

SECURITIES AND EXCHANGE COMMISSION

NEWS DIGEST

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

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FOR RELEASE May 18, 1971

COMMISSION ANNOUNCEMENTS

SEC TO HOLD PUBLIC CONFERENCE ON PROPOSED AMENDMENTS. A number of persons have requested a conference with the Commission on proposed changes respecting Reserve, Notice, and Refund Requirements in connection with the sale of Periodic Payment Plan Certificates which was announced April 29.

In view of these requests the Commission has determined to hold a Public Conference at 10 a.m. on May 28, 1971. Any person who wishes to be heard should, on or before May 24, 1971, write to the Securities and Exchange Commission, Washington, D. C. 20549 setting forth the persons or associations which he represents and suggesting the time desired to present his views. Only those persons who have submitted a written presentation at least two days prior to the date of the public conference will be heard. At the opening of the conference the Chairman will allot the time among the persons requesting to be heard. (Release IC-6527)

COMMENTS INVITED ON CHANGES TO THE REG S-X and FORMS 10-K. The Digest yesterday made reference to proposed amendments to Regulation S-X and Forms 10 and 10-K relative to financial reports filed with the Commission. Attention is invited to the fact that interested persons are invited to submit views and comments no later than June 18. Pending distribution of the release to the appropriate mailing lists, interested persons are directed to the Federal Register for a full text of the proposed amendments. (Release 33-5149)

COURT ENFORCEMENT ACTIONS

FORMER SECURITIES SALESMAN INDICTED IN BIRMINGHAM. The SEC Atlanta Regional Office has announced that a Jefferson County Grand Jury in Birmingham, Ala. returned an indictment charging Homer Leo Queen of Birmingham with two counts of forgery committed in connection with securities transactions which Queen handled as a securities salesman during his employment with two registered broker-dealers. The evidence leading to the indictment was developed in a joint investigation by the Alabama Securities Commission and the SEC Atlanta office. (LR-5005)

RESCH-CASSIN ENJOINED. The SEC New York Regional Office has announced that on May 4 the Federal court in New York permanently enjoined Resch-Cassin & Co., Inc., New York broker dealer and its principals George F. Resch, Jr., and Michael A. Cassin from violating, among others, the anti-fraud and net capital provisions of the Federal securities laws. (LR-5006)

COMPLAINT CITES POLLUTION CONTROL & ENG., OTHERS. The SEC Denver Regional Office has announced that a complaint was filed on May 5 in Federal court in Cheyenne seeking to enjoin the following from violating the registration and anti-fraud provisions of the Federal securities laws in the offer and sale of securities of Pollution Control and Engineering Corporation, a Utah corporation, Pollution Reduction Corporation, a Wyoming corporation and Pollution Control and Engineering Company, a Wyoming corporation: Pollution Control and Engineering Corporation, a Wyoming corporation, Pollution Control and Engineering Corporation, a Utah corporation, Pollution Reduction Corporation, a Wyoming corporation, Clean Air Corporation, a Wyoming corporation, Ralph L. Schauss, Martin Sanchez, Eugene Stevens, Edward DeJulius, J. J. Afflerbach, Allen Goldsmith and Paul Lange, all residents of Wyoming, and Donald C. Lange, Harold Schwartz, James Journigan and Martin Seamans, all residents of California. (LR-5007)

TURNER SENTENCED IN PITTSBURGH. The SEC Washington Regional Office announced that the Federal court in Pittsburgh on May 13 sentenced Auldus H. Turner, Jr. as a result of his previous plea of nolo contendere to a 15 count indictment charging violation of the registration provisions of the Federal securities laws to a one year term of imprisonment which was suspended, and a fine of \$5000. Turner was placed on probation for three years. As to remaining counts, Turner was fined a total of \$2800 and sentenced to one year on each count which was suspended and Turner was placed on probation for 3 years, and ordered to pay cost of the prosecution. (LR-5008)

SCHUCHERT PLEA ACCEPTED IN PITTSBURGH. The SEC Washington Regional Office announced that on May 14 the Federal court in Pittsburgh accepted a plea of nolo contendere for Joseph S. Schuchert, Jr., to a 15 count indictment charging him with 1 count of conspiracy to violate and 14 counts of violation of the registration provisions of the Federal securities laws. (LR-5009)

INVESTMENT COMPANY ACT RELEASES

FORTUNE CAPITAL FUND, INC. The Commission has issued an order giving interested persons until June 8 to request a hearing on the application of Fortune Capital Fund, Inc., New York open-end diversified investment company for an order declaring that it has ceased to be an investment company as defined in the Act. As of April 15, 1971 all of its outstanding securities are beneficially owned by 22 persons and it is not now making nor does it contemplate making a public offering of its securities. (Release IC-6525)

OVER

E. I. DU PONT DE NEMOURS & CO. The Commission has issued an order exempting from certain provisions of the Investment Company Act, the proposed grant by E. I. du Pont de Nemours and Company to Showa Neoprene K.K. (SNK) a Japanese Corporation, exclusive rights in Japan to certain technical information and Japanese Patents covering a process for converting butadiene to chloroprene. The transaction involves the Christiana Securities Company. (Release IC-6526)

HOLDING COMPANY ACT RELEASES

JERSEY CENTRAL P&L CO. The Commission has issued an order authorizing the Jersey Central Power and Light Company to grant and convey to Texas Eastern Transmission Company for cash an easement for, among other things, the construction of a pipe line for the transmission of natural gas in New Jersey. (Release 35-17129)

COLUMBIA GAS SYSTEM. The Commission has issued an order authorizing subsidiary companies of The Columbia Gas System to issue and sell to Columbia prior to April 1, 1972 unsecured installment notes, as well as common stock in amounts set forth in a prior Commission release. Columbia also proposes to advance on open account to certain of the subsidiary companies, from time to time during 1971 additional monies as set forth in the company's application. (Release 35-17131)

SECURITIES ACT REGISTRATIONS

JAMICO CORP. TO SELL STOCK. Jamico Corporation, P. O. Box 132, East Bangor-Mt. Bethel Hwy, Bangor, Pa. 18013, filed a registration statement with the SEC on May 10 seeking registration of 1,200,000 shares of Class A common stock, to be offered for public sale at \$5 per share. No underwriting is involved.

Organized in March 1971, the company is engaged in the operation of a retail sporting goods store in the Bangor area. Of the net proceeds of its stock sale, \$1,500,000 will be used to finance the formation of and commence the operations of a life insurance subsidiary, and the balance will be used for working capital and other corporate purposes. The company has outstanding 130,000 Class A and 30,000 Class B shares (with a combined book value of 95¢ per share). Anthony J. Capozzolo, board chairman and president, owns 51% and management officials as a group 100% of the B shares; management officials as a group own 28.8% of the A shares. Purchasers of the shares being registered will sustain an immediate dilution of \$1.05 in per share book value from the offering price. (File 2-40376)

SECURITY PLASTICS FILES FOR OFFERING AND SECONDARY. Security Plastics, Inc., 4295 East 11th Ave., Hialeah, Fla. 33013, filed a registration statement with the SEC on May 12 seeking registration of 200,000 shares of common stock, of which 66,666 are to be offered for public sale by the company and 133,334 (being outstanding shares) by the holders thereof. The offering is to be made (** at \$8 per share maximum) through underwriters headed by Edwards & Hanly Securities, Inc., 1 Whitehall St., New York 10004.

The company manufactures injection molded parts primarily of nylon, acetal and phenolic materials. Of the net proceeds of its stock sale, \$400,000 will be used to provide a portion of funds needed for the construction of a new office and factory building and the balance for working capital and other corporate purposes. The company has outstanding 800,000 common shares (with a \$2.64 per share net tangible book value), of which Norman H. Cohan, board chairman and president, and Fredric Wise, vice president, own 50% each. Each proposes to sell 66,667 shares. (File 2-40378)

OHIO EDISON TO SELL BONDS. Ohio Edison Company, 47 N. Main St., Akron, Ohio 44308, filed a registration statement with the SEC on May 12 seeking registration of \$60 million of first mortgage bonds, due 2001, to be offered for public sale at competitive bidding. Net proceeds of its bond sale will be used for construction purposes, to make advances in connection with the development of a new coal mine and to repay short-term loans (estimated at \$20 million at the time of such sale). Construction expenditures are estimated at \$112,592,000 for 1971. (File 2-40379)

ALCOA SHARES IN REGISTRATION. Aluminum Company of America, 1501 Alcoa Bldg., Pittsburgh, Pa. 15219, filed a registration statement with the SEC on May 10 seeking registration of 150,000 shares of common stock, issuable pursuant to the company's Incentive Compensation Plan. (File 2-40381)

AMERICAN CHALLENGE EDUCATION GAME TO SELL STOCK. American Challenge Educational Game Corp., Pastimes Bldg., River Rd., Box 221, Washington Crossing, Pa. 18977, filed a registration statement with the SEC on May 10 seeking registration of 250,000 shares of Class A common stock, to be offered for public sale at \$2 per share. No underwriting is involved.

The company was organized in December 1970 for the purpose of developing and marketing games which are educational in nature. Net proceeds will be used for general corporate purposes. The company has outstanding 10,000 Class "B" shares, all owned by management officials. Glenn B. Remington is president. (File 2-40382)

*WOMETCO ENTERPRISES TO SELL DEBENTURES. Wometco Enterprises, Inc., 306 N. Miami Ave., Miami, Fla. 33128 filed a registration statement with the SEC on May 12 seeking registration of \$15 million of convertible subordinated debentures, due 1996, to be offered for public sale through underwriters headed by Walston & Co. Inc., 77 Water St., New York 10005.

The company is engaged in providing leisure time services and products. Of the net proceeds of its debenture sale, \$4,350,000 will be used to construct 16 additional motion picture theatres and the balance for acquisitions and for the development of new businesses. (File 2-40383)

AMERICAN CENTURY MORTGAGE INVESTORS PROPOSES OFFERING. American Century Mortgage Investors (the "Trust") 11 E. Forsyth St., Jacksonville, Fla. 32202, filed a registration statement with the SEC on May 12 seeking registration of \$25 million of convertible subordinated debentures, due 1991, with warrants to purchase shares of beneficial interest, to be offered for public sale in units, each consisting of a \$1000 debenture and an unspecified number of warrants, and at \$1000 per unit. The offering is to be made through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith, Inc., 70 Pine St., New York, N. Y. 10005.

The Trust invests in a portfolio of real estate interests consisting primarily of construction and development first mortgage loans. American Century Advisers, Inc., 80% owned by American Heritage Life Investment Corporation and 20% owned by Merrill Lynch, is investment adviser. W. Ashley Verlander is chairman and president of the Trust and president of the adviser. (File 2-40384)

FRANKLIN LIFE FUND PROPOSES OFFERING. Franklin Life Bond Fund, Inc., Franklin Sq., Springfield, Ill. 62705, filed a registration statement with the SEC on May 12 seeking registration of 5,000,000 shares of common stock, to be offered for public sale at net asset value (** \$10 per share maximum) plus an 8½% sales charge on purchases of less than \$10,000. The Fund is an open-end investment company, whose investment objective is conservation of capital while generating interest income. The Franklin Life Insurance Company is investment adviser and Franklin Financial Services Corporation is distributor of Fund shares. George D. Milne is president of the Fund and senior vice president of Franklin Life. (File 2-40385)

FINANCIAL EQUITIES TO SELL STOCK. Financial Equities, Ltd., 210 W. 7th St., Los Angeles, Calif. 90014, filed a registration statement with the SEC on May 13 seeking registration of 200,000 shares of common stock, to be offered for public sale at \$3 per share. The offering is to be made through underwriters headed by Business Equity Corp.

Organized in October 1969, the company is engaged in the securities business as a broker-dealer. Net proceeds of its stock sale will be used for working capital and other corporate purposes. The company has outstanding 408,000 common shares (with a 41¢ per share book value), of which Richard H. Dunn, board chairman, owns 25.8%, Daniel H. Luxenberg, president, 11.2% and management officials as a group 92.4%. Purchasers of the shares being registered will sustain an immediate dilution of \$1.94 in per share book value from the offering price. (File 2-40387)

***PINEHURST CORP. SHARES IN REGISTRATION.** Pinehurst Corporation, 1800 Avenue of the Stars, Century City (Los Angeles), Calif. 90067, filed a registration statement with the SEC on May 13 seeking registration of 135,945 shares of common stock, of which 9,298 are issued or issuable under options pursuant to an incentive stock option plan for agents of Founders Life Insurance Company, assumed by the company on January 2. The remaining 126,647 are outstanding shares (issued in connection with the company's acquisition of Coast Standard Life Insurance Company), which may be offered for sale from time to time by the holders thereof at prices current at the time of sale (** \$6.50 per share maximum). (File 2-40388)

WASHINGTON POST FILES FOR OFFERING AND SECONDARY. The Washington Post Company, 1515 L St., N. W., Washington, D. C. 20005, filed a registration statement with the SEC on May 13 seeking registration of 1,300,000 shares of Class B common stock, of which 580,000 are to be offered for public sale by the company and 670,000 (being outstanding shares) by the holders thereof. The offering is to be made (** at \$27 per share maximum) through underwriters headed by Lazard Freres & Co., 44 Wall St., New York, N. Y. The remaining 50,000 shares are to be offered to company employees and circulation dealers.

The company and subsidiaries publish The Washington Post and Newsweek and own and operate television and radio broadcasting stations. Of the net proceeds of its stock sale, \$10 million will be applied to retirement of long-term debt incurred in October 1969 in the acquisition of television station WPLG-TV in Miami and radio station WCKY (AM) in Cincinnati, and the balance will be added to the company's working capital. In addition to indebtedness, the company has outstanding 763,440 Class A and 3,187,620 Class B common shares. Katharine Graham, president, owns 50.1% of the A shares; the Profit-Sharing Trust for Employees of the Washington Post Company owns 29.1%, Frederick S. Beebe, board chairman, 10.3% and management officials as a group 20.1% of the B shares. The Employees Profit-Sharing Trust proposes to sell 475,000 B shares, Beebe 150,000 and one other the remaining B shares being registered. (File 2-40389)

THIEM CORP. FILES FOR OFFERING AND SECONDARY. Thiem Corporation, 2433 N. Mayfair Rd., Wauwatosa, Wis. 53226, filed a registration statement with the SEC on May 13 seeking registration of 194,000 shares of common stock, of which 40,000 are to be offered for public sale by the company and 154,000 (being outstanding shares) by the holders thereof. The offering is to be made (** at \$11 per share maximum) through underwriters headed by Loewi & Co. Inc., 225 East Mason St., Milwaukee, Wis. 53202.

The company is engaged in the production of foundry materials. Of the net proceeds of its stock sale, \$150,000 will be applied to the retirement of short-term indebtedness and the balance for working capital and other corporate purposes. In addition to indebtedness and preferred stock, the company has outstanding 693,100 common shares, of which Darold W. Thiem, president, owns 29% and management officials as a group 97%. Darold Thiem proposes to sell 40,000 shares and seven others the remaining shares being registered. (File 2-40390)

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:

Cooper Tire & Rubber Company, Findlay, Ohio (File 2-40377) - 60,000 shares
 DeSoto, Inc., Des Plaines, Ill. (File 2-40380) - 120,000 shares
 Rex-Noreco, Inc., Englewood Cliffs, N. J. (File 2-40386) - 75,000 shares
 Caterpillar Tractor Co., Peoria, Ill. (File 2-40391) - 800,000 shares
 Florida Tile Industries, Inc., Lakeland, Fla. (File 2-40393) - 15,000 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 (in ordering, please give month and year of report). 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 10 News Digest.

8K Reports for February 1971

Hoffman Rosner Corp (7)	2-35081-2	Northern Central Ry Co (3)	1-1562-2
Investors Reit One (7,10)	0-5263-2	Kendall Co (1,8)	1-4193-2
Listfax Corporation (11)	2-28453-2	Life Insurance Securities Corp (3,13)	0-3727-2
Local Finance Corp (7)	0-1464-2	Mem Co., Inc (7)	1-5292-2
Medtronic Inc (3)	0-2228-2	Nardis of Dallas Inc (7,10,13)	0-5122-2
Mego International, Inc (3)	1-6573-2	General Leisure Products Corporation (11,13)	2-35132-2
Milgo Electronic Corp (11)	1-5045-2	National Steel Corp (12,13)	1-983-2
Monumental Corporation (4,7,13)	0-4574-2	Garrett Freightlines Inc. (12,13)	0-705-2
Mallory Randall Corp (12)	1-4527-2	Jersey Central Power and Light Co. (7,12,13)	0-3141-2
National Computer Services Corp (1,2,7,8,11,13)	2-27530-2	Life Sciences, Inc (3,7)	0-5099-2
General Plywood Corp (11)	1-3291-2	National Equity Corporation (1,2,10,11,12,13)	2-32589-2
Hazel Park Racing Association Inc (7,11,13)	0-2759-2	New Jersey Power & Light Co (10)	1-3221-2
Marine Corporation (12,13)	0-990-3	Hess's Inc (7,13)	0-3759-2
Mattel Inc (2,7,13)	1-5647-2	Mid-America Great Plains Financial Corp (3)	0-3560-2
Liberty National Corporation (12,13)	0-4547-2	Ormand Industries, Inc (2,13)	0-869-2
First Commerce Corporation (March 71 pursuant to Rule 12(g-3))	0-5494-1	Illinois Bell Telephone Co (13)	1-2222-2
Leasco Corporation (11,13)	1-5288-2	Keuffel & Esser Co (3,6)	0-2117-2
Michigan Central RR Co (3)	1-1787-2	General Electric Credit Corp (7,13)	1-6461-2
NY & Harlem RR Co (3)	1-1616-2	Green Shoe Manufacturing Company (7)	1-4404-2
Norfolk and Western Ry Co (7,13)	1-546-2	Mobile Home Communities Dec 70 (11)	0-5308-2
		(12,13)	0-5308-2

SECURITIES ACT REGISTRATIONS. Effective May 17: American Medical Association, 2-40088; Computer Technology, Inc., 2-38938; Cutter Laboratories, Inc., 2-40282; General Cigar Co., Inc., 2-40195; The McCarthy Co., 2-39608 (90 days); Module Systems and Development Corp., 2-39123 (90 days); Pier 1. Imports, Inc., 2-39392; Seaboard Coast Line Industries, Inc., 2-40264.

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.

* This is a reporting company and further information with respect to its business and operations is available in the Commission's Public Reference files.

** As estimated for purposes of computing the registration fee.

1/ Pending distribution of this Release by the Commission to the appropriate mailing lists, interested persons should consult the Federal Register for more details of the release.