



Washington, D.C. 20549

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

(Prepared by the SEC Office of Public Information)

A Daily Summary of
S.E.C. Activities

(Issue No. 72-213)

FOR RELEASE November 8, 1972

COMMISSION ANNOUNCEMENT

OFFICE OF POLICY PLANNING ESTABLISHED. A. Jones Yorke, Executive Director of the SEC, today announced establishment of the Office of Policy Planning at the Commission to anticipate and analyze trends in the financial markets and suggest improvements in regulatory procedures to meet emerging developments.

The Director of the new office is Bernard Wexler. Mr. Wexler, a member of the Commission's staff for 10 years, was Assistant Director of the Division of Corporate Regulation from 1969 until becoming Special Counsel to the Chairman this year. Prior to that, he was involved from 1967 to 1969 in the preparation of the Commission's study of Disclosure to Investors and Reappraisal of Federal Administrative Policies under the '33 and '34 Acts (The "Wheat Report") and in its study of Public Policy Implications of Investment Company Growth, published in 1966.

In addition to recommending changes in procedures of the Commission and of the securities industry's self-regulatory organizations to meet future needs, the Office of Policy Planning will also evaluate the present adequacy of the Federal securities laws, develop legislative proposals, and evaluate present use of Commission resources in meeting the agency's policy goals.

"The creation of a new Office of Policy Planning is a response to a long-standing need at the Commission for more timely anticipation of emerging trends and problems so that regulation can act before, rather than after, the fact," said Mr. Yorke. "This new office will also focus on legislative evaluation activities. Another part of the Office's planning function will be to examine closely the Commission's use of its people and other resources in relation to its policy goals."

The Commission's new unit will report to the Office of the Executive Director and will work closely with the operating Divisions and with the newly designated Office of Economic Research, formerly the Office of Policy Research. That Office, under the Chief Economist of the Commission, will continue to be responsible for analyzing legal, economic and industrial developments affecting the securities markets and preparing analysis of capital markets and a number of general economic areas, both for Commission use and public dissemination as part of the government statistical program.

PUBLIC COMMENT ON CCS PROPOSALS. The Commission released today for public comment proposed rules submitted by Central Certificate Service, Inc., under Rule 17a-8, on future operations of CCS and its eventual involvement into an entity with trust company status and multiple ownership. CCS is the largest securities depository in the world, accomplishing transfer of ownership of securities by computerized bookkeeping entry. It is presently wholly-owned by the New York Stock Exchange. Accompanying the proposed rules are a proposed charter, by-laws, manual of operating procedures, form agreements and corporate resolutions.

Since CCS performs a vital role in the processing of securities transactions and is expected to continue to be an important factor in the settlement of trades and the custody of securities, the Commission deems it necessary that the new rules be exposed for public comment. Particular attention is directed to CCS's plan for ownership, rules on accessibility to the depository, method of operation and the definition of eligible securities for deposit in the depository.

The documents submitted by CCS are available for inspection at the Commission's headquarters office and its regional offices. All interested persons are invited to submit their views and comments on the foregoing proposals in writing (triplicate) to Lee A. Pickard, Associate Director, Division of Market Regulation, Securities and Exchange Commission, 500 N. Capitol St., N. W., Washington, D. C. 20549 on or before December 12, 1972. (Rel. 34-9849)

DECISIONS IN ADMINISTRATIVE PROCEEDINGS

DECISION SUSPENDING JAMES DONOHUE FINAL. The SEC announced that the decision of an administrative law judge, suspending James Donohue, of Brooklyn, N. Y., former partner of a registered broker-dealer firm, from association with any broker-dealer for 7 business days, has become final. Donohue did not seek review of the decision which found him responsible for failing to exercise proper supervision over a salesman of the firm with a view to preventing him from unlawfully effecting sales of unregistered stock on behalf of a customer. Donohue's suspension was declared effective as of November 13, 1972. (Rel. 34-9837)

PAUL C. KIMBALL SANCTIONED. The SEC has revoked the broker-dealer registration of Paul C. Kimball, doing business as Paul C. Kimball & Co., of Chicago, and barred him from association with a broker or dealer, except that after one year he may apply to the Commission to become so associated in a nonsupervisory capacity subject to an appropriate showing that he will be adequately supervised. The action was based on findings that during the period December 1969-June 1971 respondent engaged in the securities business with insufficient capital, failed to accurately make and keep current required books and records, and filed a financial report containing misleading and untrue statements.

The Commission's order was issued pursuant to an offer of settlement in which respondent without admitting or denying the charges, consented to the above findings and sanctions. (Rel. 34-9838)

OVER

COURT ENFORCEMENT ACTION

COMPLAINT NAMES FIRST WORLD CORP., SEVEN OTHERS. The SEC New York Regional Office announced on October 24 the filing of a complaint in the Federal court in New York, seeking to enjoin First World Corporation, Hasbrouck Heights, N. J., and Christos Netelkos, George Netelkos and Anthony Netelkos, all of New Jersey, Merton Fiur of New York City, and Larry J. Doertler of Oklahoma City, all present or former officers and directors of First World, and Merton Fiur Associates, a New York City public relations firm, and John Azarian, New Jersey certified public accountant from violations of the antifraud and registration provisions of the Federal securities laws in connection with the distribution of First World securities. (LR-5602)

INVESTMENT COMPANY ACT RELEASES

MANHATTAN FUND, INC. The SEC has issued an order permitting shareholders who redeem their shares in any of three open-end investment companies for which TSAI Management & Research Corporation, of New York, acts as underwriter, a one-time privilege to reinvest within 15 days without the imposition of a sales charge. (Rel. IC-7473)

SMITH BARNEY EQUITY FUND. The SEC has issued an order granting the application of Smith, Barney Equity Fund, Inc., and Smith, Barney Income and Growth Fund, Inc., New York mutual funds, and Smith, Barney and Co., Inc., distributor of the shares of the Funds, exempting James H. Walker from the definition of an "interested person" of the Funds and the distributor, as that term is defined in the Act, solely by reason of his status as a director of the Equitable Life Assurance Society of the United States. (Rel. IC-7479)

HAMILTON FUNDS. The SEC has issued an order granting an application by Hamilton Funds, Inc., Hamilton Growth Fund, Inc., Hamilton Income Fund, Inc., and Hamilton Management Corporation, all of Denver, Colo., which will permit applicants to offer to persons who have redeemed any one, or any portion of any one of their Fund accounts, a one-time privilege to reinvest within 15 days without any sales charges. (Rel. IC-7480)

GREATER WASHINGTON INVESTORS, INC. The SEC has issued an order authorizing an agreement among Greater Washington Investors, Inc., closed-end investment company, and other selling shareholders of Solid State Scientific, Inc., pursuant to which certain common stock of Solid State Scientific, Inc., would be sold in a proposed public offering. (Rel. IC-7477)

HOLDING COMPANY ACT RELEASE

LOUISIANA POWER & LIGHT COMPANY. The SEC has issued an order authorizing Louisiana Power & Light Company of New Orleans, La., subsidiary of Middle South Utilities, Inc., to issue and sell pursuant to competitive bidding, \$25,000,000 of first mortgage bonds, due 2002. Net proceeds will be used to reduce the subsidiary company's short-term borrowings made for the purpose of temporarily financing its 1972 construction program. (Rel. 35-17745)

GRANITE STATE ELECTRIC COMPANY. The SEC has issued an order authorizing Granite State Electric Company, an electric utility subsidiary company of New England Electric System, a registered holding company, to issue and sell its common stock to the holding company. (Rel. 35-17750)

CENTRAL AND SOUTH WEST CORPORATION. The SEC has issued a notice giving interested persons until December 4 to request a hearing on proposals by Central and South West Corporation, and its subsidiary Central Power & Light Company (CP&L) of Corpus Christi, Tex., (1) to increase the par value of common stock of CP&L and transfer funds from its earned surplus to common stock capital account; (2) to increase the authorized shares of preferred stock from 175,000 shares to 675,000 shares and (3) to issue and sell 260,000 shares of preferred stock at competitive bidding. In connection therewith, the SEC has issued an order authorizing the solicitation of proxies. (Rel. 35-17752)

SECURITIES ACT REGISTRATIONS

KENTUCKY UTILITIES COMPANY, 120 S. Limestone St., Lexington, Ky. 40507, filed a registration statement on October 30 seeking registration of \$35,500,000 of first mortgage bonds, Series K, due 2002, to be offered for public sale at competitive bidding. Net proceeds will be used to pay \$35,500,000 in short-term borrowings incurred for construction purposes. Construction expenditures are estimated at \$82,610,000 for the 15 months ending December 31, 1973. (File 2-46161)

ADVANCED MEDICAL SCIENCIES, INC., 5353 W. 145th St., Lawndale, Calif. 90260, filed a registration statement on October 30 seeking registration of 215,000 shares of common stock, to be offered for public sale at \$8 per share through underwriters headed by Morgenstern, Levine & Weissman, Inc. The company is engaged primarily in designing and manufacturing single-patient hemodialysis machines which it proposes to market for the treatment of persons suffering from kidney illnesses. Of the net proceeds of its stock sale, \$383,000 will be used to retire loans, and the balance for working capital and other corporate purposes. (File 2-46162)

CONTINUED

BARNES MORTGAGE INVESTMENT TRUST, 100 Federal St., Boston, Mass. 02110, filed a registration statement on October 30 seeking registration of 1,500,000 shares of beneficial interests with warrants to purchase 1,500,000 shares, to be offered for public sale in units, each consisting of one share and one warrant. The offering is to be made at \$20 per unit through underwriters headed by Drexel Firestone Inc., 1500 Walnut St., Philadelphia, Pa. 19101, and Bache & Co. Inc., 55 Gold St., New York. The Trust intends to invest principally in short-term first mortgage construction and development loans. Barnes Mortgage Advisors, Inc. is investment adviser. (File 2-46163)

TRANS UNION CORPORATION, 111 W. Jackson Blvd., Chicago, Ill. 60604, filed a registration statement on October 30 seeking registration of 84,302 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 (* \$43.375 per share maximum). (File 2-46164)

THIRD NATIONAL CORPORATION, 201 Fourth Ave., North, Nashville, Tenn. 37219, filed a registration statement on October 30 seeking registration of \$25 million of debentures, due 2002, to be offered for public sale through underwriters headed by The First Boston Corp., 20 Exchange Pl., New York, and Keefe, Bruyette & Woods, Inc., 140 Broadway, New York. Third National is a bank holding company, whose principal asset is Third National Bank in Nashville. Of the net proceeds of its financing, \$12.3 million will be used to repay short-term borrowings incurred for the purpose of financing the purchase of the company's own stock to provide for stock options and the balance for other corporate purposes. (File 2-46166)

ISRAEL INTERNATIONAL FOOD CORPORATION, 88 E. Broad St., Columbus, Ohio 43215, filed a registration statement on October 30 seeking registration of 185,000 shares of common stock, to be offered for public sale at \$5 per share by Dewey, Johnson & George, Inc., 7 West 51st St., New York 10019. The company intends to operate a fast food service business in Israel under the name "Arthur Treacher's Fish & Chips." Net proceeds will be used for working capital and other corporate purposes. (File 2-46167)

COLUMBIA SCIENTIFIC INDUSTRIES CORPORATION, 3625 Ed Bluestein Blvd., Austin, Tex. 78724, filed a registration statement on October 30 seeking registration of 239,279 shares of common stock. It is proposed to offer these shares for subscription by common stockholders of record on September 12, on a share-for-share basis. The remaining 20,000 shares are to be offered to Infotronics Corporation in exchange for assets other than cash. The company is engaged in the manufacture and sale of electronic equipment and in scientific research for industry and government. Of the net proceeds of its stock sale, some \$370,000 will be applied to reduction of short-term indebtedness and the balance for working capital and other corporate purposes. (File 2-46168)

MERCANTILE BANKSHARES CORPORATION, 2 Hopkins Plaza, Baltimore, Md. 21201, filed a registration statement on October 30 seeking registration of 282,132 shares of common stock. It is proposed to offer these shares in exchange for outstanding shares of capital stock of Bank of Somerset and Westminster Trust Company, at the rate of 4.65 shares for each Somerset share and 4 shares for each Westminster Trust share. Bankshares is a bank holding company, which owns controlling interests in five banks. (File 2-46169)

JOHN HANCOCK VARIABLE ACCOUNT C, Hancock Pl., Boston, Mass. 02117, filed a registration statement on October 27 seeking registration of \$5 million of individual variable annuity contracts. The contracts are issued and administered by John Hancock Mutual Life Insurance Company. Account C is a separate account in which payments for such contracts are placed, and has as its principal investment objective intermediate and long-term growth of capital with income as a secondary consideration. (File 2-46170)

ADRs FOR HOKURIKU BANK FILED. Morgan Guaranty Trust Company of New York, 23 Wall St., New York 10015, filed a registration statement on October 27 seeking registration of 100,000 American Depositary Receipts for dollar validated common stock of The Hokuriku Bank, Ltd., a Japanese corporation. (File 2-46172)

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:

- On-Line Systems, Inc., Pittsburgh, Pa. (File 2-46160) - 30,000 shares
- Equitable Bancorporation, Baltimore, Md. (File 2-46165) - 74,506 shares
- Expediter Systems, Inc., Birmingham, Ala. (File 2-46171) - 40,000 shares

MISCELLANEOUS

UNLISTED TRADING SOUGHT. The SEC has issued orders under the Securities Exchange Act of 1934 giving interested persons until November 19 to request a hearing upon application of the following exchanges for unlisted trading privileges in the common stocks of the specified companies: Cincinnati Stock Exchange - Airco, Inc., American General Insurance Co., American Metal Climax, Inc., AMF Incorporated, Bunker Raso Corp., Coastal States Gas Producing Co., Duke Power Co., Commonwealth Oil Refining Co., Inc., Freeport Minerals Co., General Instrument Corp., Lone Star Gas Co., McDonnell Douglas Corp., Northern Natural Gas Co., Pacific Gas and Electric Co., Revlon, Inc., Southern Natural Gas Co., Texas Gas Transmission Corp. and Weyerhaeuser Co. Pacific Coast Stock Exchange - University Computing Company. (Rel. 34-9685)

RECENT FORM 8-K FILINGS. The companies listed below have filed Form 8-K reports for the month indicated, responding to the item on the 8K form numbered in the parentheses. Photocopies may be purchased from the Commission's Public Reference Section (in ordering, please give month and year of report). An index of the captions of the several items of the form was included in the November 1 News Digest.

8K Reports for July 72

Bristol Myers Co. (3,8)	1-1136-2
Erie Technological Products, Inc. (14)	0-520-2
Illini Beef Packers, Inc. (4,7,13)	0-5033-2
International Funeral Services, Inc. (2,13)	1-6585-2
La-Z Boy Chair Co (11,12)	0-5091-2
McQuay Perfex Inc. (10)	1-1034-2
Metropolitan Edison Co. (7,14)	1-446-2
Benrus Corp. (4,7,8,11)	1-5859-2
Bio-Medical Sciences, Inc. (12)	0-5613-3
Burmup & Sims Inc. (7)	0-3797-2
Central Data Systems Inc. (2,14)	0-4002-2
G.Helleman Brewing Co., Inc. (2,14)	1-4738-2
Interstate Corp. (13)	0-4646-2
Leadville Corp. (3,11,13)	0-1519-2
Medical Systems Inc. (3)	2-36027-2
Montana Power Co. (3)	1-4566-2
North American Rockwell Corp. (10)	1-1035-2

Amended 8K Reports

Michigan General Corp Amdt #1 for Jun 72 (8)	1-6167-2
Avon Products Inc #1 for Apr 72 (13)	1-4881-2
Deltec Int'l Ltd #1 for Jun 72 (10)	1-5897-2
A O Smith Corp #1 for May 72 (7)	1-475-2
Antarenni Inds Inc #1 for Jun 72 (7,13)	1-6188-2
Caressa Inc #1 for Apr 72 (12,13)	1-5784-2
Butler Capital Corp #1 for Mar 72 (7)	1-6165-2
Coap Systems Inc #1 for Jun 72 (1,7,9,14)	0-5097-2
Kaysam Corp Of America #1 for Dec 71 (13)	0-3871-2
Rinn Corp #1 for Feb 72 (1,11,13)	0-4210-2
Daniel Woodhead Inc Amdt #1 for Jun 72 (13)	0-5971-2
Universal Container Corp Amdt #1 for Feb 72 (2,13)	1-4277-2
World Wide Meats Inc Amdt #1 for Apr 72 (1)	0-4844-2

Amended 8K Reports

American Recreation Group Inc #1 for Jun 72 (7)	1-6698-2
Davos Inc #1 for Mar 72 (13)	0-4018-2
Anthony Kane Inc #1 for Jun 72 (8)	1-6330-2
Drew Natl Corp #1 for Jun 72 (7)	1-6339-2
Farah Mfg Co Inc #1 for Mar 72 (13)	1-5400-2
Unagusta Mfg Corp #1 for Apr 72 (14)	2-34415-2

TRADING SUSPENSIONS CONTINUED. The SEC has ordered the suspension of over-the-counter trading in the securities of LDS Dental Supplies Inc. for the further ten-day period November 7-16, inclusive and in the securities of Clinton Oil Company and Roosevelt Marina Inc. for the further ten-day period November 8-17, inclusive.

SECURITIES ACT REGISTRATIONS. Effective November 6: Barnett Banks of Florida, Inc., 2-46055; Commonwealth Edison Co., 2-46083; Hudson Pharmaceutical Corp., 2-43656; Keene Corp., 2-45609; Megadata Computer and Communications Corp., 2-45130 (90 days); J. C. Penney Co., Inc., 2-46041; Science Applications, Inc., 2-45315; Standard Brands Inc., 2-46196; TRW Inc., 2-45461; Victor Comptometer Corp., 2-46050; Williamhouse-Regency Inc., 2-46094.

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.

---ooo0ooo---

ONLY the SEC News Digest is for sale by the Superintendent of Documents, Government Printing Office, Washington, D. C. 20402. All other referenced material must be ordered from the Securities and Exchange Commission, Washington, D. C. 20549. In ordering full text of releases from SEC Publications Unit cite number.