

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

A brief summary of financial proposals filed with and actions by the S.E.C.



Washington, D.C. 20549

(In ordering full text of Releases from SEC Publications Unit cite number)

(Issue No. 69-95)

FOR RELEASE May 19, 1969

LOUISIANA P&L RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16375) authorizing Louisiana Power & Light Company, New Orleans subsidiary of Middle South Utilities, Inc., to sell up to \$30,000,000 of short-term notes to five banks and up to \$15,000,000 of commercial paper to Lehman Commercial Paper, Incorporated. Proceeds of such borrowings will be used to finance its construction program, the costs of which are estimated at \$73,000,000 in 1969 and \$67,500,000 in 1970, and for other corporate purposes.

MONONGAHELA POWER RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16376) authorizing Monongahela Power Company, Fairmont subsidiary of Allegheny Power System, Inc., to sell \$10,000,000 of first mortgage bonds, due 1999, at competitive bidding. Net proceeds of these borrowings will be used to finance, in part, the construction program of Monongahela and its subsidiary company for 1969, estimated at \$39,000,000, and to pay \$3,500,000 of short-term notes incurred therefor.

PIONEER FUND SEEKS ORDER. The SEC has issued an order (Release IC-5679) giving interested persons until June 4 to request a hearing upon a proposal of Pioneer Fund, Inc., Boston mutual fund, to issue its shares at net asset value in exchange for all of the assets of Comac Corporation ("Comac"), which were valued at over \$3 million on December 31. The shares of Pioneer are to be distributed to Comac shareholders upon its liquidation.

SALE OF DUMONT STOCK ENJOINED. The SEC New York Regional Office announced May 12 (LR-4318) that the U. S. District Court in New York City had entered an order permanently enjoining violations of the registration and anti-fraud provisions of the Federal securities laws in the offer and sale of stock of Dumont Corporation by the following: Dumont Corporation, Datacomp Service Corporation, Norman Forsyth, Park Ridge, N. J., and Nathan Rosenberg, Van Nuys, Calif. The court also enjoined violations of the registration provisions by Charles Forsyth, of Norwood, N. J., and William Forsyth, of Hackensack, N. J. The several defendants consented to the injunction. An order of preliminary injunction against registration violations was entered against A.P.T. Corporation, Fort Lee, N. J., CAM Enterprises, Ltd., British Columbia, Cheetah Products, Inc., of Miami, Country Pies, Inc., of Reseda, Calif., and the following individuals: Wendell Austin, Barton Booth, Peter Grego, Norman Hayes, Michael Levenson, Peter Melnik, William Ogle, David Pedley, Seymour Pollack and Wallace Wilson. A.P.T. Corporation, David Pedley and Seymour Pollack also were preliminarily enjoined from violating the anti-fraud provisions. A temporary restraining order was issued restraining registration violations by 14 additional respondents, and restraining anti-fraud violations by three.

TRADING SUSPENSIONS CONTINUED. The SEC has ordered the suspension of over-the-counter trading in the securities of Bartep Industries, Inc., and Photo Mark Computer Corporation for the further ten-day period May 20-29, 1969, inclusive.

BUDGET INDUSTRIES PROPOSES EXCHANGE OFFER. Budget Industries, Inc., ("Industries"), 6434 Wilshire Blvd., Los Angeles, Calif. 90048, filed a registration statement (File 2-33040) with the SEC on May 14 seeking registration of 114,373 shares of common stock. It is proposed to offer these shares and/or cash in exchange for outstanding guarantee capital stock of State Savings and Loan Association ("State"). Organized under Delaware law in April 1968, Industries, pursuant to exchange offers, acquired all but 12,191 Budget Finance Plan common shares and all but 8,866 Budget Finance Plan warrants. Pursuant to a 1965 agreement with J. Barth & Co., Budget Holding Company ("BHC"), a wholly-owned subsidiary of Budget Finance Plan acquired slightly in excess of 50% of the outstanding shares of guarantee capital stock of State. Since that time BHC and Industries have acquired 120,027 additional shares of State, so that there are presently 147,573 outstanding shares of State not held directly or indirectly by Industries. Pursuant to the Barth agreement, Industries is presently offering for each State share, up to 66,400 State shares, \$12.495 in cash and whole shares of Industries common stock equal in value to \$12.495. Industries further offers to acquire all State shares tendered not designated as being part of the 66,400 shares in exchange for whole shares of Industries common stock equal in value to \$24.99.

Through its subsidiary (Budget Finance Plan) Industries is engaged in various types of finance operations including consumer and commercial finance and casualty insurance. In addition to indebtedness and preferred stock, Industries has outstanding 1,483,155 common shares, of which management officials as a group own 22.2%. Charles S. Offer is board chairman and president of Industries.

HAMILTON MILE-HI FUND PROPOSES OFFERING. Hamilton Mile-Hi Fund, Inc., 777 Grant St., Denver, Colo., 80217, filed a registration statement (File 2-33043) with the SEC on May 14 seeking registration of 5,000,000 shares. A diversified open-end investment company, the Fund's objective is to seek maximum growth of investment capital by engaging in aggressive investment techniques. Its shares will be offered for public sale at net asset value plus a sales charge of 8½% (\$10.93 per share maximum*). Hamilton Management Corporation, of the Grant St. address, is the Fund's principal underwriter and investment manager. John H. Kostmayer is board chairman and Frank H. Peirson is president; Kostmayer is board chairman of Hamilton Management and Peirson is its president.

OVER

LaROCHE, McCaffrey & McCall Files for Secondary. LaRoche, McCaffrey and McCall, Inc., 575 Lexington Ave., New York 10022, filed a registration statement (File 2-33044) with the SEC on May 15 seeking registration of 185,000 outstanding shares of common stock, to be offered for public sale by the present holders thereof through underwriters headed by G. H. Walker & Co., Inc., 503 Locust St., St. Louis, Mo. The offering price (\$19 per share maximum*) and underwriting terms are to be supplied by amendment. An advertising agency, the company has outstanding 625,140 common shares, all owned by officers and employees. James J. McCaffrey is board chairman and chief executive officer, David B. McCall is president, and Myron C. McDonald executive vice president. McCaffrey proposes to sell 37,720 of 125,307 shares held, McCall 37,720 of 125,307, and McDonald 15,050 of 50,000; the balance of the shares being registered are to be offered by 27 other selling stockholders.

Henslee Mobile Homes Proposes Rights Offering. Henslee Mobile Homes, Inc., 2410 West Division, Arlington, Tex. 76010, filed a registration statement (File 2-33047) with the SEC on May 15 seeking registration of 290,115 shares of common stock, to be offered for subscription by common stockholders of Republic Gypsum Company, at the rate of one Henslee share for each two Republic shares held. The subscription price (\$5.50 per share maximum*) and underwriting terms are to be supplied by amendment; Rauscher Pierce & Co., Inc., 1200 Mercantile Dallas Bldg., Dallas, Tex. 75201, heads a group of underwriters which have agreed to purchase the unsubscribed shares.

The company is engaged in the mobile home business. Of the net proceeds of its stock sale, \$862,500 will be used to retire indebtedness incurred in January 1969 to finance the purchase of all the outstanding stock of the company's predecessor; the balance will be added to working capital and used for general corporate purposes. In addition to indebtedness, the company has outstanding 1,200,000 common shares, all owned by Republic. Phil Simpson is board chairman and Rhyne Simpson, Jr., president. Purchasers of the shares being registered will acquire a 19% stock interest in the company for their investment of \$1,595,632*; Republic will then own 81%, for which it paid \$400,000 in cash plus an agreement to guarantee an indebtedness of \$900,000 incurred by the company.

Ikor to Sell Stock. Ikor Incorporated, Northwest Industrial Park, Burlington, Mass. 01803, filed a registration statement (File 2-33048) with the SEC on May 15 seeking registration of 300,000 shares of common stock, to be offered for public sale through underwriters headed by Devon Securities. The offering price (\$11 per share maximum*) and underwriting terms are to be supplied by amendment. The company has agreed to pay Devon Securities \$15,000 for expenses and to sell it, for \$25, five-year warrants to purchase 25,000 shares, exercisable at 120% of the offering price, and non-transferable for 18 months.

The company is engaged in the production of solid state electronic data keyboards for data handling, solid state variable speed motor controls for constant water pressure systems, water and waste pumping systems and process control and air handling systems, and hydraulic drive systems and instrumentation for offshore drilling rigs, machine tools and other types of mechanical equipment. Of the net proceeds of its stock sale, \$188,000 will be used to pay certain bank indebtedness and an SBA participating loan, \$1,000,000 for marketing and advertising expenditures and for expansion and improvement of production and research facilities, and \$600,000 for research and development in areas of existing products and activities and for new product research; the balance will be added to working capital and used for general corporate purposes, including possible future acquisitions. The company has outstanding 587,457 common shares (with a 52¢ per share net tangible book value), of which Arthur W. Winston, president, owns 29.7%. Purchasers of the shares being registered will acquire a 33.8% stock interest in the company for their investment of \$3,300,000*; the present shareholders will then own 66.2%, for which they will have paid \$776,094, or an average of \$1.32 per share.

Liberty Investment Plans Filed. Tsai Management & Research Corporation, 245 Park Ave., New York 10017, sponsor of Liberty Investment Plans for the accumulation of shares of Liberty Fund, Inc., filed a registration statement (File 2-33049) with the SEC on May 15 seeking registration of \$1,000,000 of single payment plans and \$900,000 of 10 or 15-year systematic investment plans (with or without insurance). Liberty Fund, Inc., is an open-end diversified investment company with the primary investment objective of obtaining liberal income consistent with reasonable safety of capital. It also selects investments with a view to capital growth where consistent with the primary objective. Gerald Tsai, Jr., is president of the Fund and of the sponsor.

Manhattan Investment Plans Filed. Tsai Management & Research Corporation, 245 Park Ave., New York 10017, sponsor of Manhattan Investment Plans for the accumulation of shares of Manhattan Fund, Inc., filed a registration statement (File 2-33050) with the SEC on May 15 seeking registration of \$1,000,000 of single payment plans and \$900,000 of 10 or 15-year systematic investment plans (with or without insurance). Manhattan Fund, Inc., is an open-end diversified investment company with the investment objective of seeking appreciation of capital through investment primarily in common stocks believed to have a potential for capital growth. Gerald Tsai, Jr., is president of the Fund and of the sponsor.

TMR Appreciation Plans Filed. Tsai Management & Research Corporation, 245 Park Ave., New York 10017, sponsor of TMR Appreciation Investment Plans, for the accumulation of shares of TMR Appreciation Fund, Inc., filed a registration statement (File 2-33051) with the SEC on May 15 seeking registration of \$1,000,000 of single payment and \$900,000 of 10 or 15-year systematic investment plans (with or without insurance). TMR Appreciation Fund, Inc., is an open-end diversified investment company with the investment objective of seeking appreciation of capital through investment primarily in common stocks. Gerald Tsai, Jr., is president of the Fund and of the sponsor.

NORTHWEST NATURAL GAS TO SELL SHARES. Northwest Natural Gas Company, 735 S. W. Morrison St., Portland, Oregon 97205, filed a registration statement (File 2-33052) with the SEC on May 16 seeking registration of 600,000 shares of common stock, to be offered for public sale through Lehman Brothers, 1 William St., and Dean Witter & Co. Inc., 14 Wall St., both of New York. The offering price (\$12 per share maximum*) and underwriting terms are to be supplied by amendment. A public utility, the company will use the net proceeds of its stock sale to reduce short-term bank loans obtained for the temporary financing of part of its construction expenditures during 1968 and 1969. Construction expenditures aggregated \$12,683,000 in 1968 are estimated at \$13,485,000 in 1969.

BROCKTON EDISON TO SELL BONDS. Brockton Edison Company, 36 Main St., Brockton, Mass. 02403, filed a registration statement (File 2-33061) with the SEC on May 16 seeking registration of \$5,000,000 of first mortgage and collateral trust bonds, due 1999, to be offered for public sale at competitive bidding. An electric utility member of Eastern Utilities Associates, the company will use the net proceeds of its bond sale to repay \$3,000,000 of open account advances from E.U.A. and to prepay in part short-term notes to banks, such borrowings having been incurred to provide funds for construction purposes (or to repay borrowings so incurred). Construction expenditures for 1969 are estimated at \$2,000,000.

ZIMMER HOMES FILES FOR OFFERING AND SECONDARY. Zimmer Homes Corporation, 777 S. W. 12th Ave., Pompano Beach, Fla. 33061, filed a registration statement (File 2-33062) with the SEC on May 16 seeking registration of 160,000 shares of common stock, of which 75,000 shares are to be offered for public sale by the company and 85,000 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters headed by Goodbody & Co., 55 Broad St., New York 10004; the offering price (\$60 per share maximum*) and underwriting terms are to be supplied by amendment.

The company and its subsidiaries are engaged in the design, manufacture and sale of mobile homes, modular homes and other factory-built housing. Of the net proceeds of its sale of additional stock, part will be used to repay \$2,200,000 of 1968 and 1969 bank borrowings, obtained to provide or restore cash expended in the purchase of Cross Hill Mobile Homes, Inc. (\$1,100,000), and in the purchase of Richmond Homes, Inc. (\$1,048,893), and \$400,000 to finance the construction of a new plant for the production of modular homes; the balance will be used for working capital. In addition to indebtedness, the company has outstanding 930,080 common shares, of which Paul H. Zimmer, board chairman, owns 28.40%. He proposes to sell 25,000 shares of 264,100 shares held and eight others the remaining shares being registered. Bernard T. Budd is president.

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 "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 May 9 News Digest.

| | | | |
|--|-----------|--|----------|
| First Western Financial Corp Feb. 1969 (12) | 0-2904-2 | Frier Ind., Inc Feb. 1969 (7,13) | 1-5556-2 |
| Illinois Bell Tel. Co Feb. 1969 (13) | 1-2222-2 | New York Airways, Inc Feb. 1969 (12,13) | 0-1032-2 |
| Champion Part Rebldrs. Inc Feb. 1969 (12,13) | 0-227-2 | Pacific Asbestos Corp Feb. 1969) 1,6,12) | 0-1144-2 |
| Fuqua Ind., Inc Feb. 1969 (2,7,11,13) | 1-5706-2 | Palm Beach Co Feb. 1969 (11,13) | 1-5904-2 |
| Richardson Co Feb. 1969 (7,13) | 1-5669-2 | Phelps Dodge Corp Feb. 1969 (13) | 1-82-2 |
| Stelber Ind., Inc Feb. 1969 (2,7,11,12,13) | 2-27500-2 | Sargent Ind., Inc Feb. 1969 (2,7,13) | 1-5776-2 |
| | | Union Camp Corp Jan. 1969 (12) | 1-4001-2 |

SECURITIES ACT REGISTRATIONS. Effective May 15: Chris-Craft Industries, Inc., 2-31871 (June 24). Effective May 16: American National Realty Corp., 2-31745 (40 days); The American Tobacco Co., 2-32679; Canon, Inc., 2-32402 (Aug 14) and 2-32403; Daryl Industries, Inc., 2-32796; Drexel Hedge Fund, Inc., 2-29646; Electrical Industry of Mexico, Inc., 2-32634 (June 25); The Magnavox Co., 2-32995; Medtronic, Inc., 2-32876; Southern Natural Gas Co., 2-32925; SCM Corp., 2-32976; Teledyne, Inc., 2-31859 (June 25); Wasko Gold Products Corp., 2-31498 (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.