

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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(Issue No. 66-141)

FOR RELEASE July 26, 1966

SEC ORDER CITES NATIONWIDE FAMILY PLANS. The SEC has ordered administrative proceedings under the Securities Exchange Act of 1934 involving the broker-dealer firm of Nationwide Family Plans, Inc., of 110 West 40th Street, New York. Also named as respondents are William Kilroy and Louis C. Ostrer.

The proceedings are based upon staff charges that the Nationwide firm, aided and abetted by the individual respondents, violated the Commission's financial reporting and record-keeping rules under the Exchange Act and failed to amend its registration application to reflect changes in management officials and controlling persons. The staff asserts that Kilroy has been president and that Ostrer has controlled the firm's business since March 1963.

A hearing will be scheduled by further order to take evidence on the staff charges and afford the respondents an opportunity to offer any defenses thereto, for the purpose of determining whether the alleged violations occurred and, if so, whether any action of a remedial nature should be taken by the Commission.

STAFF PROMOTIONS ANNOUNCED. SEC Chairman Manuel F. Cohen today announced promotions in the Division of Corporate Regulation, as follows: (a) Francis X. Kelly, Chief of the Division (succeeding Alan R. Gordon, who is resigning); (b) Allan S. Mostoff, Assistant Director, Investment Company Regulation; (c) William A. Matthews, Special Counsel in Branch of Investment Company Regulation (vice Mostoff); and (d) Alan Rosenblat, Assistant Chief Counsel (vice Kelly).

Mr. Kelly joined the Commission's staff in August 1958; he received his LL.B. in 1956 from the University of Virginia Law School. Mr. Mostoff, who received an M.B.A. degree from the Graduate School of Business at New York University in 1954 and an LL.B. in 1957 from the New York Law School, joined the staff in January 1962. Mr. Matthews has served on the staff since April 1961; he received his LL.B. in 1960 from George Washington University. Mr. Rosenblat received a J.D. degree from the University of Chicago in 1953; and he joined the Commission's staff in May 1964.

CORPORATE SECURITIES OFFERINGS REPORTED. The SEC announces (for July 27 newspapers) that a large volume of new securities continued to be offered in the second quarter of the year, bringing the amount for the first half of 1966 to \$10 billion, an all-time record for any six-month period. In the second quarter new issues aggregated \$5 billion, about the same high volume as in the first quarter, reflecting the large-scale funds required by corporations to finance plant and equipment expenditures. Previous high quarterly totals for new financing were \$5 billion in the second quarter of 1965 and a record total of almost \$5-1/2 billion in the second quarter of 1961. These figures do not include sales of investment company issues, nor do they cover secondary and block distributions, these issues also being sold in substantial volume. For additional details see Stat. Release No. 2141.

ATLANTIC INVESTMENT REVOKED. The SEC today announced a decision under the Securities Exchange Act (Release 34-7922) revoking the broker-dealer registration of Atlantic Investment Securities Inc., of Ormond Beach, Fla. The said firm ("Atlantic") also was expelled from membership in the National Association of Securities Dealers, Inc.; and Vernon Lee Norwood, its president, was barred from further association with any broker-dealer firm.

Atlantic and Norwood did not contest the action (they withdrew their answer to the charges). Based upon the charges in the order for proceedings, the Commission held that the firm and its president engaged in various activities violative of the anti-fraud and other provisions of the Federal securities laws between January 1965 and March 1966. Among other things, according to the decision, Atlantic and Norwood hypothecated customers' securities under circumstances in which the securities of one customer were commingled with those of other customers without the prior written consent of each customer and customers' securities were commingled with those of a person other than a bona-fide customer under a lien for a loan to registrant; obtained secret profits in transactions with or for customers whose trust and confidence had been solicited; effected transactions in discretionary accounts which were excessive in size and frequency in view of the financial resources and character of such accounts and in connection therewith switched securities from the accounts of certain customers to the accounts of other customers, without disclosing the facts to the customers involved; charged commissions in principal transactions with discretionary accounts for purportedly acting as agent; and failed to furnish each customer with a written confirmation disclosing registrant's capacity at or before the completion of each transaction. They also violated Regulation T and the Commission's record-keeping rules.

STURDIVANT AND NORMAN PLEAD GUILTY. The SEC Atlanta Regional Office announced July 20 (LR-3544) that Franklin A. Sturdivant and John F. Norman, III, of Sparta, N. C., were convicted on their pleas of guilty to two counts of violating the Securities Act registration provisions in the sale of securities of Sturdivant Finance Corp. Each defendant received a sentence of 12 months' imprisonment on one count, followed by an 18-month probated sentence on the other count. The period of probation was set at four years, to commence at the expiration of the service of imprisonment.

INSURANCE INVESTMENT, OTHERS ENJOINED. The SEC Seattle Regional Office announced July 20 (LR-3545) the entry of a Federal court order (USDC, Boise, Idaho) enjoining Insurance Investment Corp., Insurance Securities Corp. and Wayne Hofhines, all of Boise, from violating the Securities Act anti-fraud provisions in the sale of common stock of Insurance Investment Corp. and options to purchase such stock. The court also ordered that all funds which were to be paid by Insurance Investment Corp. to Insurance Securities Corp. and Wayne Hofhines pursuant to a bonus or stock option contract be held in a special trust account until October 1 to provide purchasers of stock or options, who may have a cause of action for restitution or damages, an opportunity to file suit and establish a claim against such monies.

KINDLIN, GREGG ENJOINED. The SEC Denver Regional Office announced July 21 (LR-3546) the entry of a Federal court order (USDC, Colo.) enjoining L. P. Kindlin, Jr., and John A. Gregg, of Denver, from further violations of the anti-fraud provisions of the Federal securities laws in the sale of 8% preferred notes of Insurance Investment Security, Inc.

PINNACLE INVESTMENT RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-4653) declaring that Pinnacle Investment Corporation, Hickory, N. C., has ceased to be an investment company.

NATIONAL AVIATION SEEKS ORDER. National Aviation Corporation, New York, closed-end, non-diversified management investment company, has applied to the SEC for an order under the Investment Company Act authorizing it to purchase up to \$900,000 of convertible subordinated debentures (due 1986) of Piedmont Aviation, Inc., during the existence of an underwriting agreement with respect to a proposed public offering of \$7,000,000 of such debentures. The Commission has issued an order (Release IC-4644) giving interested persons until August 8 to request a hearing thereon. The application states that Howard E. Buhse, a director of National Aviation, is a partner of Hornblower & Weeks-Hemphill Moyes, one of the principal underwriters of the public offering. In view thereof, any purchase of the Piedmont debentures by National Aviation is prohibited by the Act absent the issuance of an exemption order by the Commission.

BIG "C" STORES FILES FOR SECONDARY. Big "C" Stores, Inc., 1845 S. E. Third Ave., Portland, Oreg. 97214, filed a registration statement (File 2-25316) with the SEC on July 25 seeking registration of 18,453 shares of Series A \$2.50 cumulative convertible preferred stock (without par). The stock is to be issued in connection with the company's acquisition of Cal Union Stores, Inc., such merger to be consummated on July 29. The recipients of the shares may offer such stock for sale from time to time on the over-the-counter market at current market prices at the time of sale (\$40 per share maximum*).

Big "C" operates discount department stores and supermarkets in Oregon and Washington; and Cal Union Stores is engaged in the operation of two membership discount department stores in Los Angeles County, Calif. In addition to indebtedness, the company has outstanding 534,476 common shares, of which W. T. Triplett, Jr., president, owns 12.1% and members of his family own an additional 10.3%.

FIRST FUND OF VIRGINIA PROPOSES OFFERING. First Fund of Virginia, Inc., 910 Capitol St., Richmond, Va. 23209, filed a registration statement (File 2-25317) with the SEC on July 25 seeking registration of 1,000,000 shares of common stock, to be offered for public sale at net asset value (\$10 per share maximum*), plus an 8% maximum sales charge. The offering is to be made through First Virginia Management and Research Corp., the fund's investment adviser and a wholly-owned subsidiary of The Life Insurance Company of Virginia, which organized the Fund.

Organized under Virginia law in July 1966, the Fund will operate as a diversified, open-end investment company with "the primary investment objective of long-term capital appreciation." It has outstanding 200,000 outstanding shares, all of which were purchased by The Life Insurance Company of Virginia at \$10 per share. Warren M. Pace is president of the fund, as well as of the insurance company and investment advisory firm.

FIRST VIRGINIA MGMT & RESEARCH FILES. First Virginia Management and Research Corporation, 910 Capitol St., Richmond, Va. 23209, depositor and sponsor of PFV Accumulation Plan, filed a registration statement (File 2-25318) with the SEC on July 25 seeking registration of \$10,000,000 of interests in said plan. A unit investment trust, the plan provides for the accumulation of shares of First Fund of Virginia, Inc. The sponsor is a subsidiary of The Life Insurance Company of Virginia.

SEVEN STOCK PLANS FILED. Form S-8 registration statements have been filed with the SEC by the following companies, seeking registration of securities for offering under employee and/or officer stock plans:

Dravo Corporation, Dravo Bldg., Pittsburgh, Pa. 15222 (File 2-25293) (50,000 shares)
 The Cleveland Electric Illuminating Company, P. O. Box 5000, Cleveland 44101 (File 2-25294) (100,000 shares)
 Goldblatt Bros., Inc., 333 S. State St., Chicago, Ill. (File 2-25303) (20,000 shares)
 General Foods Corporation, 250 North St., White Plains, N. Y. (File 2-25309) (250,000 shares)
 Atlantic Richfield Company, 260 S. Broad St., Philadelphia, Pa. (File 2-25311) (common stock)
 Needham Packing Company, Inc., 1911 Cunningham Dr., Sioux City, Iowa (File 2-25315) (30,000 shares)
 Speed-O-Print Business Machines Corporation, 1801 W. Larchmont Ave., Chicago 60613 (File 2-25319)
 (13,087 shares)

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's "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 July 1 News Digest.

Struthers-Thermo Flood Corp Jun 66 (4,7,13)	2-23219-2	American Educational Life Insur Co Jun 66 (2)	2-15597-2
Airport Parking Co of Amer Jun 66 (12)	1-4586-2	American Electronics Inc Jun 66 (4,7,13)	1-3954-2
Deltona Corp Jun 66 (7)	1-4719-2	Bowser Inc Jun 66 (11,13)	1-4867-2
Eastern Air Lines Inc Jun 66 (7)	1-3049-2	Combined Insur Co of Amer Jun 66 (11,13)	2-18761-2
Genl Exploration Co of Calif Jun 66 (11,13)	1-3857-2	Crescent Corp Apr 66 (2,13) Mar 66 (2)	1-3425-2 1-3425-2
Northeast Airlines Inc Jun 66 (13)	1-3200-2	Flo-Tronics Inc Jun 66 (12)	0-138-2
United Asbestos Corp Ltd Jun 66 (13)	1-3887-2	Kroger Co Jun 66 (3)	1-303-2
Bergstrom Paper Co Feb 66 (11,13)	0-377-2	Latrobe Steel Co Feb 66 (13)	1-5144-2
Cook Coffee Co Jun 66 (7)	1-4959-2	Lone Star Cement Corp May 66 (11)	1-2333-2
Metropolitan Brick Inc Jun 66 (2,11,12,13)	1-877-2	Mich Wisc Pipe Line Co Jun 66 (7,8,11,13)	2-13345-2
Triangle Conduit & Cable Co Inc Jun 66 (13)	1-4088-2	Roadcraft Mfg & Leasing Corp Jun 66 (11)	2-21517-2
United Western Life Insur Co Jun 66 (9)	2-23316-2	Rucker Co Jun 66 (2,7,13)	2-19797-2
Vernitron Corp Jun 66 (11,13)	1-4909-2	Sayre & Fisher Co Jun 66 (11,12,13)	1-3391-2
Bartell Media Corp Jun 66 (7)	1-4614-2	Albertson's Inc Jun 66 (2,11,12,13)	0-1552-2
Bloomfield Bldg Inds Inc Jun 66 (8,12)	1-4608-2	Conn Lgt & Power Co Jun 66 (1)	0-404-2
Genl Battery & Ceramic Corp Apr 66 (13) Jun 66 (13)	1-4657-2 1-4657-2	Conn Yankee Atomic Power Co Jun 66 (7)	2-22958-2
Herman & Appley Inc Jun 66 (7,13)	2-19232-2	Cook Elec Co Jun 66 (12)	1-5116-2
Jefferson Corp Jun 66 (9,11,13)	2-24074-2	Farrington Mfg Co Jun 66 (2,12)	0-1530-2
St Paul Ammonia Products Inc Jun 66 (4,13)	0-1794-2	Highway Trailer Inds Inc Jun 66 (3,13)	0-485-2
Temperature Eng Corp Mar 66 (12)	0-1455-2	Internatl Fidelity Ins Co Mar 66 (11)	2-11543-2
Vernon Co Jun 66 (7,8)	2-23466-2	Kellogg Co Jun 66 (13)	1-4171-2
Investors Funding Corp of N Y Jun 66 (7)	1-4600-2	Mississippi Power Co Jun 66 (3)	0-393-2
R T & E Corp Jun 66 (11)	0-1585-2	Piedmont Aviation Inc Jun 66 (11,12,13)	0-1483-2
Rocky Mountain Natural Gas Co Jun 66 (7)	0-1101-2	Schluderberg-Kurdle Co Inc May 66 (11,12)	2-17519-2
Santa Fe Drilling Co Jun 66 (4,7,13)	1-4827-2	Woods Inds Inc Jun 66 (2,12,13)	1-4999-2
Zenith Radio Corp(Del) Jun 66 (7)	1-4115-2	Allied Artists Pictures Corp Amd #1 to 8K for Nov 65 (8)	1-2965-2
Cenco Instruments Corp May 66 (7)	1-3730-2	Charter Co Amd #1 to 8K for Aug 62(4,7,13) Amd #1 to 8K for Feb 63(1,2,13)	0-1825-2 0-1825-2
Collins Radio Co Jun 66 (4,13)	1-4248-2	Doric Corp Amd #1 to 8K for Apr 66 (2,13)	0-366-2
Davidson Bros Inc Jun 66 (13)	1-3337-2	Emery Inds Inc Amd #1 to 8K for May 66 (4)	0-1592-2
Dodge Mfg Corp Jun 66 (12,13)	1-2901-2	Greenfield Real Estate Invt Trust Amd #1 to 8K for Jan 66 (11) Amd #1 to 8K for Apr 66 (13)	0-161-2 0-161-2
E & B Carpet Mills Inc Jun 66 (7,11,13)	2-24055-2	Union Corp Amd #1 to 8K for Feb 66(2,7,13)	0-1979-2
Gerber Products Co May 66 (13)	1-4007-2	Kearney-Natl Inc Amd #1 to 8K for May 66 (13)	0-2122-2
Giddings & Lewis Machine Tool Co Jun 66 (2,4,8,10,11,13)	0-562-2	Anchor Post Products Inc Amd #1 to 8K for Dec 65 (4)	0-754-2
Gorton Corp Jun 66 (2,11,13)	0-1581-2	Hund Foods & Inds Inc Amd #1 to 8K for Apr 65 (4)	1-3982-2
Mite Corp Jun 66 (11)	0-1512-2	Temperature Eng Corp Amd #1 to 8K for Sept 65 (12)	0-1455-2
Nelly Don Inc Jun 66 (12)	1-4331-2	Commonwealth Oil Refining Co Inc Amd #1 to 8K for Apr 66 (11)	1-4900-2
Personal Industrial Bankers Inc Mar 66 (1,2,4,7,8,11,13)	2-11690-2	Monarch Marking System Co Amd #1 to 8K for Apr 66 (7,13)	0-1066-2
Texota Oil Co May 66 (11)	0-892-2		
United States Sugar Corp Jun 66 (12)	0-162-2		
Volt Technical Corp Jun 66 (12)	2-19724-2		
World Color Press Inc Jun 66 (11,13)	1-5228-2		

Great Plains Development Co of Canada Ltd Amend #1 to 8K for Dec 64(2)2-8366-2 Amend #1 for Jan 65(2,13) 2-8366-2 Kennebec Cons Mining Co Amend #1 for Dec 65(7) 1-1740-2	Northeast Equities Inc. June 66(8) 0-1868-2 Teledyne Inc June 66(2,11,13) 1-5212-2 American Pipe & Constr Co June 66(3) 0-218-2 Westbrook-Thompson Hldg Corp June 66(11,13) 0-757-2 Systems Engineering Labs Inc. June 66(12) 2-24040-2 Coastal Caribbean Oils & Minerals Ltd June 66(11) 1-4668-2 National Banner Corp July & Sept 65, & Mar, Apr, May, June & July 66(1 Rept) (2,3,7,10,13) 2-18536-2 Commonwealth Industries Corp June 66(11,13) 0-1639-2 Sales Follow-Up Corp June 66(3)2-24433-2 General Tel Co of Fla June 66(7)1-3090-2 W R Grace Overseas Development Corp May 66(11) 1-5180-2 Garden State Life Ins Co June 66(11) 2-23392-2 Pacific Northern Airlines Inc June 66(2,4,7,13) 1-3741-2 PWC Inc June 66(12) 0-59-2 Beaunit Corp June 66(4,11) 1-2864-2 American Natural Gas Co June 66(11,13) 1-4913-2 Warner Electric Brake & Clutch Co July 66(7,11,13) 0-534-2 Handachy Chemical Co June 66(11,13)2-18767-2
Bangor Punta Alegre Sugar Corp June 1966 (7,12,13) 1-4972-2 Dobbs Houses, Inc June 1966 (2,4,8,11,13) 1-4779-2	
Barton's Candy Corp April 1966 (9) 1-4281-2 Beech-Nut Life Savers Inc June 1966 (2,4,8,11,13) 1-687-2 Oil Shale Corp June 1966 (7,11,13) 0-877-2	
Murphy Pacific Marine Salvage Co June 1966 (11) 2-24226-2	
Carolina Pipeline Co June 1966 (11,13) 0-1597-2	
Fidelity Natl. Corp May 1966 (7) 2-22767-2 Metr-Goldwyn Mayer Inc June 1966 (4,11,13) 1-2500-2	
McDonnell Aircraft Corp June 1966 (7) 1-3685-2	
Management Assistance Inc Amend #1 to 8K for June 1966 (9,13) 0-2017-2 Natl. Home Products, Inc Amend #1 to 8K for Apr 1966 (2,7,13) 0-2062-2	

SECURITIES ACT REGISTRATIONS. Effective July 26: California Shopping Centers, Inc., 2-24968 (90 days).

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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