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# SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

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## COMMISSION ANNOUNCEMENTS

SEC REPORTS 4TH QUARTER RISE IN WORKING CAPITAL. The SEC today reported that the net working capital of U. S. corporations rose \$4.0 billion in the fourth quarter of 1971. This advance in working capital compares with an increase of \$5.0 billion in the previous quarter and \$3.0 billion in the final quarter of 1970. Net working capital, which represents business investment in current assets in excess of current liabilities, totaled \$235.3 billion. For the year 1971, net working capital increased \$18.3 billion in contrast to \$3.8 billion in 1970 and \$1.2 billion in 1969.

Total current assets increased \$9.6 billion during the fourth quarter of 1971. Trade notes and accounts receivable rose \$0.7 billion, and U. S. Government receivables decreased \$0.4 billion. Inventories increased \$1.8 billion in the September-December period.

TRADING SUSPENDED IN UNIVERSAL AIRLINES SECURITIES. The SEC ordered the temporary suspension of over-the-counter trading in the securities of Universal Airlines Company, of Oakland, California, for a ten-day period, April 24 through May 3, inclusive. The suspension was requested by the company to permit dissemination of information concerning adverse corporate developments. Universal advised the Commission that it will show a pre-tax loss of approximately \$4,500,000 for the calendar year 1971 and that that loss in addition to the anticipated loss for the first quarter of 1972 will seriously impair the company's cash position. (Rel. 34-9584)

HEWITT NAMED ASSISTANT REGIONAL ADMINISTRATOR IN FORT WORTH. Chairman William J. Casey announced the appointment of Richard M. Hewitt as Assistant Regional Administrator in the Commission's Fort Worth office. He had been serving as a general attorney since beginning his employment with the Commission in Fort Worth in 1964.

A native of Jackson, Michigan, Mr. Hewitt received his undergraduate degree from Grinnell College, and his law degree from Southern Methodist University. Prior to government service he was a Vice President of an advertising firm in Dallas. He is a member of the Texas Bar.

## DECISION IN ADMINISTRATIVE PROCEEDINGS

SECURITY OPTIONS REVOKED, PRESIDENT BARRED. The SEC has issued an order revoking the registration of Security Options Corp., New York City, a publicly-held broker-dealer, effective upon the filing of an affidavit, within 30 days, that it has delivered all securities and funds owed to customers and broker-dealers. The Commission also barred Jay Peter Kaufman, president of the corporation, from association with any registered broker-dealer, registered investment company or registered investment adviser. In contemplation of the continued existence of the corporation in a business or businesses other than that of a broker-dealer, it will be required to file certain reports and other material with the Commission's New York Office, including, for one year, bi-weekly reports of liquidating transactions and monthly trial balances and inventories of securities positions, and after one year, a report containing information identical to that required for securities registration under the Securities Exchange Act. The corporation is required, for three years to disseminate to its shareholders and market-makers in its stock and to file with the New York Office annual reports and financial statements. The respondents, without admitting or denying the charges against them, consented to the sanctions and requirements and to the finding described below.

According to the decision, the respondents, during the period January 1968-March 1969, violated registration, antifraud and recordkeeping provisions of the securities acts in connection with offerings of securities of DeVillers Nuclear Corp., Kahn Industries, Chemair Corp. of America, Convenience Foods and Standard Patents & Devices pursuant to claimed exemptions from registration under Regulation A. It was found, among other things, that the corporation, which was listed as underwriter for these offerings, placed substantially all shares intended for public distribution in accounts established by persons who were undisclosed promoters of the issuers and associated with other broker-dealers, remitted substantial portions of the underwriting commissions to such persons, and participated in the filing of false and misleading notifications and offering circulars. It was further found that in connection with the offerings, respondents established false and fictitious customer accounts, made false entries in those accounts and destroyed certain records. (Rel. 34-9581)

OVER

COURT ENFORCEMENT ACTIONS

DEVELOPMENT CORP., OTHERS ENJOINED. The SEC Seattle Regional Office announced April 18 that the Federal court in Seattle had permanently enjoined Development Corporation and Distributing Company of America, also known as DEVCO, Stanley Morrell and Phillip R. Parkinson, of Salt Lake City, Marc Parkinson, of Santa Ana, Calif., and William Hoesle, of Seattle, from violations of the registration and antifraud provisions of the Federal securities laws in connection with the offer and sale of certificates of interest or participations in profit-sharing agreements of DEVCO. Two principal defendants in the action, Richard A. Anderson and LaDonna Anderson, president and secretary-treasurer of DEVCO, at the time the complaint was filed, were killed in an aircraft accident in January; the case is still pending with respect to four defendants. The Seattle Regional Office has received information that there are a number of new businesses being formed that may be offering and selling profit-sharing agreements to inventor/investors and asks that any person being solicited to purchase such an agreement notify the nearest office of the Securities and Exchange Commission. (LR-5383)

A. R. CAMPBELL, C. E. TEDROW, AND J. E. FORAKER INDICTED. The SEC Seattle Regional Office announced April 17 that a Federal grand jury in Spokane, Wash., indicted Allen R. Campbell, formerly of Spokane, Cline E. Tedrow, of Spokane, and Joseph E. Foraker, of Reseda, California, charging them with violations of the antifraud and unregistered sales provisions of the Federal securities laws and the mail fraud statute and conspiracy in connection with the sale of stock of Big West Resources, Inc., TransPacific Resources, Inc. and Nevada Tungsten and Copper, Inc. (LR-5384)

INVESTMENT COMPANY ACT RELEASES

AMERICAN GENERAL BOND FUND. The SEC has issued an order upon an application of American General Bond Fund, Inc. (American), New York closed-end, diversified, management investment company, declaring that Milford A. Vieser shall not be deemed an interested person of American as defined in the Act by reason of his status as an honorary director of and consultant to Mutual Benefit Life Insurance Company. (Rel. IC-7141)

BLOCK ENGINEERING. The SEC has issued a notice giving interested persons until May 15 to request a hearing upon an application of Block Engineering, Inc., Cambridge, Mass. company controlled by E. I. du Pont de Nemours and Company (in turn controlled by Christiana Securities Company, a closed-end management investment company), for an order exempting certain transactions or classes of transactions involving proposed loans by Block to its employees from certain provisions of the Act. Block proposes to establish an employee loan program whereby it would make or guarantee loans to its employees and those of its wholly-owned subsidiaries, Sadler Research Laboratories, Inc., Digilab, Inc., and Blackstone Realty Corporation, for the purpose of assisting new or transferred employees (a) to meet transportation, relocation and settling in expenses incurred in relocating, (b) to purchase a home and (c) to meet emergencies. (Rel. IC-7142)

E. F. HUTTON FUND. The SEC has issued an order upon an application of E. F. Hutton Tax-Exempt Fund (National Series 1, 2, 3 and 4, California Series 1, 2 and 3, New York Series 1 and 2 and all subsequent national and state series), all unit trusts, exempting the secondary market operations of the Funds' sponsor, E. F. Hutton & Company, Inc. from certain provisions of the Act. (Rel. IC-7144)

HOLDING COMPANY ACT RELEASE

VERMONT YANKEE. The SEC has issued a notice giving interested persons until May 15 to request a hearing upon an application of Vermont Yankee Nuclear Power Corporation, Rutland, Vt. subsidiary of both Northeast Utilities and New England Electric System (NEES); New England Power Company, NEES subsidiary, Western Massachusetts Electric Company, The Connecticut Light & Power Company and The Hartford Electric Light Company, three Northeast subsidiaries; and Montaup Electric Company, subsidiary of Eastern Utilities Associates, for an order authorizing Vermont Yankee to increase from \$49,500,000 to \$60,500,000 the amount of subordinated notes it proposes to issue and sell to the sponsors. Net proceeds will be used to pay when due certain bank notes (\$21 million), to refund at maturity (October 14, 1972) subordinated notes outstanding (\$3.5 million) and to meet costs for construction of a nuclear generating plant including repayment of loans made for such purposes (\$36 million). (Rel. 35-17552)

SECURITIES ACT REGISTRATIONS

COLUMBIA PICTURES INDUSTRIES, INC., 711 Fifth Ave., New York, N. Y. 10022, filed a registration statement on April 21 seeking registration of 452,122 outstanding shares of common stock, issued in connection with the company's acquisition of all the capital shares of Basic Communications, Inc. The 452,122 shares may be offered for sale from time to time by the holders thereof at prices prevailing at the time of sale (\* \$13-3/8 per share maximum). (File 2-43919)

HONEYWELL INC., 2701 Fourth Ave. South, Minneapolis, Minn., filed a registration statement on April 21 seeking registration of 750,000 outstanding shares of common stock, which may be offered for sale from time to time by the holder thereof (General Electric Company) at prices prevailing at the time of sale (\* \$148 per share maximum), in negotiated transactions or otherwise. The shares are part of 1,500,000 shares General Electric acquired in October 1970 in connection with the combination under Honeywell's control, of the principal computer operations of Honeywell and General Electric. (File 2-43921)

YUCCA LAND AND CATTLE CORPORATION, 2208 N. Prince, Clovis, New Mexico 88101, filed a registration statement on April 21 seeking registration of \$10 million of preorganization subscriptions in limited partnerships under Yucca Land & Cattle Corporation Fund, to be offered for public sale at \$1,000 per unit with a minimum purchase of five units. No underwriting is involved. The Partnerships will be formed initially to engage in cattle feeding and may expand to engage in commercial cattle breeding and ranch ownership. (File 2-43920)

MEDIAN MORTGAGE INVESTORS, (the Trust), 30 Federal St., Boston, Mass. 02110, filed a registration statement on April 21 seeking registration of \$15 million of convertible subordinated debentures, due 1992, to be offered for public sale at 100% of principal amount through underwriters headed by Eastman Dillon, Union Securities & Co. Inc., One Chase Manhattan Plaza, New York 10005. The Trust was organized to invest in a broad range of mortgage loans and other real estate investments, primarily intermediate-term first mortgage loans on income producing properties. Median Mortgage Advisory Corporation is investment adviser. (File 2-43922)

DECISION DATA COMPUTER CORPORATION, 100 Witmer Rd., Horsham, Pa. 19044, filed a registration statement on April 21 seeking registration of 350,000 shares of common stock, issuable pursuant to the company's 1969 Stock Option Incentive Plan and the 1972 Employee Qualified Stock Purchase Plan. (File 2-43923)

RELiance ELECTRIC COMPANY, 24701 Euclid Ave., Cleveland, Ohio 44117, filed a registration statement on April 21 seeking registration of 78,203 outstanding shares of common stock owned by American Enterprise Development Corporation, a wholly-owned subsidiary of American Research and Development Corporation. American Enterprise may offer such shares for sale at prices current at the time of sale (\* \$26.625 per share maximum). (File 2-43925)

PALMER BANK CORPORATION, 1401 Main St., Sarasota, Fla., filed a registration statement on April 21 seeking registration of 200,000 shares of common stock, of which 73,118 are to be offered for public sale by the company and 126,882 (being outstanding shares) by the holders thereof. The offering is to be made (\* at \$27 per share maximum) through underwriters headed by Smith, Barney & Co. Inc., 20 Broad St., New York 10005. The company is a bank holding company, which owns substantially all of the outstanding shares of four Florida banks. Of the net proceeds of its stock sale, \$1,250,000 will be used to repay short-term debt owed to a nonaffiliated bank incurred in connection with the purchase of an affiliate bank and the balance for general corporate purposes. (File 2-43926)

COMPUTER HARDWARE CONSULTANTS & SERVICES, INC., 1409 Easton Rd., Warrington, Pa. 18976, filed a registration statement on April 21 seeking registration of 382,860 shares of common stock, of which 255,000 are to be offered for public sale by the company and 93,060 (being outstanding shares) by the holders thereof. The offering is to be made (\* at \$9.25 per share maximum) through underwriters headed by D. H. Blair Securities Corporation, 437 Madison Ave., New York 10022. The company is primarily engaged in furnishing services with respect to computer equipment and the manufacture and sale of supplemental computer memory units. Of the net proceeds of its stock sale, \$500,000 will be used to develop a field service and maintenance organization and the balance for working capital and other corporate purposes. (File 2-43928)

UNIONAMERICA, INC., 445 South Figueroa St., Los Angeles, Calif. 90017, filed a registration statement on April 24 seeking registration of up to 1,500,000 shares of common stock. It is proposed to offer these shares to common stockholders at the rate of one new share for each six shares held. The offering is to be made (\* at \$36 per share maximum); unsubscribed shares may be offered for public sale through underwriters headed by Lehman Brothers Inc., One William St., and Dean Witter & Co. Inc., 14 Wall St., both of New York City. The company is engaged through subsidiaries in commercial banking, mortgage banking and related real estate activities, property and casualty insurance underwriting and marketing and other related activities. Net proceeds will be added to the capital funds of Union Bank, a wholly-owned subsidiary, by the purchase of additional Bank shares or through a capital contribution; \$16 million will be used to retire long-term indebtedness and the balance for working capital and other corporate purposes. (File 2-43934)

EASON OIL COMPANY, 5225 North Shartel, Oklahoma City, Okla. 73118, filed a registration statement on April 24 seeking registration of 350,000 outstanding shares of common stock, to be offered for public sale by the holders thereof. The offering is to be made (\* at \$29.25 per share maximum) through underwriters headed by Goldman, Sachs & Co., 55 Broad St., New York, N.Y. The company is engaged in exploration, acquisition, development and operation of oil and natural gas properties. (File 2-43938)

FIRST AT ORLANDO CORPORATION, First National Bank Bldg., Orlando, Fla. 32801, filed a registration statement on April 24 seeking registration of 1,355,000 shares of common stock. It is proposed to offer these shares in exchange for all the outstanding shares of capital stock of the following Florida banks: 3.75 shares for each of the 120,000 shares of Commercial Bank & Trust Company of Ocala, one share for each of the 25,000 shares of Citizens Commercial Bank of Ocala, 2.75 shares for each of the 200,000 shares of Riverside Bank, three shares for each of the 60,000 shares of Midtown Bank of Miami and 2.5 shares for each of the 60,000 shares of the Bank of Coral Gables. The company is a bank holding company, which owns 95% or more of the outstanding capital stock of 20 banks. (File 2-43939)

**BRANIFF AIRWAYS, INCORPORATED**, Braniff Airways Bldg., Exchange Park, Dallas, Tex. 75235, filed a registration on April 24 seeking registration of 154,500 outstanding shares of common stock, which may be offered for sale from time to time by the holder thereof (Harding L. Lawrence, board chairman and chief executive officer) (\* at \$19.50 per share maximum). The company is a certificated air carrier engaged in domestic and international air transportation. (File 2-43940).

**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:

The Chase Manhattan Corporation, New York, N.Y. (File 2-43918) - \$5 million of interests  
Warner Communications Inc., New York, N.Y. (File 2-43924) - 600,000 Series C preferred shares and  
25,750 common shares

The Seagrave Corporation, New York, N.Y. (File 2-43927) - 75,887 shares  
Caterpillar Tractor Co., Peoria, Ill. (File 2-43929) - 15,000 shares  
Inarco Corporation, Cleveland, Ohio (File 2-43930) - 86,496 shares  
Tenneco Inc., Houston, Tex. (File 2-43931) - 5,389 shares  
Gino's Inc., King of Prussia, Pa. (File 2-43932) - 90,000 shares  
Pacific Southwest Airlines, San Diego, Calif. (File 2-43935) - 75,000 shares  
Standard Pressed Steel Co., Jenkintown, Pa. (File 2-43936) - 250,000 shares  
J. B. Ivey & Company, Charlotte, N. C. (File 2-43937) - 200,000 shares

#### MISCELLANEOUS

**TRADING SUSPENSIONS CONTINUED**. The SEC has ordered the suspension of over-the-counter trading in the securities of Continental Vending Machine Corporation for the further ten-day period April 25 to May 4, 1972, inclusive, and suspension of exchange and over-the-counter trading in the securities of Canadian Javelin Limited and over-the-counter trading in the common stocks of First Fidelity Company and Meridian Fast Food Services, Inc., for the further ten-day period April 26 to May 5, 1972, inclusive.

**SECURITIES ACT REGISTRATIONS**. Effective April 24: Cummins Engine Co., Inc., 2-43622; Family Dollar Stores, Inc., 2-42987; Fuqua Industries, Inc., 2-43658; Marcor, Inc., 2-43502; Minnesota Power & Light Co., 2-43360; Moog Inc., 2-43572; Skyline Oil Co., 2-43692; Sybron Corp., 2-43627; Time, Inc., 2-43660.

Abandoned April 18: Responsive Data Processing Corp., 2-36124.

Withdrawn March 29: Firebar Systems Inc., 2-39913; Off Broadway Plays Ltd., 2-40129; P.I.A. Inc., 2-43235; Sigma Data Computing, 2-36303; Turntable Junction, Inc., 2-39735 Withdrawn April 5: Fund B 701 Partnership, 2-36749 Withdrawn April 6: Conesco Industries, Ltd., 2-38400; R.E.C. Corp., 2-41041; Withdrawn April 7: Commodities Equities Corp., 2-43230; Keller Industries, 2-21272; United Missouri Bancshares, 2-41871; Universal Telephone Inc., 2-42399 Withdrawn April 13: Strick Inc., 2-36700; Universal Environmental Control, 2-38769 Withdrawn April 14: Eastern Properties, 2-34286 Withdrawn April 17: Necky's Inc. 2-38381.

**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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