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SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

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A Daily Summary of
S.E.C. Activities

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DECISIONS IN ADMINISTRATIVE PROCEEDINGS

FISHER BARRED. The SEC has issued an order barring Charles J. Fischer, Short Hills, N. J., from being associated with any broker or dealer and discontinued other pending proceedings with respect to him. The order was entered in an administrative proceeding pursuant to Section 15(b) of the Exchange Act which was instituted on the basis of the entry of a judgment of permanent injunction against Fischer.

According to the decision, on May 11, 1972, the U. S. District Court, Southern District of New York, on a complaint filed by the SEC and with Fischer's consent without admitting the charges in the complaint, permanently enjoined Fischer from engaging in certain fraudulent activities in connection with the purchase and sale of securities (S.E.C. v. Everest Management Corporation, et al. 71 Civil Action No. 4932).

The action was taken pursuant to an offer of settlement in which Fischer consented to the indicated findings and sanction. (Rel. 34-9631)

SEC ORDERS PARTIAL ABROGATION OF NASD RULE. The SEC has issued an order abrogating Section 25 of Article III of the NASD's Rules of Fair Practice to the extent that it permits or has been construed to permit the NASD to bar its members from receiving commissions, concessions, discounts or other allowances from nonmember broker-dealers. The Commission held that the NASD's construction and application of that Rule exceeded the authority granted by Congress in the Securities Exchange Act of 1934. It noted that, in order to give dealers an economic incentive to join a self-regulatory securities association such as the NASD, and to make the denial of membership or the suspension or expulsion of members effective sanctions, the Act permits such an association to bar its members from granting concessions to nonmember broker-dealers that are not accorded to the general public. The Commission concluded, however, that the Act did not authorize the NASD to bar its members' receipt of concessions from nonmembers. It stated that Congress clearly considered the authority it did grant sufficient to make a registered securities association viable and effective, and that neither the Commission nor the NASD had the power to expand that authority.

The abrogation proceeding resulted in part from a request by Aetna Life and Casualty Company and two broker-dealer subsidiaries which underwrite Aetna's mutual fund shares and variable annuities but are not NASD members. Aetna's ability to market those securities, as part of the employee-oriented programs offered to its regular group insurance customers, was restricted by the NASD interpretation. As noted in the Commission's decision, the sale of such securities to major employers is usually handled by large insurance brokers whose broker-dealer subsidiaries are NASD members, and such members would not have been permitted by the NASD to receive compensation from Aetna's nonmember subsidiaries. (Rel. 34-9632)

COURT ENFORCEMENT ACTIONS

TECHNICAL FUND ENJOINED. The SEC Boston Regional Office announced June 5 that the Federal court in Massachusetts had preliminarily enjoined Technical Fund, Inc., of Boston, Howard Smolar, its former president, and Edward Vanasco, an alleged undisclosed principal of the Fund's investment adviser, from violations of, among other things, the antifraud provisions of the Federal securities laws. The court also continued in effect the stipulations of Sumner H. Woodrow, counsel for Smolar and the Fund and Jacques Kunitz, a clerk and director of the Fund, to the effect that they would not engage in acts and practices which the Commission's complaint alleged constituted violations of the Federal securities laws. Ronald F. Kehoe was appointed receiver for the Fund. (LR-5421)

LEVITZ CONSENTS TO INJUNCTION. The SEC announced June 9 that Levitz Furniture Corporation had consented to a permanent injunction from violations of the antifraud provisions of the Federal securities laws in connection with statements made in its registration statement and prospectuses distributed to prospective purchasers of Levitz stock. (LR-5422)

MCDONALD INVESTMENT CO. ENJOINED. The SEC Chicago Regional Office announced June 5 that the Federal court in Minneapolis, Minn. had permanently enjoined McDonald Investment Co., a Minnesota corporation, and H. J. McDonald, its president, both of Rush City, Minn., from violation of the registration provisions of the Federal securities laws in connection with the offer and sale of \$4 million of installment notes of McDonald Investment Co. (LR-5423)

OVER

HOLDING COMPANY ACT RELEASES

COLUMBIA GAS SYSTEM. The SEC has issued an order authorizing The Columbia Gas System, Inc. to issue and sell at competitive bidding \$60,000,000 principal amount of debentures, due 1997, and 1,400,000 shares of its common stock (\$10 par). The net proceeds of the sales will be added to Columbia's general fund and, together with other funds, will be used to finance, among other things, the 1972 construction program of its subsidiary companies, estimated at \$250,000,000. (Rel. 35-17601)

CONSOLIDATED NATURAL GAS. The SEC has issued a notice giving interested persons until June 26 to request a hearing upon an application of the Consolidated Natural Gas Company, New York, New York, holding company, proposing the acquisition of qualifying common stock of an insurance company in conjunction with the obtaining of insurance for its natural gas operations. (Rel. 35-17602)

INVESTMENT COMPANY ACT RELEASE

CONNECTICUT GENERAL FUNDS. The SEC has issued an order upon an application of Connecticut General Life Insurance Company, CG Fund, Inc., CG Income Fund, Inc. and CG Equity Sales Company, all of Hartford, Conn. withdrawing their application for exemption from the provisions of Section 22(d) of the Act. (Rel. IC-7224)

TRUST INDENTURE ACT RELEASE

RALSTON PURINA CORPORATION. The SEC has issued an order granting an application of Ralston Purina Corporation for a finding that the trusteeship of Morgan Guaranty Trust Company under an indenture of the company qualified under the Act and a second indenture not qualified under the Act is not so likely to involve a material conflict of interest as to make it necessary in the public interest or for the protection of investors to disqualify Morgan Guaranty from acting as trustee thereunder.

SECURITIES ACT REGISTRATIONS

CRO-MED BIONICS CORPORATION, 160 Fifth Ave., New York 10010, filed a registration statement on June 1 seeking registration of 500,000 shares of common stock, to be offered for public sale at \$12.50 per share through underwriters headed by Van Alstyne, Noel & Co., 4 Albany St., New York 10006. The company is engaged in the marketing and continuing development of a service for the computerized analysis of standard twelve-lead electrocardiograms which are commonly used in the diagnosis of human heart condition. Of the net proceeds of its stock sale, \$2,200,000 will be applied to the purchase of additional equipment, and the balance for working capital and general corporate purposes. (File 2-44503)

TOOL RESEARCH AND ENGINEERING CORPORATION, 9460 Wilshire Blvd., Beverly Hills, Calif. 90212, filed a registration statement on June 2 seeking registration of 500,000 shares of common stock, to be offered for public sale (*at \$55 per share maximum) through underwriters headed by Hornblower & Weeks-Hemphill, Noyes, 8 Hanover St., New York 10004. The company provides products and services principally to the aerospace industry, and sells locksets and sliding door tracks primarily for homes and apartments. Net proceeds of its stock sale will be used for the expansion of production and marketing of established products and services, and the balance for other corporate purposes. (File 2-44504)

THE WILLIAMS COMPANIES, National Bank of Tulsa Bldg., Tulsa, Okla. 74103, filed a registration statement on June 1 seeking registration of 1,500,000 shares of common stock, to be offered for public sale (*at \$50 per share maximum) through underwriters headed by Lehman Brothers Inc., One William St., New York 10004. The company is principally engaged in the petroleum and related businesses (including owning and operating a pipeline system), and in the steel, auto insurance, general and wholesale merchandising businesses. Of the net proceeds of its stock sale, \$60 million will be used to reduce temporarily indebtedness and the balance for working capital and other corporate purposes. (File 2-44502)

REPUBLIC FINANCIAL SERVICES, INC., 2727 Turtle Creek Blvd., Dallas, Tex. 75219, filed a registration statement on June 2 seeking registration of 650,000 shares of common stock, of which 300,000 are to be offered for public sale by the company and 350,000 (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., One Liberty Plaza, New York 10006.

In a separate registration statement, the company seeks registration of \$15 million of sinking fund debentures, due 1997, to be offered for public sale through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith Inc., One Liberty Plaza, New York 10006. The company is engaged through subsidiaries in the property and liability and life insurance businesses and in the finance business. Net proceeds of the company's sale of stock and debentures will be used to retire all outstanding short-term indebtedness (aggregating \$21,872,654 at May 30); the balance will be used for general corporate purposes. (File 2-44519 and 2-44522)

MCDONALD'S CORPORATION, One McDonald's Plaza, Oak Brook, Ill. 60521, filed a registration statement on June 2 seeking registration of 554,043 outstanding shares of common stock, which are to be offered for public sale by the holders thereof. The offering is to be made (*at \$58.38 per share maximum) through underwriters headed by Paine, Webber, Jackson & Curtis Inc., 140 Broadway, New York 10005. The company develops, operates, licenses and services a system of self-service restaurants. (File 2-44523)

THE CHUBB CORPORATION, 90 John St., New York 10038, filed a registration statement on June 2 seeking registration of 474,300 outstanding shares of common stock, to be offered for public sale by the holders thereof. The offering is to be made (*at \$56 per share maximum) through underwriters headed by The First Boston Corporation, 20 Exchange Pl., New York 10005. The company is primarily engaged through subsidiaries in the business of property and casualty insurance, life insurance and real estate. (File 2-44524)

SOUTHERN UNION GAS COMPANY, 1507 Pacific Ave., Dallas, Tex. 75201, filed a registration statement on June 1 seeking registration of 2,931 outstanding shares of common stock, which are to be offered for sale from time to time by the holder thereof (A. M. Wiederkehr) (*at \$21.125 per share maximum). (File 2-44525)

ST. REGIS PAPER COMPANY, 150 E. 42nd St., New York 10017, filed a registration statement on June 5 seeking registration of 2,154 outstanding shares of common stock, to be offered for sale by the holders thereof (John E. Cowles) (*at \$41.50 per share maximum). (File 2-44536)

THE GOODYEAR TIRE & RUBBER COMPANY, 1144 East Market St., Akron, Ohio 44316, filed a registration statement on June 5 seeking registration of 17,302 outstanding shares of common stock, which may be offered for sale from time to time by the holder thereof (Walter H. Rudder) at prices current at the time of sale(*\$30 per share maximum). (File 2-44537)

STRETCH & SEW, INC., 220 Seneca Rd., Eugene, Ore. 97402, filed a registration statement on June 6 seeking registration of 350,000 shares of common stock, of which 210,000 are to be offered for public sale by the company and 140,000 (being outstanding shares) by the holders thereof. The offering is to be made (*at \$21 per share maximum) through underwriters headed by Bateman Eichler, Hill Richards, Inc., Bank of America Center, San Francisco, Calif. 94104. The company markets its home sewing techniques and a complete line of knit fabrics, patterns and accessories through seven company-owned and 105 franchised shops. Of the net proceeds of its stock sale, \$1,093,000 will be used to repay bank borrowings and the balance for working capital and other corporate purposes. (File 2-44539)

COMBINED INSURANCE COMPANY OF AMERICA, 5050 Broadway, Chicago, Ill. 60640, filed a registration statement on June 6 seeking registration of 2,000,000 outstanding shares of common stock, to be offered for public sale by the holders thereof. The offering is to be made (*at \$27.625 per share maximum) through underwriters headed by Smith, Barney & Co. Inc., 1345 Avenue of the Americas, New York 10019. The company is engaged in writing accident and health and life insurance. (File 2-44540)

FOOD CORPORATION INTERNATIONAL, 2001 Kirby Dr., Houston, Tex. 77019, filed a registration statement on June 6 seeking registration of 1,100,000 shares of common stock, of which 675,000 are to be offered for public sale by the company and 325,000 (being outstanding shares) by the holders thereof. The offering is to be made (*at \$17.50 per share maximum) through underwriters headed by Paine, Webber, Jackson & Curtis Inc., 140 Broadway, New York 10005, and Underwood, Neuhaus & Co. Inc., 724 Travis St., at Rusk Ave., Houston, Tex. 77002. The company was formed in February 1971 to create a diversified specialty food company through the acquisition and development of food and food related enterprises. Of the net proceeds of its stock sale, \$4,500,000 will be used to prepay a note due January 1973 and the balance for working capital and other corporate purposes. (File 2-44541)

SOUTH CAROLINA ELECTRIC & GAS COMPANY, 328 Main St., Columbia, S. C. 29218, filed a registration statement on June 6 seeking registration of 150,000 shares of cumulative preferred stock (\$100 par), to be offered for public sale (*at \$100 per share maximum) through underwriters headed by Kidder, Peabody & Co. Inc., 10 Hanover Sq., New York 10005. Net proceeds will be used for the repayment of a portion of the company's short-term indebtedness (estimated at \$42 million at the date of the stock sale) resulting from construction expenditures. Construction expenditures are estimated at \$110,370,000 for 1972 and \$638,577,000 for the five year period 1972-1976. (File 2-44542)

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:

United Brands Company, New York, N. Y. (File 2-44356) - 573,609 capital shares and 93,190 units (each consisting of 1.7 capital shares and one preference share)
 Fay's Drug Company, Inc., Liverpool, N. Y. (File 2-44512) - 80,000 shares
 Champion Home Builders Co., Dryden, Mich. (File 2-44526) - 25,062 shares and (File 2-44527)- \$1 million of Savings Plan Participations
 Sunamerica Corporation, Cleveland, Ohio (File 2-44528) - 32,919 shares
 Action Industries, Inc., Cheswick, Pa. (File 2-44531) - 84,375 shares
 Com-Share, Incorporated, Ann Arbor, Mich. (File 2-44532) - 257,000 shares
 Community Psychiatric Centers, San Francisco, Calif. (File 2-44538) - 180,000 shares
 Robertshaw Controls Company, Richmond, Va. (File 2-44543) - 185,000 shares

MISCELLANEOUS

DELISTINGS GRANTED. The SEC has issued orders under the Securities Exchange Act of 1934 granting applications of (a) the American Stock Exchange to strike from listing and registration the Class A stock of Hudson & Manhattan Corporation, and (b) the National Stock Exchange to strike from listing and registration the common stock of Yum-Yum International Restaurants, Inc., both effective at the opening of business on June 12, 1972. The board of directors of Hudson & Manhattan have adopted a plan of partial liquidation, and its stockholders have approved a plan for complete liquidation of the company's assets. The company concurs with the application. In the case of Yum-Yum, the company no longer meets the National Exchange's financial requirements and has failed to file timely reports with the Exchange. (Rel. 34-9637)

UNLISTED TRADING GRANTED. The SEC has issued orders under the Securities Exchange Act of 1934 granting applications of the following exchanges for unlisted trading privileges in the common stocks of the specified companies: Boston Stock Exchange: A. T. Cross Company; Detroit Stock Exchange: First Pennsylvania Corp., U. S. Plywood - Champion Papers, Inc., Texas Instruments, Inc., Southern Natural Gas Co., Seaboard Coast Line Industries, Inc., Schering-Plough Corp., Marine Midland Banks, Inc., Midwest Stock Exchange: GAC Corporation, Norton Simon, Inc., Philadelphia-Baltimore-Washington Stock Exchange: Bic Pen Corporation, Matsushita Electric Industrial Co., Ltd., Ponderosa System, Inc., Reynolds Securities, Inc. (Rel. 34-9637)

UNLISTED TRADING SOUGHT. The SEC has issued a notice giving interested persons until June 23 to request a hearing upon an application of the Philadelphia-Baltimore-Washington Stock Exchange for unlisted trading privileges in the common stock of Telex Corporation. (Rel. 34-9637)

SECURITIES ACT REGISTRATIONS: Effective June 9: Applied Power Industries, Inc., 2-42781; Boatmen's Bancshares, Inc., 2-44160; Combined Communications Corp., 2-44474; Dart Industries, Inc., 2-44281; Environment/One Corp., 2-42348; General American Transportation Corp., 2-44181; Genesco Inc., 2-44201; Leasco Corp., 2-43011 and 2-42954 (40 days); ADRs for Mikuni Coca-Cola Bottling Co., Ltd., 2-44545; New Jersey Bell Telephone Co., 2-44284 and 2-44285; New Jersey National Corp., 2-43863; Philadelphia Electric Co., 2-44195; Scan-Data Corp., 2-43676; Shenandoah Oil Corp., 2-43485 (90 days); Syntex Corp., 2-44255.

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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