACT REGISTRATIONS. Effective March 2: Buildex Inc., 2-42875 (90 days); Hamilton Brothers Exploration Co., 2-41868 (90 days); Knogo Corp., 2-42447 (90 days); NFF Corp., 2-42474; Prel Corp., 2-42635; Purity Supreme, Inc., 2-42868 (40 days); Simpson Industries, Inc., 2-42718 (Jun 1); Standard Oil Co. (Ind), 2-42834; Toscani Imports Ltd., 2-41927 (90 days); Union Trust Inc., 2-41896 (90 days); Warner-Lambert Co., 2-43045.

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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