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SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

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A Daily Summary of
S.E.C. Activities

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FOR RELEASE May 17, 1972

PRIVATE PLACEMENT OFFEREE NEED NOT HAVE "INSIDER" STATUS, SAYS OWENS

Commissioner Hugh F. Owens told a meeting of the Mid-Western Region of the National Association of Securities Dealers in Kansas City, Mo. yesterday that the history of the private placement exemption illustrates the difficulties experienced by the courts and the Commission in attempting to formulate so-called "bright line" or objective criteria as to the availability of the exemption.

"In order to sustain the merit of a permissible private placement of securities," he said, "the offeree must be shown to have access to material information concerning the issuer, and the access criteria cannot be met by merely providing, gratuitously, a promotional prospectus purporting to afford instant access and by having each offeree and purchaser sign a letter saying he has received and read the documents."

He told the meeting that new approaches to the problem of private placement exemption criteria should also be considered. One suggestion advanced, he indicated, is that the "know your customer" requirement now applicable to broker-dealer transactions be incorporated into a rule under Section 4(2). Such a rule could incorporate traditional suitability standards and might require prospective private placement to have the financial depth necessary to sustain losses which could result from investing in securities without the benefit of a statutory prospectus. Another suggestion proposed, he pointed out, is that because of the legislative and interpretive history that surrounds Section 4(2) an effort should be made to draft an exemptive rule under Section 3(b), the small offering exemption, which is not so similarly encumbered. Such a rule could provide definite criteria for venture capital private placements, which frequently involve private individuals, and section 4(2) either with or without benefit of further clarification would be available primarily for private placements to institutional investors.

NEW RULES AND RULE PROPOSALS

COMMENT PERIOD EXTENDED ON RULE PROPOSAL RE INVESTMENT COMPANY PERFORMANCE. Notice is hereby given that the SEC has extended the period of time within which written comments and views may be submitted on its proposal to adopt Rule 205-1 under the Investment Advisers Act of 1940 from May 15, 1972 to May 30, 1972. The proposed rule would define the terms "investment performance" of an investment company and "investment record" of an appropriate index of securities prices as used in Section 205 of the Act. It was published for comment on April 6, 1972 in Investment Advisers Act Release No. 316.

NEW RULES ON INVESTMENT COMPANY ADVERTISING TO BE EFFECTIVE MAY 19. The Commission announced today that the new rules concerning investment company advertising (Rel. 33-5248) News Digest of May 9, 1972 would become effective upon publication in the Federal Register on May 19, 1972.

INVESTMENT COMPANY ACT RELEASE

AMERICAN HOUSING PARTNERS. The SEC has issued a notice giving interested persons until June 1 to request a hearing upon an application of American Housing Partners - II, (the Partnership), and Kaufman and Broad Managers, Inc. (the General Partner), both of Washington, D. C., for an order exempting them from all provisions of the Act. According to the application, the Partnership was organized in December 1971 for the purpose of implementing the policy of Title IX of the Housing and Urban Development Act of 1968 to provide investors a means to acquire equity interests in governmentally assisted low and moderate income housing and thereby provide equity financing for low and moderate income housing. The Partnership will principally acquire equity interests in governmentally assisted rental housing projects which are, or are about to be, constructing pursuant to the National Housing Act and which are administered by the Federal Housing Administration. The General Partner has filed a registration statement with the Commission covering the sale of up to \$15 million of partnership interests, to be sold only to qualified investors in units of \$1,000 with a minimum subscription of five units per investor. (Rel. IC-7178)

HOLDING COMPANY ACT RELEASE

VERMONT YANKEE. The SEC has issued an order upon an application of Vermont Yankee Nuclear Power Corporation, Rutland, Vt. subsidiary of both Northeast Utilities and New England Electric System (NEES); New England Power Company, subsidiary of NEES; Western Massachusetts Electric Company, The Connecticut Light & Power Company, and The Hartford Electric Light Company, three subsidiaries of Northeast, and Montaup Electric Company, subsidiary of Eastern Utilities Associates (the latter companies referred to collectively as "sponsors"). It is proposed that the amount of subordinated notes to be issued by Vermont Yankee and acquired by the sponsor companies be increased from \$49,500,000 to \$60,500,000. Proceeds will be used to pay indebtedness and to meet capital requirements for construction of the nuclear-powered electric generating plant under construction by Vermont Yankee. (Rel. 35-17575)

OVER

SECURITIES ACT REGISTRATIONS

THE WASHINGTON POST COMPANY, 1150 15th St., N. W., Washington, D. C. 20005, filed a registration statement on May 12 seeking registration of 217,922 outstanding shares of Class B common stock, to be offered for public sale by the holders thereof. The offering is to be made (* at \$32 per share maximum) through underwriters headed by Lazard Freres & Co., 44 Wall St., New York, N. Y. 10005. The company publishes a daily newspaper. (File 2-44220)

URIS BUILDINGS CORPORATION, 850 Third Ave., New York, N. Y. 10022, filed a registration statement on May 12 seeking registration of 20,160 outstanding shares of common stock, issued pursuant to certain agreements of the company with certain key employees. These shares may be offered for sale from time to time by the holders thereof (* at \$15.8125 per share maximum). (File 2-44221)

GEO-SEARCH CORPORATION, 529 Ft. Worth National Bank Bldg., Ft. Worth, Tex. 76102, filed a registration statement on May 12 seeking registration of 1,000,000 shares of common stock, to be offered for public sale at \$1 per share by Davis Securities Co., Inc., 50 Broadway, New York 10004. The company will engage in the acquisition and exploration for oil and gas. Net proceeds will be used for working capital and other corporate purposes. (File 2-44214)

RAMADA INNS, INC., 3838 E. Van Buren St., Phoenix, Ariz. 85008, filed a registration statement on May 12 seeking registration of 2,000,000 shares of common stock, which may be issued in connection with the acquisition by the company of additional properties and businesses. Also included in this statement are 583,942 common shares issuable upon conversion of 6½% convertible guaranteed (subordinated) debentures, due 1986 issued by Ramada Capital Corporation N.V., a wholly-owned subsidiary of the company. The company is principally engaged in the operation of motor hotels. (File 2-44216)

EASTERN NATURAL GAS CORP., Sloan Bldg., Brentwood, Tenn. 37027, filed a registration statement on May 12 seeking registration of 5,964,736 shares of common stock, to be offered for public sale at 10¢ per share. The company has agreed to reserve up to 2,894,208 of such shares for sale to persons designated by the company and for exchange with owners of certain oil and gas programs administered by Micoa, Inc. The company was organized in February to engage in exploring for and producing oil and gas and in related activities. Net proceeds will be used for working capital and other corporate purposes. (File 2-44217)

EXPEDITER SYSTEMS, INC., 200 Office Park Dr., Birmingham, Ala. 35223, filed a registration statement on May 12 seeking registration of 250,000 shares of common stock, of which 148,000 are to be offered for public sale by the company and 102,000 (being outstanding shares) by the holders thereof. The offering is to be made (* at \$9.50 per share maximum) through underwriters headed by Robert Fleming Incorporated, 100 Wall St., and Hayden, Miller, Division of Stone & Webster Securities Corp., 90 Broad St., both of New York City. The company is engaged primarily in the transportation business and to a lesser degree in the manufacture of concrete products for the building industry. Of the net proceeds of its stock sale, \$899,113 will be used to prepay notes issued in connection with an acquisition of two subsidiaries engaged in the manufacture of building products and the balance will be applied towards exercise of an option to acquire certain leased property in Irving, Tex.; any remaining balance will be used for general corporate purposes. (File 2-44222)

IRELAND'S RESTAURANTS, INC., 1701 West End Ave., Nashville, Tenn. 37203, filed a registration statement on May 12 seeking registration of 260,000 shares of common stock, of which 200,000 are to be offered for public sale by the company and 60,000 (being outstanding shares) by the holders thereof. The offering is to be made (* at \$8 per share maximum) through underwriters headed by Havenfield Corporation, 120 Broadway, New York City 10005. The company operates nine restaurants. Of the net proceeds of its stock sale, \$255,000 will be used to prepay a bank term loan incurred for the purpose of constructing three restaurants and the balance to open additional restaurants. (File 2-44223)

WHITE MOTOR CORPORATION, 100 Erieview Plaza, Cleveland, Ohio 44114, filed a registration statement on May 12 seeking registration of 1,283,200 shares of common stock, of which 1,250,000 are to be offered for public sale by the company and 33,200 (being outstanding shares) by the holders thereof. The offering is to be made (* at \$22.25 per share maximum) through underwriters headed by Lehmann Brothers Inc., One William St., and Lazard Freres & Co., 44 Wall St., both of New York City. The company is engaged in the manufacture and sale of heavy-duty trucks, industrial and construction equipment and farm equipment. Net proceeds of its stock sale will be applied to reduce short-term debt to banks incurred for working capital purposes. (File 2-44225)

FISHER FOODS, INC., 5300 Richmond Rd., Bedford Hts., Ohio, filed a registration statement on May 12 seeking registration of 300,000 outstanding shares of common stock, to be offered for sale by the holders thereof (* at \$19 per share maximum). (File 2-44227)

MESA PETROLEUM CO. (the General Partner), 320 South Polk St., Amarillo, Tex. 79105, seeking registration of \$11 million of pre-organization subscriptions for limited partnership interests in a series of limited partnerships to be formed to engage in the business of purchasing, feeding and marketing cattle. The offering is to be made at \$1,000 per unit with a minimum required purchase of five units on a best efforts basis by Donaldson, Lufkin & Jenrette, Inc., 140 Broadway, New York 10005, and selected NASD members. (File 2-44230)

EL CHICO CORPORATION, 1925 Valley View Lane, Dallas, Tex. 75234, filed a registration statement on May 15 seeking registration of 275,000 shares of common stock, of which 100,000 are to be offered for public sale by the company and 175,000 (being outstanding shares) by the holders thereof. The offering is to be made (* at \$11.50 per share maximum) through underwriters headed by Eppler, Guerin & Turner, Inc., 3900 First National Bank Bldg., Dallas, Tex. 75202. The company operates 52 Mexican food restaurants and also prepares and sells a full line of frozen, canned and packaged Mexican foods. Net proceeds of its stock sale (along with other available funds) will be used to improve, equip and furnish new restaurants under the company's expansion program. (File 2-44231)

CAMBRIDGE ELECTRIC LIGHT COMPANY, 130 Austin St., Cambridge, Mass. 02139, filed a registration statement on May 15 seeking registration of \$5 million of 30-year notes, Series D, due 2002, to be offered for public sale at competitive bidding. Net proceeds of its financing, together with proceeds of \$15 million from the sale of common stock, will be applied to the payment of short-term bank loans (aggregating \$10 million at December 31) incurred for the purpose of financing additions to property. Construction expenditures are estimated at \$20,000,000 for the period 1972-1976. (File 2-44233)

ADRS FOR MARUBENI CORPORATION FILED. First National City Bank, 111 Wall St., New York 10015, filed a registration statement on May 12 seeking registration of 100,000 American Depositary Receipts for dollar validated common stock of Marubeni Corporation, a Japanese corporation. (File 2-44228)

ALBANY INTERNATIONAL CORP., 1373 Broadway, Albany, N. Y. 12201, filed a registration statement on May 15 seeking registration of 1,250,000 outstanding shares of capital stock to be offered for public sale by the holders thereof. The offering is to be made (* at \$40 per share maximum) through underwriters headed by Hornblower & Weeks-Hemphill, Noyes, 8 Hanover St., New York 10005. The company is engaged in the manufacturing and marketing of paper machine clothing and auxiliary equipment, industrial fabrics and related products, and plastics. (File 2-44229)

FLORIDA POWER & LIGHT COMPANY, 4200 Flagler St., Miami, Fla. 33134, filed a registration statement on May 15 seeking registration of \$50 million of first mortgage bonds, due 2002, to be offered for public sale at competitive bidding. Net proceeds from the financing will be applied to the reduction of short-term borrowings incurred primarily to provide additional electric facilities and for other corporate purposes. Construction expenditures are estimated at \$1,088,000,000 for 1972-1974. (File 2-44234)

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:

Quaker State Oil Refining Corporation, Oil City, Pa. (File 2-44199) - 200,000 shares
Genesco Inc., Nashville, Tenn. (File 2-44201) - 200,000 shares
McCulloch Oil Corporation, Los Angeles, Calif. (File 2-44209) - 883,337 shares
Sikes Corporation, Lakeland, Fla. (File 2-44226) - 100,000 shares
Buttes Gas & Oil Co., Oakland, Calif. (File 2-44232) - 135,000 shares

MISCELLANEOUS

TRADING SUSPENSION CONTINUED. The SEC has ordered the suspension of over-the-counter trading in the securities of Cogar Corporation for the further ten-day period May 17-26, 1972, inclusive.

CLARIFICATION RE ROBERT NAGLER. Robert Nagler, president of Summit Equities Corp., New York, and reported in the News Digest item of April 18 on Summit Equities registration becoming effective to be subject to a preliminary injunction against violations of the Federal securities laws, is not to be confused with Robert Nagler, a limited partner of Oppenheimer & Co., New York.

UNLISTED TRADING SOUGHT. The SEC has issued an order under the Securities Exchange Act of 1934 giving interested persons until May 31, 1972 to request a hearing upon an application of the Boston Stock Exchange for unlisted trading privileges in the common stocks of the following companies: Becton, Dickinson & Company; Braniff Airways, Incorporated; Compugraphic Corp.; Donaldson Lufkin & Jenrette, Inc.; Drew National Corp.; Dynallectron Corp.; Flock Industries, Inc.; W. T. Grant Co.; Heublein, Inc.; McDonald's Corp.; Wm. Wrigley, Jr., Co.; Dial Finance Corp. (Rel. 34-9606)

SECURITIES ACT REGISTRATIONS. Effective May 12: American Natural Gas Co., 2-43856; The Kendall Co., 2-43819; John Nuveen Tax-Exempt Bond Fund, Series 42, 2-43337; Pacific Southwest Airlines, 2-43935; Systems Engineering Laboratories, Inc., 2-42673; Telecredit, Inc., 2-43248; Textron Inc., 2-44149.
Effective May 15: Continental Plastics & Chemicals Inc., 2-42980; Cordon International Corp., 2-44077; Clevepak Corp., 2-43969; Federated Department Stores, Inc., 2-44009; Oakite Products, Inc., 2-44110; Penn Mutual Life Insurance Co., 2-41512; J. C. Penny Co., Inc., 2-44146; Sambo's Restaurants, Inc., 2-43704; United Computing Systems, Inc., 2-43524.

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.

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