

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. 67-10)

FOR RELEASE January 17, 1967

W. H. LEA & CO. REGISTRATION DENIED. The SEC today announced a decision under the Securities Exchange Act (Release 34-8021) denying an application for broker-dealer registration filed by W. H. Lea & Company, Inc., 11712 Kiowa Ave., Los Angeles, Calif., and barring Willard Harlon Lea from future association with any broker-dealer firm. The Commission's denial order was based upon findings that Lea & Co.'s application for broker-dealer registration included a report of financial condition which contained untrue statements of material facts, and that Lea, its president and principal stockholder, aided and abetted the firm in making such untrue statements. The untrue statements were that Lea & Co. had \$9,999 in cash, had a seat on the Pacific Coast Stock Exchange valued at \$47,500 as to which it had a contract payable in the same amount, and had goodwill valued at \$22,500 and "donated capital surplus" of \$50,999, and that it had incurred "prepaid expenses" of \$5,000 and "organization expense" of \$4,500. The Commission denied a request of Lea that, because of asserted mitigating circumstances, he should be permitted to reenter the securities business after a reasonable period of time.

BASIC METALS OFFERING PERMANENTLY SUSPENDED. The SEC today announced that a prior order temporarily suspending a Regulation A exemption from registration under the Securities Act of 1933 for a proposed public offering of securities by Basic Metals, Inc., of Colorado Springs, Colo., has become permanent. The suspension order, issued in January 1966, asserted that the company had failed to comply with various terms and conditions of Regulation A and that its offering circular was false and misleading in respect of certain material facts. At the company's request, a hearing was ordered to determine whether the suspension should be made permanent or vacated; but the company thereafter withdrew its request for a hearing and also requested withdrawal of its Regulation A filing. The Commission cancelled the hearing but denied the company's request for withdrawal of its notification as being contrary to provisions of Regulation A.

SEVENTH EMPIRE FUND SEEKS ORDER. Seventh Empire Fund, Inc., Pittsburgh, Pa., has applied to the SEC for an order under the Investment Company Act exempting it from the \$100,000 minimum net capital provisions of the Act; and the Commission has issued an order (Release IC-4819) giving interested persons until January 31 to request a hearing thereon. The applicant previously filed a registration statement under the Securities Act of 1933 for 2,400,000 shares of capital stock, to be offered to investors in exchange for securities of the character of those included in a list set forth in the prospectus (see SEC News Digest of December 30).

GIDDINGS & LEWIS FILES FOR OFFERING AND SECONDARY. Giddings & Lewis Machine Tool Company, 142 Doty St., Fond du Lac, Wisc. 54936, filed a registration statement (File 2-25895) with the SEC on January 13 seeking registration of 300,100 shares of common stock. Of this stock, 200,000 shares are to be offered for public sale by the company and 100,100 shares (being outstanding stock) by the present holders thereof. The offering is to be made through underwriters headed by Loewi & Co. Inc., 225 E. Mason St., Milwaukee, Wisc. 53202. The public offering price (\$30 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is engaged in manufacturing heavy-duty metal cutting machine tools, cutting tools, balancing machines, automatic assembly machines, electronic controls and gray iron castings. Net proceeds of its sale of additional stock will be used to reduce some \$8,350,000 of short-term bank loans. In addition to indebtedness, the company has outstanding 1,272,410 common shares, of which management officials own 13.8%. Ralph J. Kraut is president and board chairman of the company. The prospectus lists four selling stockholders, including George H. Johnson (director), who is offering 50,000 of 74,489 shares held. The remaining sellers are three trusts, of which The First National Bank of Chicago, Gordon C. Volz, and Mrs. Mary R. McCahill are trustees. Each trust proposes to sell 16,700 shares.

PRUDENTIAL FUNDS PROPOSES OFFERING. Prudential Funds, Inc., One Rockefeller Plaza, New York 10020, filed a registration statement (File 2-25896) with the SEC on January 16 seeking registration of 800 units in its 1967 Annual Drilling Fund--Series Fourteen, to be offered for public sale at \$10,000 per unit.

Organized under Delaware law in 1965, the company is a wholly-owned subsidiary of Prudential Equities Corp. (formerly Prudential Oil Corporation); in July 1966 it took over the oil and gas management business of the parent company. The purpose of the drilling fund is to finance the acquisition, testing, development and operation of oil and gas leaseholds. Nathan M. Shippee is president of the company.

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 January 3 News Digest.

U S Rubber Reclaiming Co Inc	
Dec 66 (2)	1-5094-2
Wallace-Murray Corp	
Dec 66 (3)	1-1095-2

Buell Industries Inc	
Dec 66 (12)	1-4619-2
General Signal Corp	
Dec 66 (4,7,13)	1-996-2

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Music Fair Enterprises Inc Dec 66 (2,13)	0-496-2	Hercules Galion Prods Inc Dec 66(13)	1-3593-2
Marine Midland Corp Amd for Dec 66 (11)	1-2940-2	International Salt Co Dec 66(3)	1-643-2
Diversified Metals Corp Amd #1 for Dec 66 (12)	1-5227-2	Professional Golf Co Dec 66(2,7,11,13)	0-921-2
Falcon Seaboard Brilling Co Amd #1 for Jan 65 (7)	1-4359-2	Southern Calif Gas Co Dec 66(12,13)	1-1402-2
Amd #1 for Aug 66 (7)	1-4359-2	Southern Counties Gas Co of Calif Dec 66(7)	2-4622-2
Elizabethtown Gas Co Amd #1 for Sept 66 (4,7)	0683-2	T F H Publications Inc Dec 66(7)	0-2245-2
Beneficial Finance Co Dec 66(7,13)	1-1177-2	Central Ill Electric & Gas Co Dec 66(1,8,11)	0-524-2
Citadel Life Ins Co of NY Dec 66(10,11)	2-21214-2	G & W H Corson Inc Dec 66(7)	2-11542-2
Communications Satellite Corp Dec 66(3)	1-4949-2	Kewanee Oil Co Dec 66(2,7,8,13)	1-5327-2
Farmland Ind Inc Dec 66(8,11)	2-7250-2	McDonald's Corp Dec 66(12,13)	1-5231-2
Genl Electrodynamics Corp Dec 66(13)	0-2319-2	Murphy Pacific Marine Salvage Co Dec 66(2,7,9,11,13)	0-2198-2
American Bosch Arms Corp Dec 66(4,11,12,13)	1-705-2	National Can Corp Dec 66(12)	1-2915-2
American Enka Corp Dec 66(1)	1-3901-2	Pan American World Airways Inc Dec 66(7,12)	1-3532-2
Fotochrome Inc Dec 66(2,12)	0-2281-2	Ralston Purina Co Dec 66(11,12)	1-4582-2
General Kinetics Inc Dec 66(12)	0-1738-2	Royal American Ind Inc Oct 64 & Apr & Sept 65(7)	1-4109-2
Jamaica Water & Utilities Inc Dec 66(7,13)	0-2315-2	Seismograph Service Corp Dec 66(2,7,12)	0-852-2
Max Factor & Co Dec 66(7,10)	1-3875-2	United Air Lines Inc Dec 66(7,13)	1-2637-2
Miles Labs Inc Dec 66(3)	1-4573-2	Anderson Elec Corp Dec 66(1,7,10,13)	1-4956-2
Natco Corp Dec 66(2,7,8,12)	1-2767-2	Assoc Dry Goods Corp Dec 66(12,13)	1-599-2
Redman Ind Inc Dec 66(12,13)	1-4998-2	Boeing Co Dec 66(7)	1-442-2
Slick Corp Dec 66(2,3)	1-3942-2	Guardon Ind Inc Dec 66(12,13)	1-4317-2
American Sugar Co Dec 66(12,13)	1-4741-2	Household Finance Corp Dec 66(3,12,13)	1-75-2
Associated Invtrs Secs of Louisiana Inc Dec 66(11,13)	0-1327-2	Levin-Townsend Computer Corp Dec 66(7,13)	1-5242-2
A S Beck Shoe Corp Dec 66(6,12)	1-3267-2	Miracle Mart Inc Dec 66(3)	0-1360-2
Cardinal Petroleum Co Dec 66(11)	2-15883-2	National Airlines Inc Dec 66(7)	1-3227-2
J I Case Co Dec 66(12)	1-138-2	Penna Power & Light Co Dec 66(3,12)	1-905-2
Consolidated Foods Corp Dec 66(7,13)	1-3344-2	Princess Homes Inc Dec 66(12)	0-2068-2
Continental Baking Co Dec 66(12,13)	1-786-2	Washington Scientific Inds Inc Dec 66(11,13)	0-619-2
Cott Corp Dec 66(3,12)	1-4532-2	Western Union Telegraph Co Dec 66(8)	1-2493-2
Elizabethtown Water Co Dec 66(12,13)	0-628-2	Allied Properties Dec 66(8)	0-1430-2
Greater Iowa Corp Dec 66(12,13)	0-1403-2	Ameco Inc Dec 66(11)	1-5169-2
International Flavors & Fragrances Inc Dec 66(4,11,13)	1-4858-2	Berman Leasing Co Dec 66 (12)	1-4739-2
Invstrs Equity Secs Inc Dec 66(11,13)	0-2005-2	Big C Stores Inc Dec 66 (11,13)	0-14-2
Kelsey-Hayes Co Dec 66(11,13)	1-477-2	Brunswick Corp Dec 66 (13)	1-1043-2
Maremont Corp Dec 66(2,7,13)	1-4232-2	Burris Chemical Inc Dec 66 (7)	2-24482-2
Marshall Industries Dec 66(9,12)	0-1746-2	Nov 66 (11)	2-24482-2
Oneida Ltd Dec 66(4,7,13)	0-1320-2	General Development Corp Dec 66 (3,8,12)	1-4080-2
UMC Industries Inc Dec 66(3,12)	1-4202-2	Hudson's Bay Oil & Gas Co Ltd Dec 66 (7,13)	2-13574-2
Western Invst Real Estate Trust Dec 66(2)	2-23013-2	National Equities Inc Dec 66 (7,13)	0-2140-2
Yoo-Hoo Chocolate Beverage Corp Nov 66(9,13)	0-518-2	Strouse Inc Dec 66 (11,13)	0-2304-2
Commonwealth Edison Co Dec 66(2,7,13)	1-1839-2	Technology Inc Dec 66 (12,13)	2-24141-2
Douglas Aircraft Co Inc Dec 66(3)	1-1571-2	Thiokol Chemical Corp Dec 66 (13)	1-3572-2
First Flight Co Dec 66(2,8,11,13)	0-759-2	United Control Corp Dec 66 (11,12)	0-33-2
Great Plains Natural Gas Co Dec 66(7,9)	2-24546-2	Del E Webb Corp Dec 66 (3)	1-4785-2
Aug 66(12,13)	2-24546-2		
Goldblatt Bros Inc Dec 66(7,9,11,13)	1-258-2		
Hammermill Paper Co Dec 66(2,7,13)	1-3100-2		

CONTINUED

American Smelting & Refining Co Nov 66 (13) 1-164-2	American Export Isbrandtsen Co Inc Dec 66 (8,13) 1-5054-2
Charter New York Corp Dec 66 (12,13) 0-2256-2	Bclock Instrument Corp Dec 66 (3,6) 1-3882-2
Chrysler Corp Dec 66 (7,12,13) 1-686-2	Empire Life Insurance Co Dec 66 (7,9) 2-20749-2
Deltona Corp Dec 66 (7) 1-4719-2	Dayco Corp Dec 66 (4,8,12,13) 1-5275-2
Florida Power & Light Co Dec 66 (7,12,13) 1-3545-2	GF Industrials Inc Dec 66 (11,13) 1-4273-2
General Corp of Ohio June 66 (11,13) 0-214-2	IFC Collateral Corp Dec 66 (7) 2-19513-2
Guaranty Bond & Finance Co Inc Dec 66 (1,2,13) 0-1699-2	Lincoln Liberty Life Ins Co Dec 66 (8,13) 2-18894-2
Hunt Foods & Industries Inc Dec 66 (8) 1-3982-2	Louis Sherry Inc Dec 66 (2,13) 1-4574-2
Jackson's Minit Markets Inc Dec 66 (2,13) 1-4952-2	Minerals & Chemicals Phillip Corp Dec 66 (4,7,13) 1-3877-2
Shamrock Oil & Gas Corp Dec 66 (7,8,13) 1-2258-2	Missouri National Life Insurance Co Dec 66 (11) 2-21744-2
Southern Union Gas Co Dec 66 (7,13) 0-1103-2	Panacolor Inc Dec 66 (12,13) 0-536-2
Toro Mfg Co Aug thru Dec 66 (2,11,15) 0-20-2	Real Estate Invest Trust Of America Dec 66 (2,7,11,13) 1-4216-2
Eastern Mass St Ry Co Dec 66 (6) 1-1563-2	Russ Togs Inc Dec 66 (7) 1-4703-2
Hudson & Manhattan Corp Dec 66 (2,13) 1-4603-2	Skyline Corp Dec 66 (7) 1-4714-2
International Harvester Co Dec 66 (12,13) 1-5236-2	Standard International Corp Dec 66 (7,8) 1-5249-2
Natural Gas Pipeline Co Of America Dec 66 (12) 2-14243-2	Trans-Gulf Develop Corp March 65 (1) 2-13035-2 Aug 65 (1) 2-13035-2 Dec 66 (1) 2-13035-2
Pacific Airmotive Corp Dec 66 (12) 1-5121-2	Zenith Radio Corp Dec 66 (12) 1-4115-2
Palomar Mortgage Co Dec 66 (1,12,13) 0-1873-2	AKK Corp Dec 66 (7,13) 1-2700-2
Plastics Corp Of America Inc Dec 66 (9) 0-1675-2	Collins Radio Co Dec 66 (12,13) 1-4248-2
Sundstrand Corp Dec 66 (11) 1-2425-2	Electro Voice Inc Dec 66 (13) 1-4655-2
Union Tank Car Co Dec 66 (7,8,13) 1-1207-2	Robintech Inc Dec 66 (2,7,13) 1-4177-2
United Western Life Insurance Co Dec 66 (9,12) 2-23316-2	Schenuit Industries Inc Dec 66 (2,4,11,13) 0-91-2
American & Ebird Mills Inc Dec 66 (11,12,13) 0-79-2	South Carolina Elec & Gas Co Dec 66 (7,12,13) 1-3375-2
Bartell Media Corp Dec 66 (7) 1-4614-2	Southern Airways Inc Dec 66 (4,7,13) 0-842-2
James B Beam Distilling Co Dec 66 (1,13) 1-4595-2	Texas Oil & Gas Corp Dec 66 (7) 1-4995-2
Gulf Resources Inc Dec 66 (11,13) 0-2294-2	U S Ceramic Tile Co Dec 66 (2,13) 1-4103-2
Hayden Publishing Co Inc Dec 66 (6) 2-19382-2	Airlift International Inc Dec 66 (2,8,12) 0-1846-2
Howell International Inc Dec 66 (7,12) 1-3450-2	Altamil Corp Dec 66 (11,13) 1-4834-2
Missouri Power & Light Co Dec 66 (4,13) 0-1013-2	American Photocopy Equipment Co Dec 66 (10) 1-4055-2
National Gypsum Co Dec 66 (12,13) 1-2489-2	Brown Engineering Co Inc Dec 66 (12) 1-4894-2
St Paul Ammonia Products Inc Dec 66 (4,13) 0-1794-2	Central Indiana Gas Co Dec 66 (12,13) 0-563-2
Tastee Freez Industries Inc Dec 66 (3) 1-4722-2	Delaware & Hudson RR Corp Dec 66 (13) 1-893-2
H R Weissber Corp Dec 66(3) 0-1086-2	Foot Mineral Co Dec 66 (7) 1-4064-2
	Grinnel Corporation Dec 66 (3,7) 0-780-2

Walter E Heller & Co Dec 66 (12) 1-2291-2	Royal American Industries Inc Amd #2 for Sept 66 (7) 1-4109-2
Jersey Central Power & Light Co Dec 66 (3,10) 0-3141-2	B T Babbitt Inc Amd for May & June 66 (3,13) 1-3410-2
Metropolitan Edison Co Dec 66 (3) 1-446-2	General Telephone Co of Ill Amd #1 for Sept 66 (7,13) 0-1046-2
New Jersey Power & Light Co Dec 66 (3) 1-3221-2	Howell International Inc Amd #1 for June 66 (7) 1-3450-2
Pennsylvania Electric Co Dec 66 (3,11) 1-3522-2	Veeco Instruments Inc Amd #3 for Mar 66 (7) 0-87-2
Republic Industrial Corp Jun 66 (4,7,8,13) 1-4057-2	Ryan Consolidated Petroleum Corp Amd #1 for Nov 66 (2,13) 0-869-2
J. B Schaefer Industries Inc Dec 66 (11,13) 2-24365-2	Allied Artists Pictures Corp Aug 66 (8) 1-2965-2
Sheller-Globe Corp Dec 66 (2,4,7,10,13) 1-4172-2	Dec 66 (6) 1-2965-2
Welsh Panel Co Dec 66 (7,12,13) 2-20165-2	Dekalb-Ogle Telephone Co Dec 66 (12) 2-24607-2
American Cyanamid Co Dec 66 (3,13) 1-3426-2	Hermetite Corp Dec 66 (9,11,13) 0-555-2
American Ship Building Co Dec 66 (2,13) 1-455-2	Pacific Tel & Tel Co Dec 66 (7) 1-1414-2
Esquire Inc Dec 66 (7) 1-2983-2	Boston Edison Co Dec 66 (12,13) 1-2301-2
Daniel Green Co Dec 66 (4,7,10,11,13) 0-774-2	Levine's Inc Dec 66 (12) 1-4609-2
Hartford Electric Light Co Dec 66 (12,13) 0-522-2	Southwestern Electric Service Co Dec 66 (7,11,13) 0-22-2
Hygrade Food Products Corp Dec 66 (10) 1-318-2	Associated Investors Secs., Inc Dec 66 (11,12,13) 0-1468-2
ITE Circuit Breaker Co Dec 66 (3) 1-3784-2	Roberts Consolidated Industries Inc Dec 66 (2,12,13) 0-88-2
Jack-In-The-Box Inc Dec 66 (1) 0-2152-2	Specialty Electronics Development Corp Nov 66 (4,8,11,13) 0-647-2
King-Seeley Thermos Co Dec 66 (12) 1-3270-2	Sunnyside Telephone Co Dec 66 (7) 0-1152-2
Maust Coal & Coke Corp Dec 66 (12) 0-1556-2	Howard B. Wolf Inc Dec 66 (2,13) 2-20810-2
Mississippi Power Co Dec 66 (2) 0-393-2	Financial General Corp Dec 66 (1,7) 1-3272-2
Panorama City Fund Dec 66 (12) 2-23856-2	Pacific Lighting Service & Supply Co Dec 66 (12,13) 2-17024-2
Panorama City Inc Dec 66 (12) 2-23976-2	Water Treatment Corp Dec 66 (12,13) 0-1735-2
Piedmont Aviation Ind Dec 66 (12,13) 0-1483-2	Continental Securities Corp Dec 66 (7,13) 2-23494-2
Pittsburgh Steel Co Dec 66 (6) 1-196-2	Kennesaw Life & Accident Ins Co Dec 66 (2,8,12) 0-710-2
Ryan Consolidated Petroleum Corp Dec 66 (7,13) 0-869-2	Stokely-Van Camp Inc Dec 66 (12) 1-2944-2
Sheller Mfg Corp Dec 66 (12) 1-3064-2	
Standard Prudential United Corp Dec 66 (8) 1-5273-2	
Varian Associates Dec 66 (12,13) 1-4213-2	

SECURITIES ACT REGISTRATIONS. Effective January 16: California Mutual Fund, 2-24914; Dallas Power & Light Co., 2-25805; Monsanto Co., 2-25780; Pacific Atlantic Insurance Co., 2-24770 (90 days); Planning Research Corp., 2-25663.

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.