



SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

A Daily Summary of
S.E.C. Activities

Washington, D.C. 20549

(Prepared by the SEC Office of Public Information)

(Issue No. 72-108)

FOR RELEASE June 7, 1972

DECISION IN ADMINISTRATIVE PROCEEDING

ENTERPRISE SECURITIES CORP. REVOKED; CHARTER FINANCIAL CORP. REGISTRATION APPLICATION WITHDRAWN. The SEC has issued an order revoking the broker-dealer registration of Enterprise Securities Corporation, of Las Vegas, and expelling the firm from the National Association of Securities Dealers, Inc. Enterprise consented to the sanctions and to findings of misconduct as alleged in the order for proceedings, without admitting or denying such allegations. It also consented without admitting or denying the allegations in the complaints to a permanent injunction in proceedings which the Commission had instituted against it and others in the United States District Court for the District of Nevada (SEC v. Industrial Manufacturing Corp.) The Commission's order also permitted Charter Financial Corporation, which is listed at the same address as Enterprise and has principals in common with it, to withdraw its application for registration as a broker-dealer, on condition that it would not reapply for registration under its present or any other name. That action was based on an offer of settlement submitted by Charter.

According to the decision, Enterprise, in violation of registration provisions of the Securities Act, sold numerous unregistered securities, including the common stocks of Barr Financial Ltd., Industrial Manufacturing Corporation, American Mining and Development Company, Western Oil and Development Corp. and Cardiodynamics, Inc. Enterprise was also found to have ^{violated} antifraud and anti-manipulative provisions of the securities laws by, among other things, continuously dealing in securities of shell corporations, without obtaining or making available to customers specific information concerning the issuers and the source of the securities being offered and sold, making misrepresentations to customers, and bidding for and purchasing securities while engaged in their distribution. In addition, it was found that Enterprise published quotations for securities and submitted quotations for publication in quotation mediums when it did not have in its records required information concerning the securities and issuers; maintained fictitious customer accounts; improperly extended credit and had inadequate net capital; failed to list a controlling person in its registration application; and failed to exercise proper supervision. (Rel. 34-9617)

DECISION AS TO SYDNOR-BARENT SCANNER FINAL. The SEC announced that the initial decision of the hearing examiner with respect to Sydnor-Barent Scanner Corporation, of Albuquerque, New Mexico, had become final, no review thereof having been sought. The examiner had ordered a permanent suspension of a Regulation A exemption from Securities Act registration with respect to a public offering of 200,000 shares of Sydnor-Barent stock. This action was based on findings that the issuer's offering circular was materially misleading in failing to set forth accurately and adequately the use to which proceeds of the offering would be allocated and what its principal product would be; in failing to disclose adequately that substantial amounts of such proceeds would be allocated to two affiliates; and in failing to disclose the issuer's prior efforts to market its product. (Rel. 33-5256)

FIVE INDIVIDUALS BARRED. The SEC has issued an order barring Steven C. Burns, John G. Abruscato, Norman Kreit, Howard Lazell and William A. Certilman from association with any broker-dealer, investment adviser or investment company. At relevant times, these individuals were associated with New York City broker-dealers.

According to the decision, the respondents violated antifraud, prospectus delivery and recordkeeping provisions of the securities laws in connection with transactions in the common stocks of AstroSystems, Private and Computer Schools, Jeta Power, Medi Card, Walker Color, Technique Dental Laboratory and Packaging Systems Corp. It was found that respondents variously participated in a scheme in which substantial portions of those securities, which were registered under the Securities Act in 1968-1969 and according to each registration statement and prospectus were being publicly offered, were in fact withheld and placed in nominee, fictitious and profit-sharing accounts for the benefit of respondents and others; participation in the offerings was conditioned on cash payoffs based on the profits in the securities; and false, fictitious and nominee accounts were established to conceal the interests of the participants. It was further found that Burns and Abruscato aided and abetted violations of the rule requiring broker-dealer registration applications to be kept accurate, in that their employer failed to amend its application to reflect Burns' conviction of conspiracy to violate and violations of Section 17(a) of the Securities Act and the fact that the NASD had revoked Abruscato's registration as a registered representative.

The respondents consented to the above findings and sanctions, without admitting or denying the allegations in the orders for proceedings. (Rel. 34-9621)

COMMISSION ANNOUNCEMENT

CREATIVE INSTITUTIONAL ADVISORS REG. A. EXEMPTION SUSPENDED. The SEC has issued an order temporarily suspending a Reg. A exemption from registration under the Securities Act of 1933 with respect to a proposed offering of 700 limited partnership interests at \$500 per interest and an offer to re-acquire an additional 300 limited partnership interests at \$500 per interest for an aggregating offering price of \$500,000 by Creative Institutional Advisors (CIA), of Champaign, Ill.

OVER

According to the order, the Commission's staff has reason to believe that (a) both offering circulars contained untrue statements of material facts and failed to state material facts with respect to, among other things, CIA's failure to file a copy of its limited partnership agreement with the proper state authorities, thereby rendering each investor a general partner, (b) the February 29 circular failed to report the entry of a temporary injunction and the March 30 circular the entry of a permanent injunction in the Illinois Circuit Court enjoining CIA from sales of its partnership interest in violation of that injunction and (c) the terms and conditions of Regulation A have not been complied with in connection with both notifications filed by CIA, in that, among other things, CIA failed to name Tony Kahn as an affiliate, and failed to name CIA's promoter.

COURT ENFORCEMENT ACTIONS

COMPLAINT NAMES M. R. SULLIVAN. The SEC Boston Regional Office announced May 31 the filing of a complaint in the Federal court in Boston seeking to enjoin Maurice Timothy Sullivan, doing business as M. Timothy Sullivan, of Boston, from violations of the antifraud, bookkeeping and net capital provisions of the Federal securities laws and seeking appointment of a receiver. (LR-5416)

KENNETH BOVE & CO. RESTRAINED. The SEC New York Regional Office announced June 5 that the Federal court in New York City has temporarily restrained Kenneth Bove & Co., Inc., of New York City, from violating the net capital provisions of the Federal securities laws, and has appointed William W. Golub as temporary receiver for the firm until such time as the Securities Investor Protection Corporation determines that a trustee is required and the court appoints such trustee for the defendant. The defendant consented to the restraining order without admitting the allegations and the appointment of a temporary receiver. (LR-5414)

HOLDING COMPANY ACT RELEASES

PENNSYLVANIA ELECTRIC COMPANY. The SEC has issued an order authorizing the Pennsylvania Electric Company, Johnstown, Pennsylvania subsidiary of General Public Utilities, to issue and sell 250,000 shares of cumulative preferred stock at competitive bidding. The proceeds from the sale of the preferred stock will be applied to the repayment of \$33,000,000 of short-term bank loans expected to be outstanding at the date of the sale. (Rel. 35-17590)

AMERICAN ELECTRIC POWER COMPANY, INC. The SEC has issued an order authorizing American Electric Power Company, Inc., New York, N.Y. holding company, to amend its Certificate of Incorporation to increase from 70,000,000 to 80,000,000 the aggregate number of authorized shares of common stock, par value \$6.50 per share. The additional shares, the issuance and sale of which are to be the subject of future filings, will be used (a) to retire notes to banks and commercial bank notes, heretofore authorized, (b) for equity investments in its operating subsidiary companies and (c) to permit the acquisition of operating properties or securities of one or more public-utility companies. (Rel. 35-17591)

WEST PENN POWER COMPANY. The SEC has issued an order authorizing West Penn Power Company, Greensburg, Pennsylvania a subsidiary company of Allegheny Power System, Inc., to issue and sell \$35,000,000 principal amount of first mortgage bonds and 100,000 shares of cumulative preferred stock at competitive bidding. The proceeds from the sale of the bonds and preferred stock will be used to finance, in part, the construction program of West Penn and its subsidiary companies, including payment of \$41,000,000 of short-term notes incurred therefor. (Rel. 35-17592)

GEORGIA POWER COMPANY. The SEC has issued a supplemental order authorizing the Georgia Power Company, a subsidiary of the Southern Company, to increase its short-term bank and commercial paper borrowings from \$159,000,000 to approximately \$318,000,000. (Rel. 35-17593)

INVESTMENT COMPANY ACT RELEASE

AMERICAN HOUSING PARTNERSHIPS. The SEC has issued an order upon an application of American Housing Partners - II and Kaufman and Broad Managers, Inc., both of Washington, D. C., exempting them from all provisions of the Act. 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 interest in governmentally assisted low and moderate income housing and thereby provide equity financing for low and moderate income housing. (Rel. 1C-7215)

CONTINUED

SECURITIES ACT REGISTRATIONS

URC EXPLORATION CORPORATION wholly-owned subsidiary of UNIVERSAL RESOURCES CORPORATION (Universal), both of 11411 North Central Expressway, Dallas, Tx. 75231, filed a registration statement on May 26 seeking registration of \$25 million of units in Universal Resources Exploration Program (a series of limited partnerships) to be offered for public sale at \$2,500 per unit. No underwriting is involved. Universal will be the operating company for the Program. URC will serve as general partner of each separate partnership. The partnerships will engage in oil and gas exploration. (File 2-44413)

BRADFORD COMPUTER & SYSTEMS, INC., 1700 Broadway, New York 10019, filed a registration statement on May 26 seeking registration of 500,000 shares of common stock, to be offered for public sale (* at \$45 per share maximum) through underwriters headed by Kidder, Peabody & Co. Inc., 20 Exchange Place, and Goldman, Sachs & Co., 55 Broad St., both of New York. The company is engaged in the design, development, implementation and operation of computer and machine-based clerical systems. Of the net proceeds of its stock sale, \$8,950,000 will be used in connection with the purchase price for a 75% interest in the business formerly conducted by the Corporate Agency Division of Bankers Trust Company, and the balance for working capital and other corporate purposes. (File 2-44418)

LANDERS-ROBERTS, INC., 8899 Beverly Blvd., Los Angeles, Calif. 90048, filed a registration statement on May 26 seeking registration of 200,000 shares of common stock, to be offered for public sale at \$7.50 per share by Smith, Jackson & Co., Inc., 17 Battery Pl. North, New York 10004. The company is engaged in various aspects of the entertainment business. Net proceeds will be used for working capital and other corporate purposes. (File 2-44423)

PHARMACAPS, INC., 111 Jefferson Ave., Elizabeth, N. J. 07207, filed a registration statement on May 26 seeking registration of 750,000 shares of common stock, of which 375,000 are to be offered for public sale by the company and 375,000 (being outstanding shares) by the holders thereof. The offering is to be made (* at \$16 per share maximum) through underwriters headed by CBWL-Hayden, Stone Inc., 767 Fifth Ave., New York 10022. The company is a manufacturer of soft elastic gelatin capsules primarily containing vitamin and other food supplements in liquid or semi-liquid form. Of the net proceeds of its stock sale, \$2,044,000 will be used for purchase of equipment and machinery and the balance for working capital and other corporate purposes. (File 2-44429)

MARVIN JOSEPHSON ASSOCIATES, INC., 1301 Avenue of the Americas, New York, N. Y. 10019, filed a registration statement on May 26 seeking registration of 354,883 shares of common stock, of which 150,000 are to be offered for public sale by the company and 146,633 (being outstanding shares) by the holders thereof, and 58,250 (Issuable upon conversion of Class A shares) by the recipients thereof. The offering is to be made (* at \$18 per share maximum) through underwriters headed by Paine, Webber, Jackson & Curtis Inc., 140 Broadway, New York 10006. The company is principally engaged in business as a talent agency. Net proceeds will be used for general corporate purposes. (File 2-44430)

METROPOLITAN EDISON COMPANY, 2800 Pottsville Pike, Muhlenberg Township, Berks County, Pa. 19605, filed a registration statement on May 26 seeking registration of 250,000 shares of cumulative preferred stock, Series H (\$100 par), to be offered for public sale at competitive bidding. Net proceeds will be used to pay a portion of its short-term bank loans expected to be outstanding (estimated at \$49,500,000). Construction expenditures are estimated at \$146,500,000 for 1972. (File 2-44431)

R. G. BARRY CORPORATION, 78 East Chestnut St., Columbus, Ohio 43215, filed a registration statement on May 26 seeking registration of \$2,500,000 of subordinated sinking fund debentures, due 1992, to be offered for public sale at 100% of principal amount through underwriters headed by The Ohio Company, 51 N. High St., Columbus, Ohio 43215. The company designs, manufactures and sells leisure time comfort footwear. Net proceeds will be applied to the retirement of short-term bank debt and to working capital and other corporate purposes. (File 2-44432)

INTERPOOL LIMITED (a Bahamian company), 630 Third Avenue, New York, N. Y. 10017, filed a registration statement on May 26 seeking registration of 260,000 shares of capital stock, of which 160,000 are to be offered for public sale by the company and 100,000 (being outstanding shares) by the holders thereof. The offering is to be made (* at \$18 per share maximum) through underwriters headed by New York Securities Co. Inc., One New York Plaza, New York 10004. The company is engaged primarily in the worldwide rental, and, to a much lesser extent, leasing of general purposes, dry cargo containers, for use in maritime and related overland transportation. Net proceeds of its stock sale will be applied to the costs of acquiring containers and to outstanding indebtedness; any balance will be used for working capital purposes. (File 2-44433)

GROUP OPERATIONS, INCORPORATED, 2025 I St., N. W., Washington, D. C. 20006, filed a registration statement on May 26 seeking registration of 150,000 shares of common stock, to be offered for public sale at \$4 per share by Davis Securities Co., Inc., 50 Broadway, New York 10004. The company is principally engaged in providing systems analysis and data processing services to a wide range of research, planning and management problems. Of the net proceeds of its stock sale, up to \$300,000 will be used for marketing expenses and the balance for working capital and other corporate purposes. (File 2-44434)

ADRS FOR LYDENBURG PLATINUM LIMITED. First National City Bank, 111 Wall St., New York, N.Y. 10015, filed a registration statement on May 26 seeking registration of 100,000 American Depositary Receipts for ordinary shares of Lydenburg Platinum Limited, a South African company. (File 2-44437)

THE BERKLINE CORPORATION, P. O. Box 100, Morristown, Tenn. 37814, filed a registration statement on May 30 seeking registration of 650,000 shares of common stock, of which 150,000 are to be offered for public sale by the company and 500,000 (being outstanding shares) by the holders thereof. The offering is to be made (* at \$24 per share maximum) through underwriters headed by Wertheim & Co., Inc., 1 Chase Manhattan Plaza, New York 10005. The company manufactures upholstered furniture. Of the net proceeds of its stock sale, \$236,000 will be used to build and equip an addition to one of the company's upholstery plants, and the balance for working capital and other corporate purposes. (File 2-44443)

CHILD WORLD, INC., 25 Littlefield St., Avon, Mass. 02322, filed a registration statement on May 30 seeking registration of 220,000 shares of common stock, of which 150,000 are to be offered for public sale by the company and 70,000 (being outstanding shares) by the holders thereof. The offering is to be made (* at \$30.75 per share maximum) through underwriters headed by R. W. Pressprich & Co. Inc., 80 Pine St., New York 10005. The company operates retail self-service, supermarket type stores, selling toys, bicycles and other related items. Of the net proceeds of its stock sale, \$3,000,000 will be applied to the opening during 1972-1974 of 12 stores, and the balance for working capital and other corporate purposes. (File 2-44442)

HUSKIN & CO., Greenwood Plaza, 5660 S. Syracuse Circle, Englewood, Colo. 80110, filed a registration statement on May 30 seeking registration of 170,000 shares of common stock, to be offered for public sale at \$5.00 per share through underwriters headed by Meis & Co., Inc., 23 East Pikes Avenue, Colorado Springs, Colorado 80902. The company is engaged in a general real estate business. Of the net proceeds of its stock sale, \$120,000 will be used to retire debt and the balance for other corporate purposes. (File 2-44445)

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:

Texaco Inc., New York, N.Y. (File 2-44415) - estimated 75,000 shares
 Clarke-Gravelly Corporation, Muskegon, Mich. (File 2-44416) - 90,000 shares
 St. Regis Paper Company, New York, N. Y. (File 2-44417) - 150,000 shares
 The Toledo Edison Company, Toledo, Ohio (File 2-44421) - 234,241 shares
 NCNB Corporation, Charlotte, N. C. (File 2-44424) - 122,579 shares
 Baldwin & Lyons, Inc., Indianapolis, Ind. (File 2-44435) - 60,000 shares
 Docutel Corporation, Irving, Tex. (File 2-44436) - 50,000 shares
 Retail Merchant's Industries, Inc., Columbus, Ohio (File 2-44438) - 20,000 shares
 Life Investors Inc., Cedar Rapids, Iowa (File 2-44439) - 370,000 shares
 Transamerica Corporation, San Francisco, Calif. (File 2-44444) - 6,156,833 shares
 Sears, Roebuck and Co., Chicago, Ill. (File 2-44449) - 4,000,000 shares
 Hanes Corporation, Winston-Salem, N. C. (File 2-44455) - 180,608 shares
 The Bali Company, Inc., New York, N. Y. (File 2-44456) - 19,392 shares
 Poloron Products, Inc., New Rochelle, N. Y. (File 2-44463) - 42,119 shares
 Diebold, Incorporated, Canton, Ohio (File 2-44467) - 200,000 shares
 Combined Communications Corporation, Phoenix, Ariz. (File 2-44474) - 100,000 shares
 Rochester Instrument Systems, Inc., Rochester, N. Y. (File 2-44475) - 64,230 shares
 Siliconix Incorporated, San Francisco, Calif. (File 2-44476) - 50,000 shares
 Intertherm Inc., St. Louis, Mo. (File 2-44477) - 175,000 shares
 USLife Corporation, New York, N.Y. (File 2-44481) - 13,849 shares
 The Rucker Company, Oakland, Calif. (File 2-44493) - 293,750 shares
 The Scott & Fetzer Company, Lakewood, Ohio (File 2-44497) - 190,000 shares

MISCELLANEOUS

TRADING SUSPENSION CONTINUED. The SEC has ordered the suspension of exchange and over-the-counter trading in the securities of Tanager Industries for a ten-day period June 7 through June 16, inclusive.

SECURITIES ACT REGISTRATIONS. Effective June 5: Bancal Tri-State Corp., 2-43582; Cambridge Electric Light Co., 2-44233; Carlisle Corp., 2-44036; Round Lake Estates, Ltd., 2-42353 (90 days); Ultrasonic Systems, Inc., 2-40768.

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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