

# sec news digest

Issue 79-103

MAY 31 1979

May 29, 1979

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## ADMINISTRATIVE PROCEEDINGS

## U.S. SECURITIES AND EXCHANGE COMMISSION

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### E. F. HUTTON & COMPANY INC., OTHERS

The Commission announced that it has accepted the Offers of Settlement of E.F. Hutton & Company Inc., Jerome D. Rosenstein and Bernard Berger in connection with a proceeding instituted by the Commission on November 8, 1978. In their respective offers of settlement, Hutton and Rosenstein consented to an order finding that they each failed reasonably to supervise, and Berger consented to an order finding that he wilfully violated and wilfully aided and abetted violations of the antifraud provisions of the securities laws.

On the basis of the offers of settlement, the Commission ordered that Hutton be censured, that Rosenstein be suspended for a period of nine days and Berger be suspended for a period of 24 days from association with any broker-dealer, investment advisor or investment company. It was further ordered that Hutton perform a special audit with respect to the activities alleged in the Order for Proceedings, adopt and implement procedures as necessary, and make a report of its findings to the Commission.

The Commission's November 8, 1978 Order for Proceedings alleged that Berger violated and that Hutton, Rosenstein and Berger aided and abetted violations of the antifraud provisions of the securities laws in a scheme to increase the price of the common stock of Rapid American Corp. at the close of trading on the NYSE on a daily basis during the period from August to October, 1976. (Rel. 34-15814)

### DECISION AS TO ETHAN ALDRIDGE CO., INC. AND HERBERT C. KURLAN FINAL

The decision of an administrative law judge as to Ethan Aldridge Co., Inc., of Lynbrook, New York, formerly a registered broker-dealer, and Herbert C. Kurlan, of San Francisco, its president, has become final. Aldridge Co.'s broker-dealer registration has already been cancelled. The law judge's suspension of Kurlan from association with any broker or dealer for 20 business days is effective June 4.

The law judge found that respondents participated in a series of Houston Oil and Minerals Corp. option trades on the Pacific Stock Exchange for the purpose of creating a false and misleading appearance of increased volume. (Rel. 34-15823)

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## INVESTMENT COMPANY ACT RELEASES

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### IDS GROWTH TO MATURITY FUND, INC.

An order has been issued on an application of IDS Growth to Maturity Fund, Inc., registered under the Investment Company Act of 1940 as an open-end, diversified, management investment company, declaring that it has ceased to be an investment company. (Rel. IC-10711 - May 25)

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## HOLDING COMPANY ACT RELEASES

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### JERSEY CENTRAL POWER & LIGHT COMPANY

A supplemental order has been issued authorizing a proposal of Jersey Central Power & Light Company, subsidiary of General Public Utilities Corporation, that it change the interest rate payable on a portion of its short-term borrowings. (Rel. 35-21061 - May 25)

## NORTHEAST UTILITIES

A notice has been issued giving interested persons until June 20 to request a hearing on a proposal of Northeast Utilities, a registered holding company, to issue and sell up to 3,000,725 shares of common stock, par value \$5, pursuant to its Dividend Reinvestment and Common Share Purchase Plan from time to time through June 30, 1981. The proceeds of such sales will be used to repay Northeast's short-term debt and to make capital contributions or loans to Northeast's subsidiaries. (Rel. 35-21064 - May 25)

## THE SOUTHERN COMPANY

An order has been issued approving a proposal of The Southern Company, a registered holding company, and Southern Company Services, Inc., subsidiary of The Southern Company, whereby Southern Services seeks authorization to increase the maximum amount of unsecured notes it may at any time have outstanding to \$50 million and to make unsecured borrowings from a foreign bank in a maximum aggregate principal amount of \$20 million. (Rel. 35-21063 - May 25)

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## LISTING, DELISTING AND UNLISTED TRADING ACTIONS

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### DELISTINGS GRANTED

Orders have been issued granting the applications of the following companies to strike from listing and registration the specified securities on the Philadelphia Stock Exchange, Inc. - Highland Capital Corp., common stock (par value \$1); Technical Operations, Inc., 8% convertible subordinated debentures, due 1985; and Transcontinental Oil Corporation, 12-7/8% subordinated debentures, due 1998. (Rel. 34-15874)

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## SELF-REGULATORY ORGANIZATIONS

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### NOTICE OF PROPOSED RULE CHANGES

The following stock exchanges have filed proposed rule changes pursuant to Rule 19b-4: The American Stock Exchange, Inc. (SR-Amex-79-7) to amend Amex Rule 1 to provide that the Amex may complete one trading rotation in any class of options contracts, even though completion of the rotation would result in the effecting of transactions on the exchange after the normal 4:10 p.m. New York time closing hour, if: (1) the rotation is initiated due to unusual market conditions pursuant to Amex Rule 917, and is authorized by two floor officials; and (2) notice of the rotation is publicly disseminated no later than the commencement of the rotation or 4:00 p.m. New York time, whichever is earlier. (Rel. 34-15875) and The Chicago Board Options Exchange, Inc. (SR-CBOE-79-5) to amend CBOE Rule 6.2 to provide that the CBOE may complete one trading rotation in any class of options contracts, even though completion of the rotation would result in the effecting of transactions on the exchange after the normal 3:10 p.m. Chicago time closing hour, if: (1) the rotation is initiated due to the declaration of a "fast market" pursuant to CBOE Rule 6.6, and (2) notice of the rotation is publicly disseminated prior to its initiation and not later than 3:00 p.m. Chicago time. (Rel. 34-15876)

Publication of the above proposals are expected to be made in the Federal Register during the week of May 28.

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## MISCELLANEOUS

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### HUGHES HUBBARD & REED

An order has been issued pursuant to Section 3(a)(2) of the Securities Act of 1933 exempting from the provisions of Section 5 of the Act interests or participations issued in connection with the Profit-Sharing Plan of Hughes Hubbard & Reed, a law firm organized as a partnership under New York law. (Rel. 33-6072)

## SECURITIES ACT REGISTRATIONS

The following registration statements have been filed with the SEC pursuant to the Securities Act of 1933. The information noted below has been taken from the cover page and the facing sheet of the prospectus and registration statement and will appear as follows: Form; Name, address and phone number (if available) of the issuer of the security; Title and the number or face amount of the securities being offered; Name of the managing underwriter (if applicable); Whether the offering is a rights offering; and File number and date filed.

- (S-7) SEARS ROEBUCK ACCEPTANCE CORP., One Customs House Sq., Wilmington, Del. 19899  
(302) 656-9971 - \$150 million of medium-term notes, due from 2 years to 10 years from date of issue. (File 2-64577 - May 25)
- (S-8) MARSHALL FIELD & COMPANY, 25 East Washington St., Chicago, Ill. 60690 (312)  
236-7272 - 400,000 shares of common stock. The company is engaged in the retail sale of dry goods. (File 2-64578 - May 25)
- (S-14) UNITED TECHNOLOGIES CORPORATION, United Technologies Bldg., Hartford, Conn. 06101  
(203) 728-7000 - 23,157,433 shares of \$2.55 cumulative dividend convertible preferred stock and 40,230 shares of \$4.50 cumulative dividend preferred stock. (File 2-64579 - May 25)
- (S-14) ALLIED BANCSHARES, INC., 808 Travis St., Houston, Tex. 77002 (713) 224-6611 -  
114,699 shares of common stock and \$9,375,000 shares of 9-1/2% restricted debentures, due 1989. (File 2-64580 - May 25)
- (S-16) NEW ENGLAND ELECTRIC SYSTEM, 20 Turnpike Rd., Westborough, Mass. 01581 (617)  
366-9011 - 1,500,000 shares of common shares. (File 2-64581 - May 24)
- (S-1) GLOBAL MARINE INC., 811 West Seventh St., Los Angeles, Cal. 90017 (213) 680-9550 -  
770,000 shares of common stock. Underwriter: Drexel Burnham Lambert Inc. The company is engaged in marine oil and gas contract drilling. (File 2-64582 - May 25)
- (S-7) STANDARD-PACIFIC CORP., 1565 West MacArthur Blvd., Costa Mesa, Cal. 92626 (714)  
546-1161 - \$25 million of subordinated sinking fund debentures, due 1999. Underwriter: Shearson Hayden Stone Inc. The company is a geographical diversified builder of medium-priced single-family homes. (File 2-64583 - May 25)
- (S-8) NEW ENGLAND ELECTRIC SYSTEM, 20 Turnpike Rd., Westborough, Mass. 01581 (617)  
366-9011 - 675,000 common shares. (File 2-64584 - May 25)
- (S-8) MANHATTAN INDUSTRIES, INC., 1271 Avenue of the Americas, New York, N.Y. 10020  
(212) 265-3700 - 50,000 shares of common stock. (File 2-74585 - May 25)
- (S-1) THE DEPENDABLE INSURANCE GROUP, INC. OF AMERICA, 1904 Gulf Life Tower, Jacksonville, Fla. 32207 (904) 398-0326 - 800,000 shares of common stock. Underwriter: L.F. Rothschild, Unterberg, Towbin. The company is engaged in the writing and selling of certain lines of specialty insurance. (File 2-64586 - May 25)
- (S-8) FOOTE, CONE & BELDING COMMUNICATIONS, INC., 401 North Michigan Ave., Chicago, Ill. 60611 (312) 467-9200 - 125,000 shares of common stock. (File 2-64587 - May 25)
- (S-16) THE PIZZA INN, INC., 2950 Stemmons Freeway, P.O. Box 222247, Dallas, Tex. 75222  
(214) 638-7250 - 105,774 shares of common stock. (File 2-64588 - May 25)
- (S-8) LOCKHEED CORPORATION, 2555 North Hollywood Way, Burbank, Cal. 91520 (213) 847-6121  
- 550,000 shares of common stock. (File 2-64589 - May 25)
- (S-14) FIRST AMERICAN BANK CORPORATION, 108 East Michigan Ave., Kalamazoo, Mich. 49007  
(616) 383-9000 - \$2,640,000 of 8% eight year equal annual installment subordinated notes. (File 2-64590 - May 25)

### REGISTRATIONS EFFECTIVE

May 17: Amax Inc., 2-64123; Harsco Corp., 2-64021; Key Pharmaceuticals, Inc., 2-63318.

May 18: Carroon & Black Corp., 2-64147; Congoleum Corp., 2-64274; E. F. Hutton Tax-Exempt Trust, New York Series 11, 2-64277; Engelhard Minerals & Chemicals Corp., 2-64337; First Bank System, Inc., 2-64436; Kaneb Services, Inc., 2-64096; Marshall Industries, 2-63784; May Drilling Partnership 1979-2 and 1980-1, 2-64007; Southwest Forest Industries, 2-64439; Struthers Oil & Gas Corp., 2-63774; Vishay Intertech-nology, Inc., 2-63832; Whirlpool Corp., 2-64261.

## ACQUISITIONS OF SECURITIES

Companies and individuals must report to the Commission within 10 days on Schedule 13D if after the acquisition of equity securities of a public company their beneficial interest therein exceeds 5%. Persons eligible to use the short form (Form 13-G) may in lieu of filing a Schedule 13D file a Form 13-G within forty-five days after the end of the calendar year in which the person became subject to Section 13(d)(1). The following companies or individuals filed Schedule 13D's during the period May 11 - 16, 1979. The number of shares of the security which are beneficially owned, and the number of shares concerning which there is a right to acquire are sent forth for each beneficial owner. \*Amended Acquisition Reports.

<u>REPORTING COMPANY OR INDIVIDUAL</u>	<u>ISSUER &amp; NUMBER OF SHARES</u>	<u>DATE FILED</u>
Richard A. Isaly, Jr. Rita D. Isaly Anne I. Wolfe Richard A. Isaly, Sr. et al	Beverage Management, Inc. (Columbus, OH) Common Stock - 537,066 shs. (13.51%)	5-11-79
Pennsylvania Engineering Corp. Security Management Corp. Victor Posner	Bliss & Laughlin Industries, Inc. (Oak Brook, IL) Common Stock - 286,076 shs.	5-11-79
McKee Income Realty Trust	Compass Investment Group (Jacksonville, FL) Shares of Beneficial Interest - 370,370 (10.6%) on conversion of Debentures	5-11-79
* Raymond P. Von Culin	Dataram Corp. (Cranbury, NJ) Common Stock - 46,090 shs.	5-11-79
Steven A. Schwartz	Doe Spun, Inc. (Emigsville, PA) Common Stock - 50,000 shs. Common Stock - 25,000 shs. on exercise of an Option	5-11-79
Francis S. Wilson F.S. Wilson Trust, David M. Wilson, Trustee	Energy Absorption Systems, Inc. (Chicago, IL) Common Stock - 40,155 shs. Common Stock - 41,220 shs. on conversion of Preferred Common Stock - 4,080 shs. on exercise of Option	5-11-79
* National Producers Life Insurance Co. James M. Fail Lifeshares of Nebraska, Inc. Life Insurance Co. of Arizona	Farm & Home Life Insurance Co. (Phoenix, AZ) Common Capital Stock - 98,055 shs. (23.53%)	5-11-79
* Warren E. Buffett Bershire Hathaway, Inc. National Indemnity Co., et al	GEICO Corp. (Washington, DC) Common Stock - 1,294,308 shs. Common Stock - 3,973,906 shs. on conversion of Preferred Stock	5-11-79
Jersey Mortgage Company	Hamilton Investment Trust (Elizabeth, NJ) Shares of Beneficial Interest - 41,100	5-11-79
* Hale & Stieglitz, Inc. William M. Wolfson Milton A. Gordon	Irvin Industries, Inc. (Stamford, CT) Common Stock - 274,060 shs. Common Stock - 140,000 shs. on exercise of Options	5-11-79
LIN Broadcasting Corp. Mid - Texas Broadcasting, Inc. (Wholly - owned Subsidiary of LIN Broadcasting)	Kingstip Communications, Inc. (Austin, TX) Common Stock - 345,199 shs. (74.6%)	5-11-79
AMBG Corp. (Wholly - Owned subsidiary of Tyco) Tyco Laboratories, Inc.	Ludlow Corp. (Needham Heights, MA) Common Stock - 300,000 shs. (Above shares were acquired pursuant to the Tender Offer.)	5-11-79

## ACQUISITION REPORTS CONT.

* Intermark, Inc.	Mission Investment Trust (San Diego, CA) Shares of Beneficial Interest - 201,800	5-11-79
* Victor L. Sayyah Sayyah Corp. HCA, Inc. et al	National Heritage Management Corp. (Englewood, CO) Common Stock - 1,598,450 shs. (86%)	5-11-79
* HWN Holding Corp. Insilco Corp.	Nationwide Homes, Inc. (Martinsville, VA) Common Stock - 1,283,000 shs. (96.8%)	5-11-79
* Petro - Canada, Inc. (Wholly - Owned by Government of Canada)	Pacific Petroleum Ltd. (Calgary, Alberta, Canada) Common Stock - 22,932,023 shs. (100%)	5-11-79
Dover Limited (British Virgin Islands)	Package Machinery Co. (East Longmeadow, MA) Common Stock - 20,200 shs.	5-11-79
TSP Corp.	Popeil Brothers, Inc. (Chicago, IL) Common Stock - 2,320,100 shs. (77%) on exercise of an option	5-11-79
* Trade Development Holland Holding B.V. (Netherlands) Trade Development Finance (Netherlands Antilles) N.V., et al	Republic New York Corp. (NYC) Common Stock - 2,129,182 shs. (64.8%)	5-11-79
* Gestetner Holdings Ltd. (U.K.) Gestetner Investments Ltd. (U.K.) Gestetner Holdings (USA) Ltd., et al	Scope Inc. (Reston, VA) Common Stock - 243,080 shs. (20%)	5-11-79
* Robert Meltzer	Triangle Pacific Corp. (Dallas, TX) Common Stock - 278,459 shs.	5-11-79
* Skaggs Companines, Inc.	American Stores, Co. (Wilmington, DE) Common Stock - 2,651,000 shs. (90.5%)	5-14-79
Justrite Manufacturing Co.	Anthony Industries, Inc. (South Gate, CA) Common Stock - 165,900 shs.	5-14-79
* Bisping Capital Investment Co. (West Germany)	Bangor Punta Corp. (Greenwich, CT) Common Stock - 381,900 shs. (13%) Common Stock - 250,000 shs. on exercise of Options	5-14-79
* Dr. Irwin H. Zandman John W. Gunsett Thomas Casgar, et al (Shareholder Committee)	Cook United, Inc. (Maple Heights, OH) Common Stock - 516,680 shs.	5-14-79
* Dome Petroleum Ltd. (Canada)	Dome Mines Ltd. (Toronto, Ontario, Canada) Common Stock - 2,542,982 shs. (39.49%)	5-14-79
Ivan F. Boesky & Co.	Fairchild Camera & Instrument Corp. (Mountain View, CA) Common Stock - 482,100 shs.	5-14-79
* Lane Processing, Inc.	General Bancshares Corp. (St. Louis, MO) Common Stock - 280,400 shs.	5-14-79
* Unicorp Financial Corp. (Canada) George S. Mann (Canada)	Greit Realty Trust (Warrington, PA) Shares of Beneficial Interest - 194,519 (19.5%)	5-14-79
* Alberta Gas Trunk Line Co. Ltd. (Canada) A.G. Investments Ltd. (Canada)	Husky Oil Ltd. (Calgary, Alberta, Canada) Common Stock - 7,462,995 shs. (68%)	5-14-79

ACQUISITION REPORTS CONT.

* Ghaith R. Pharaon (Saudi Arabi) Interdec (USA), Inc. (Wholly - Owned subsidiary of G. Pharaon)	Hyatt International Corp. (Chicago, IL) Class A Common Stock - 228,547 (21.38%)	5-14-79
* August Associates L.P.	Kampgrounds of America, Inc. (Billings, MT) Common Stock - 97,000 shs.	5-14-79
* Kinmay W. Tang (U.K.) (Hong Kong)	Kampgrounds of America, Inc. (Billings, MT) Common Stock - 175,190 shs. (13.4%)	5-14-79
* Meridian Mutual Insurance Co.	Meridian Life Insurance Co. (Indianapolis, IN) Common Capital Stock - 290,488 shs. (95.87%)	5-14-79
* Webb Company Byron B. Webb, Jr. Byron B. Webb, Inc. et al	Pacific Southern Mortgage Trust (San Diego, CA) Shares of Beneficial Interest - 60,700	5-14-79
* John H. Scully Richard E. Rainwater San Francisco Partners Texas Partners	Punta Gorda Isles (Punta Gorda, FL) Common Stock - 113,400 shs.	5-14-79
* Bass Brothers Enterprises, Inc.	Rohr Industries, Inc. (Chula Vista, CA) Series A Conv. Preferred Stock - 106,359 shs. (41.22%)	5-14-79
* Gulf & Western Industries Inc. Tenth Century Company (Wholly - Owned Subsidiary of Gulf & Western), et al	Simmons Co. (Atlanta, GA) Common Stock - 6,717,246 shs. (93.7%)	5-14-79
* Bass Brothers Enterprises, Inc. Sid R. Bass	Sperry & Hutchinson Co. (NYC) Common Stock - 1,389,250 shs. (15.45%)	5-14-79
* Eastover Corp.	Texas First Mortgage REIT (Houston, TX) Shares of Beneficial Interest - 329,775 (31.25%)	5-14-79
* Petrie Stores Corp.  Dover Holdings, Inc. (Wholly - Owned subsidiary of Dover Corp.)	Toys "R" Us, Inc. (Saddlebrook, NJ) Common Stock - 1,039,000 shs. (11.4%)  Universal Instruments Corp. (Binghamton, NY) Common Stock - 497,580 shs. (31.9%)	5-14-79  5-14-79
* Lane Processing, Inc.	Valmac Industries, Inc. (Memphis, TN) Common Stock - 257,650 shs.	5-14-79
* Updyke Associates (J. Randolph Updyke, General Partner)	Vance, Sanders & Co., Inc. (Boston, MA) Common Stock - 78,515 shs.	5-14-79
* Stauffer Chemical Co.	White Consolidated Industries Inc. (Cleveland, OH) Series B Preferred Stock - 4,033 shs.	5-14-79
* Petrie Stores Corp.  Dr. Kenneth M. Melmed Reeva A. Melmed K.M. Holding Co. Ltd.	Winkelman Stores, Inc. (Detroit, MI) Common Stock - 198,681 shs. (13.3%)  York Research Corp. (Stamford, CT) Common Stock - 240,110 shs. (53.8%)	5-14-79  5-14-79
* Thrall Car Manufacturing Co. Duchossois Enterprises, Inc. Thrall Enterprises, Inc. et al	Chamberlain Manufacturing Corp. (Elmhurst, IL) Common Stock - 854,360 shs. (53.8%)	5-15-79
* Louis Berkman	First Dyna - Corp. (Washington, PA) Common Stock - 86,179 shs. (29.5%)	5-15-79

ACQUISITION REPORTS CONT.

AMAX, Inc.	IHOP Corp. (No. Hollywood, CA) Common Stock - 60,248 shs. (AMAX is a member of a group that presently own 3,771,616 shs. (71.66%))	5-15-79
* Harrold D. Owen	Pengo Industries, Inc. (Fort Worth, TX) Common Stock - 82,893 shs. Common Stock - 50,000 shs. on exercise of an Option	5-15-79
Scientific Software Corp. Employees Stock ownership Trust	Scientific Software Corp. (Denver, CO) Common Stock - 210,227 shs. (15%)	5-15-79
* Walter Haefner (Switzerland) Cereal Holding AG (Switzerland)	Wyly Corp. (Dallas TX) Common Capital Stock - 5,731,955 shs. (50.07%)	5-15-79
* Benjamin Electrical Engineering Works, Inc. Benjamin Electrical Engineering Works, Inc. Profit Sharing Trust Louis Wagman, et al	Franklin Realty Group (Rydal, PA) Shares of Beneficial Interest - 165,200 (19.1%) Shares of Beneficial Interest - 31,300 on conversion of Debentures	5-16-79
Louis R. Schap	General Kinetics, Inc. (Rockville, MD) Common Stock - 54,743 shs.	5-16-79
Allen Kahn, M.D.	Hollymatic Corp. (Park Forest, IL) Common Stock - 52,200 shs.	

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