

sec news digest

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July 27, 1973

COMMISSION ANNOUNCEMENTS

SUSPENSION OF TRADING IN RADIATION SERVICE ASSOC. LIFTED. The SEC has announced that the suspension of the over-the-counter trading in the common stock of Radiation Service Associates, Inc. (Radiation), formerly known as Meridian Fast Food Services, Inc. (Meridian), a Delaware corporation, with its principal office at U. S. Highway 46 and Schley Street, Dover, New Jersey, will terminate at midnight (EDT) on July 29, 1973.

Meridian was formed in October 1969 for the purpose of operating several drive-through dairy stores. In March 1971, the company, pursuant to a Regulation A exemption, offered 60,000 shares to the public, of which a minimum of 22,000 had to be sold in order for the offering to become effective. In the two weeks prior to the expiration of the offer 22,600 shares were sold. The stock rose from its offering price of \$5 per share in March 1971, to an ask price of \$8 in September 1971, \$13 in October 1971 and \$20 on February 15, 1972 when trading was suspended by the Commission.

Negotiations between Meridian and Radiation involving a possible merger commenced during the summer of 1971 with a Letter of Intent signed during October 1971. The merger was consummated in February 1972. Meridian divested itself of its assets and acquired Radiation. By the terms of the acquisition, the principals of Radiation obtained control of Meridian.

On June 7, 1973 the Commission filed a complaint in the United States District Court for the Southern District of New York seeking to enjoin Leonard Cooper, Ramon D'Onofrio, Amwiss International Corp., Glenn Woo, Richard Kirschbaum, Hyman Tomkin and Joanne Daly from alleged further violations of the registration and antifraud provisions of the Federal securities laws in connection with the sale of the common stock of Radiation. In its court papers, the Commission alleged that D'Onofrio, Daly and others participated in an elaborate scheme to defraud the investing public by, among other things, placing all the publicly offered shares of Radiation with a selected group of nominee accounts preparatory to a manipulation of the over-the-counter trading in the stock. The complaint alleged that, as a result of such manipulative trading, the price of Radiation common stock was artificially elevated from its offering price of \$5 per share to its high asked price of \$20 per share. The complaint also, among other things, alleged that D'Onofrio and the other defendants still control virtually all of the publicly traded shares of Radiation as well as a large number of unregistered Radiation shares.

On July 19, 1973 the Federal court in New York, preliminary enjoined defendants D'Onofrio and Daly from further violations of the registration and antifraud provisions of the securities laws in connection with the sale of Meridian or any other security. The court has reserved decision on the Commission's motion for a preliminary injunction against the other named defendants. (Rel. 34-10300)

TRADING SUSPENDED IN SECURITIES OF FIVE COMPANIES. The SEC has announced the temporary suspension of over-the-counter trading in the securities of Federated Franchises, Inc., of Hackensack, N. J., Di-An Controls, Inc., of Boston Massachusetts, Lyntex Corporation, of New York, New York, Mechanical Enterprises, Inc., of Alexandria, Virginia, and Wain Resources, Inc., of Los Angeles, California for a ten-day period commencing on July 26, 1973 and terminating at midnight (EDT) on August 4, 1973.

The Commission initiated the suspensions because the companies failed to comply with the reporting provisions of the Exchange Act resulting in the lack of current and accurate information available to the public. (Rel. 34-10301 and 34-10302)

COURT ENFORCEMENT ACTIONS

COURT ENTERS ORDER RE WESTGATE-CALIFORNIA. The SEC has announced that on July 23, 1973, a Federal court in California entered a Stipulation and Order in the matter of SEC v. Westgate-California Corporation. Such Stipulation and Order was agreed to by the defendants without admitting or denying the plaintiff's allegations as an interim arrangement pending a hearing on the matter scheduled for October 16, 1973.

The Stipulation and Order provides that: (1) The defendants in the action shall not violate those provisions of the Federal securities laws set out in the Commission's complaint; (2) Defendants Smith and Coen and entities owned or controlled by them except United States National Bank, shall not purchase or sell securities of Westgate or United States National Bank without prior notice to the Commission; (3) Westgate, Smith and Toft and those acting for them shall not disburse or commit Westgate's assets or funds for the benefit of other defendants or persons affiliated with those other defendants, except for (a) disbursements or commitments in the ordinary course of business not in excess of \$100,000 as to any single transaction (b) disbursements or payments in the ordinary course of business in connection with the acquisition of raw materials and the processing for sale of food products, or (c) any other disbursements or commitments made after three days prior notice to the Commission; (4) Coen and BCIC shall not dispose of any asset of BCIC to any other defendant without notice to the Commission. Further if a sale or disposition of an asset of BCIC involves any guarantee or similar arrangement by any other defendant, notice and an opportunity to object must be given to the Commission at least ten days prior to such transaction. If the Commission then objects to the transaction, court approval must be obtained for consummation of the transaction; (5) Further, any sale or other disposition of a Westgate asset wherein any defendant agrees to reacquire such asset at its option, indemnify the purchaser against loss, or guarantee a profit to the purchaser shall not be completed until the terms be reduced to writing and presented to the Board of Directors of Westgate for approval and defendant of Westgate shall submit copies of the minutes of its Board of Directors to the Commission five days prior to the consummation of any such transaction; (6) Westgate shall place an additional director on its Board of Directors who shall also be a member of the Executive and, at his option, a member of the Audit Committee. Such director, in addition to reports to the court as requested by the court or as he deems the normal duties and responsibilities of the other directors of Westgate, shall be given the responsibility of submitting reports to them and to the parties as required by the Court or as he deems appropriate. Further, such director may, at his option, be elected as a director of any subsidiary of Westgate with the same rights, liabilities and duties as with respect to Westgate.

The Judge further ordered that a pre-trial conference be held on Monday, October 1, 1973. (LR-5995)

WILLIAM A. REYNER PERMANENTLY ENJOINED. The SEC Chicago Regional Office announced that on July 13 the Federal court at Detroit, Michigan permanently enjoined William A. Reyner, of Ypsilanti, Michigan, individually and doing business as Apex Oil Company, from further violations of the registration and antifraud provisions of the Federal securities laws, in the offer and sale of fractional interests in oil and gas leaseholds. The defendant consented to the entry of the permanent injunction without admitting or denying the allegations in the Commission's complaint. (LR-5996)

JOSEPH G. BARRY CONVICTED. The SEC Atlanta Regional Office announced that on July 20, 1973 a Putnam County, Florida jury found Joseph G. Barry of Jacksonville guilty of grand larceny and forgery in connection with his operation of Joseph G. Barry and Sons, Inc., a Daytona Beach securities firm now in bankruptcy. Sentencing will be scheduled at a later date. (LR-5997)

DCS FINANCIAL CORP. ENJOINED. The SEC Los Angeles Regional Office on July 23, 1973, announced that on July 18, 1973 the Federal court in Los Angeles, permanently enjoined DCS Financial Corporation of Rochester, New York from further violations of the antifraud provisions of the Federal securities laws in connection with a manipulation of the common stock of that company.

Newport Securities Corporation, Martin Susson, and Seymour Vignan of Newport Beach, California; Roy O. Dawson of Fountain Valley, California; and A. Gurdon Wolfson of Corona Del Mar, California had been previously enjoined by consent in connection with the same action. A permanent injunction was denied as to Isadore Diamond of Rochester, New York. (LR-5998)

MISCELLANEOUS

RECENT FORM 8-K FILINGS

Form 8K is a report which must be filed with the SEC by the 10th of the month after any of the following important events or changes changes in control of the registrant; acquisition or disposition of assets, legal proceedings, changes in securities (i.e., collateral for registered securities); defaults upon senior securities; increase or decrease in the amount of securities outstanding, options to purchase securities; revaluation of assets; submission of matters to a vote of security holders.

The companies listed below have filed Form 8-K reports for the month indicated, responding to the item of the form specified. 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 items of the form was included in Monday's News Digest.

COMPANY	ITEM NO.	MONTH
ALDON INDUSTRIES INC	3	06/73
AMADAC INDUSTRIES INC	13,14	06/73
AMERICAN EXPORT INDUSTRIES INC	6,7,8,10,14	06/73
AMERICAN MAIZE PRODUCTS CO	4,11	06/73
AMERICAN MEDICORP INC	13	06/73
AMERICAN WESTERN CORP	11,14	06/73
AMFAC INC	7,14	05/73
ANACONDA CO	2,8,14	06/73
ANTILLES BREWING CO INC	13	07/73
APPLIED HEALTH SERVICES INC	3	07/73
ATHEY PRODUCTS CORP	13	06/73
AVCO COMMUNITY DEVELOPERS INC	3,7,11,14	06/73
AVEMCO CORP	13	06/73
CANAVERAL INTERNATIONAL CORP	2,11,13,14	06/73
CARLSBERG MOBILE HOME PROPERTIES LTD 72	2,14	06/73
CASTLE INDUSTRIES INC	2,14	05/73
CENTRAL HUDSON GAS & ELECTRIC CORP	13	06/73
CITIZENS HOLDING CO	13,14	07/73
CLC OF AMERICA INC	13,14	07/73
COLGATE PALMOLIVE CO	8	06/73
CUM SHARE INC	2,8,10,14	06/73
COMMUNITY BANKS OF FLORIDA INC	13	06/73
COMPUTER MACHINERY CORP	13,14	06/73
CONTEXT INDUSTRIES INC	2,7,11,13,14	06/73
CONTINENTAL WINGATE CO INC	11	06/73
CRESCENT GENERAL CORP	1,3,13,14	06/73
CRESTMONT OIL & GAS CO	11	05/73
DATA COMPUTER SYSTEMS INC	11	06/73
DATA LEASE FINANCIAL CORP	12	06/73
DECRAFORM INC	2,9,13	06/73
DEL LABORATORIES INC	9,14	06/73
DEPOSITORS CORP	10,14	06/73
DIGIORGIO CORP	10,14	06/73
ECOLOGICAL SCIENCE CORP	3	06/73
ELECTRO CATHETER CORP	12,14	07/73
ENVIROFOOD INC	3,14	06/73
EPIC ENTERPRISES INC	3,14	12/72
FEDERAL MOGUL CORP	3	06/73
FILTRUL CORP	2,7,13,14	06/73
FINANCIERA METROPOLITANA S A	7	06/73
FIRST FIDELITY CORP	2,10,11,14	06/73
FLORIDA SHARES INC	7	06/73
GENERAL AMERICAN TRANSPORTATION CORP	7,13,14	07/73
GENERAL INSTRUMENT CORP	11	06/73
GEORGETOWN RACING INC	6	04/73
GETTY OIL CO	3,13	06/73

8K REPORTS CONT.

HINES EDWARD LUMBER CO	3	06/73
HOAN PRODUCTS LTD	12	05/73
HOLIDAY PARK PROPERTIES INC	12	07/73
HOTEL INVESTORS	7,14	06/73
HOWARD STORES COMP	3,12	06/73
HYDRO OPTICS INC	11	06/73
IEC ELECTRONICS CORP	1	06/73
ILLINOIS CENTRAL GULF RAILROAD CO	7,14	06/73
INTER CONTINENTAL COMPUTING INC	2,6,7,14	06/73
KENILWORTH RESEARCH & DEVELOPMENT CORP	7,11,14	06/73
LAFAYETTE FUNDS INC	7	06/73
LAFAYETTE FUNDS INC	7	06/73
LANCHART INDUSTRIES INC	13	06/73
LOUISIANA PACIFIC RESOURCES INC	13	06/73
LOUISIANA POWER & LIGHT CO	7	06/73
MAULE INDUSTRIES INC	7,8,13	06/73
MILLER H & SONS INC	2,14	06/73
MODULE SYSTEMS & DEVELOPMENT CORP	13,14	06/73
MOGEN DAVID KUSHER MEAT PRODUCTS CORP	7,11,14	06/73
MCXON INC	3	06/73
NATIONAL DATA CORP	13,14	06/73
NATIONAL FIRE PROTECTION INC	9,13	06/73
NATIONAL MICRONETICS INC	7,11,14	06/73
NBC CO	2,7,14	06/73
NEWPORT ELECTRIC CORP	7,14	06/73
NORTH AMERICAN CAR CORP	7,14	06/73
NORTH AMERICAN MORTGAGE INVESTORS	13,14	06/73
OIL SHALE CORP	7,8,13,14	06/73
PACIFIC COMMODITIES EXCHANGE INC	7	06/73
PACIFIC LIGHTING SERVICE CO	13	06/73
PERKINS & WILL INC	2,13,14	06/73
PHILADELPHIA ELECTRIC CO	3,13	06/73
PINDYCK CHARLES INC	12,14	06/73
PLAIN N FANCY DONUTS OF AMERICA INC	13	06/73
PKU SYSTEMS INC	13	07/73
PROOF LOCK INTERNATIONAL INC	12	04/72
PTC INDUSTRIES INC	11	06/73
RAHALL COMMUNICATIONS CORP	3,4,7,8,13,14	06/73
KEYBOLD HOMES INC	1	06/73
RINN CORP	12,13	06/73
ROXBURY CARPET CO	2,4,6,8,14	06/73

TRADING SUSPENSIONS CONTINUED. The SEC has announced the suspension of over-the-counter trading in the securities of Aaden Corp. for the further ten-day period July 27 through August 5, inclusive.

SECURITIES ACT REGISTRATIONS. Effective July 25: Levitz Furniture Corporation, 2 46339; Effective July 26: General Telephone Company of Florida, 2-48499; Computer Electron Systems, Inc., 2-48470; Rockville Industries, Inc., 2-47263 (90 days); Continental Real Estate Partners, Ltd., 2-46282; Honeywell Inc., 2-48649; First Realty Investment Corp., 2-44975.

NOTE TO DEALERS. The period of time dealers are required to use the prospectus in trading transactions is shown in parentheses after the name of the issuer.

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