



Washington, D.C. 20549

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

(Prepared by the SEC Office of Public Information)

A Daily Summary of
S.E.C. Activities

(Issue No. 72-175)

FOR RELEASE September 13, 1972

CASEY ASKS LEGISLATION TO CURB PYRAMID SCHEMES

SEC Chairman William J. Casey said on September 11 that in the interests of simplifying enforcement activities in the multi-level area, the SEC has asked Congress for legislation to protect the victims of 'pyramid sales schemes' and to restore investor confidence throughout the country.

Speaking to a meeting of the North American Securities Administrators Association in Quebec, Casey said: "Frankly our concern in this matter has increased greatly because until recently we did not appreciate the true scope of the problem. It is now estimated that there are over 150 pyramid promotion schemes being operated in the various states and that the public has invested more than \$300 million in them."

"I have urged at a minimum" he continued, "that the federal securities laws be amended to make clear that an investment in a pyramid promotion is a security. This would ease considerably the enforcement burden and make it far more difficult for the promoters to separate thousands of individuals from their savings while the outcome of test court cases is awaited."

Casey also said that the SEC is benefiting by adoption of some of the recommendations of the Wells Committee on enforcement procedures. "We plan to clarify our informal procedures of allowing possible defendants to submit a memo in advance of the institution of actions against them," he explained, "but we don't intend to pre-litigate all our enforcement cases. We are stepping up the powers of our hearing examiners to take some of the burden off the Commission and we are also considering a practice of making possibly significant regulatory positions - which do not have the force of Commission rules but still are generally known to people who practice regularly before us -- public to all practitioners."

DECISIONS IN ADMINISTRATIVE PROCEEDINGS

YANOW SANCTIONED. The SEC has revoked the broker-dealer registration of Albert Yanow, doing business as Albert Yanow & Co., Chestnut Hill, Mass., and suspended Yanow, commencing September 18, from association with any broker-dealer for one year, following which he may become so associated in a supervised capacity upon a showing of adequate supervision.

According to the decision, Yanow violated the registration, antifraud and recordkeeping requirements of the securities acts. It was found that from April to October 1969 he sold unregistered securities of Nuthane, Inc., Computer Graphic Systems Corp., Lacy Sales Institute, Inc. and Simulated Materials, Inc., and made false and misleading statements in connection with the sale of those securities, and that from November 1970 to May 1971 he failed to amend his application for broker-dealer registration and to accurately make and keep current a required record with respect to an employee who was permanently enjoined by a federal court against aiding and abetting violations of the Securities Exchange Act.

The Commission's action was taken pursuant to an offer of settlement in which Yanow, without admitting or denying the charges, consented to the findings and sanction. (Rel. 34-9757)

COMMISSION POSTPONES OKC INVESTMENTS REGISTRATION. The SEC has ordered that the effective date of registration as a broker and dealer of OKC Investments, Inc., of Oklahoma City, be postponed until final determination of the remaining issues in administrative proceedings pending against the firm. The Commission had instituted proceedings on August 17 to determine, among other things, whether OKC's registration application should be denied. (Rel. 34-9750)

In determining to postpone OKC's registration, the Commission stated, "As indicated in our prior decisions, it would be contrary to the public interest to permit a new broker-dealer to become registered when its sole shareholder is subject to pending bar and revocation proceedings based on serious charges against him and a registered broker-dealer of which he is a controlling stockholder. We consider that on the basis of our review of the affidavits and other documents submitted [our] Division [of Enforcement] has made a sufficient showing with respect to the allegations in the order for proceedings to warrant postponement of the effective date of applicant's registration until all the issues in this case are determined. Those submissions show that there are contested substantive issues which require a full hearing for their adequate exploration and resolution." (Rel. 34-9764)

COMMISSION ANNOUNCEMENTS

INITIAL DECISION ORDERS FOX SECURITIES COMPANY REVOKED. Administrative Law Judge David J. Markun has filed an initial decision revoking the broker-dealer registration of Fox Securities Company, Inc., New York, N.Y., and barring Morris Fox, president and owner of the firm, from association with any broker-dealer, with a proviso that after a period of two years he may become so associated upon a showing that he will be adequately supervised.

The Order is based upon findings that registrant and Fox wilfully violated or wilfully aided and abetted violations of: (a) the net capital and books-and-records requirements of the securities laws and regulations; (b) the antifraud provisions of Section 15(c) of the Exchange Act and Rule 15c2-4 thereunder, by failing to

OVER

deposit certain customers' funds into an escrow account; and (c) Section 17(a) of the Exchange Act and Rule 17a-5 thereunder, by failing to file during 1970 and 1971 reports of registrant's financial condition. In addition, Fox was found to have failed adequately to supervise employees of the registrant with a view to preventing the registrant's violations.

The decision is subject to review by the Commission on its own motion or on petition of a party.

SEC CITES DON D. ANDERSON & CO., INC., OTHERS. The SEC has instituted public administrative proceedings against Don D. Anderson & Co., Inc., Don D. Anderson individually, Claude W. Brown, H. Tom Kight III and George C. Cole, all of Oklahoma City, Okla., based upon alleged violations of the registration provisions of the Securities Act of 1933. The proceedings are further based on allegations that Anderson & Co., Anderson and Brown violated the antifraud provisions of the Securities Act of 1933 and the Securities Exchange Act of 1934, the net capital and reporting provisions of the Securities Exchange Act of 1934, and failed to supervise to prevent such violations.

A hearing will be scheduled by further order to take evidence on the staff allegations and to afford the respondents an opportunity to offer any defenses thereto for the purpose of determining whether the allegations are true, and if so, whether any action of a remedial nature should be ordered by the Commission.

INVESTMENT COMPANY ACT RELEASE

DEAN WITTER PORTFOLIO PLAN. The SEC has issued a notice giving interested persons until October 6 to request a hearing upon an application of the Dean Witter Master Appreciation Portfolio Plan, of San Francisco, for an order declaring that it has ceased to be an investment company. The company represents that it has no shareholders and proposes no public offering of its securities. (Rel. IC-7356)

SECURITIES ACT REGISTRATIONS

ATWOOD OCEANICS, INC., Town and Country Office Park, Suite 301, Houston, Tex. 77024, filed a registration statement on September 7 seeking registration of 580,000 shares of common stock with 290,000 warrants, to be offered for public sale in units, each consisting of one share and one-half warrant. The offering is to be made (*at \$30 per unit maximum) through underwriters headed by E. F. Hutton & Co. Inc., One Battery Park Plaza, and Clark, Dodge & Co. Inc., 140 Broadway, both of New York. The company is engaged in contract drilling of oil and gas wells in offshore areas. Of the net proceeds of its stock sale, \$7.5 million will be applied, together with other funds, to the repayment of interim bank financing required to construct two new drilling units and the balance for working capital and other corporate purposes. (File 2-45627)

INTERNATIONAL RESEARCH AND DEVELOPMENT CORP., 900 N. Main St., Mattawan, Mich. 49071, filed a registration statement on September 7 seeking registration of 200,000 shares of common stock, of which 50,000 are to be offered for public sale by the company and 150,000 (being outstanding shares) by the holders thereof. The offering is to be made (*at \$14 per share maximum) through underwriters headed by Bacon, Whipple & Co., 135 S. LaSalle St., Chicago, Ill. 60603. The company is engaged in the safety evaluation of drugs and chemicals for pharmaceutical, food, feed, chemical and cosmetic companies and governmental agencies. Net proceeds will be used to pay \$200,000 of short-term bank borrowings and for working capital and other corporate purposes. (File 2-45628)

PRINCETON CHEMICAL RESEARCH, INC., Montgomery Township, Somerset County, N. J., filed a registration statement on September 7 seeking registration of 350,000 shares of common stock, to be offered for public sale (*at \$22 per share maximum) through underwriters headed by Agio Capital Corporation, Two Broadway, New York 10004. The company has engaged in research to develop plastic resins and proposes to manufacture and sell products made from such resins. Of the net proceeds of its stock sale, \$1,540,000 will be used to acquire a polyolefins (a form of plastic) plant from Herculites Incorporated and the balance for working capital and other corporate purposes. (File 2-45630)

SHORECO INTERNATIONAL, INC., 55 Engineers Lane, Farmingdale, N. Y. 11735, filed a registration statement on September 7 seeking registration of 245,000 shares of common stock, of which 175,000 are to be offered for public sale by the company and 70,000 (being outstanding shares) by the holder thereof (Paul Shore, president and principal stockholder). The offering is to be made (*at \$8 per share maximum) through underwriters headed by Bernard Herold & Co., Inc., 450 Park Ave., New York. The company designs and manufactures various paperboard packaging containers. Of the net proceeds of its stock sale, \$566,000 will be used for repayment of loans and the balance for working capital and other corporate purposes. (File 2-45631)

ORANGE AND ROCKLAND UTILITIES, INC., 75 W. Route 59, Spring Valley, N. Y. 10977, filed a registration statement on September 7 seeking registration of 1,500,000 shares of common stock, to be offered for public sale (*at \$18 per share maximum) through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith Inc., One Liberty Plaza, New York 10006. Net proceeds will be used to reduce outstanding short-term indebtedness incurred in connection with the company's construction program. Construction expenditures are estimated at \$61 million for 1972 and \$249 million for the period 1972 through 1976. (File 2-45632)

CONTINUED

NEW PLAN REALTY TRUST (the Trust), 369 Lexington Ave., New York, N. Y. 10017, filed a registration statement on September 7 seeking registration of 225,000 shares of beneficial interest, to be offered for public sale at \$16.50 per share through underwriters headed by Burnham & Co. Inc., 60 Broad St., New York 10004. The Trust is primarily an equity owner of fee and leasehold interests in income-producing real properties. New Plan Advisory Corp. is investment adviser. (File 2-45633)

WARNER COMMUNICATIONS INC., 10 Rockefeller Plaza, New York, N. Y. 10020, filed a registration statement on September 7 seeking registration of 791,247 outstanding shares of common stock, to be offered for public sale by the holders thereof. The offering is to be made (* at \$45.25 per share maximum) through underwriters headed by Bear, Stearns & Co., One Wall St., New York 10005. The company is engaged primarily in communications businesses. (File 2-45634)

FRED. S. JAMES & CO., INC., 230 West Monroe St., Chicago, Ill. 60606, filed a registration statement on September 7 seeking registration of 596,431 outstanding shares of common stock, to be offered for public sale by the holders thereof. The offering is to be made (* at \$31 per share maximum) through underwriters headed by Shields & Co. Inc., 44 Wall St., New York 10005. The company is engaged in the insurance and agency business. (File 2-45635)

PIONEER SYSTEMS, INC., Pioneer Industrial Park, Manchester, Conn., filed a registration statement on September 7 seeking registration of 312,013 shares of common stock issuable upon conversion of the company's 6½% convertible subordinated debentures, due 1978. The company is engaged in the manufacture of parachutes and aerial recovery systems, processing and finishing of fabrics, production and sale of hobby craft and home sewing products and design and manufacture of automated sewing equipment. (File 2-45636)

ELLMAN'S, INC., 2489 Cheshire Bridge Rd., Atlanta, Ga. 30324, filed a registration statement on September 8 seeking registration of 250,000 shares of common stock, of which 150,000 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 \$16 per share maximum) through underwriters headed by Reynolds Securities Inc., 120 Broadway, New York 10005. The company is a catalog showroom distributor engaged primarily in selling selected gift and general merchandise. Of the net proceeds of its stock sale, \$570,000 will be used to pay off short-term bank indebtedness and the balance for working capital and other corporate purposes. (File 2-45637)

THE SOUTHERN NEW ENGLAND TELEPHONE COMPANY, 227 Church St., New Haven, Conn. 06506, filed a registration statement on September 8 seeking registration of 1,000,000 shares of Series A preferred stock (\$50 par), to be offered for public sale (* at \$52 per share maximum) through underwriters headed by Blyth Eastman Dillon & Co. Inc., One Chase Manhattan Plaza, New York 10005. Net proceeds will be used toward repayment of notes payable (bank loans and commercial paper). Construction expenditures are estimated at \$130 million for 1972 and to be higher in 1973. (File 2-45638)

REDKEN LABORATORIES, INC., 14721 Califa St., Los Angeles, Calif. 91401, filed a registration statement on September 8 seeking registration of 250,000 outstanding shares of common stock, to be offered for public sale by the holders thereof. The offering is to be made (* at \$23.75 per share maximum) through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith, Inc., One Liberty Plaza, New York 10006. The company develops, manufactures and markets professional hair and skin conditioning and hair coloring and beauty products for use by beauty salons. (File 2-45639)

HARRAH'S, 206 North Virginia St., Reno, Nev. 89501, filed a registration statement on September 8 seeking registration of 445,000 shares of common stock, of which 135,000 are to be offered for public sale by the company and 310,000 (being outstanding shares) by the holder thereof (William F. Harrah). The offering is to be made (* at \$28 per share maximum) through underwriters headed by Mitchum, Jones & Templeton Inc., 555 South Flower, Los Angeles, Calif. 90071. The company is engaged in the operation of casinos and related hotel, recreational and entertainment activities. Net proceeds will be used for expansion of facilities. (File 2-45640)

SEARS, ROEBUCK AND CO., 925 South Homan Ave., Chicago, Ill. 60607, filed a registration statement on September 8 seeking registration of 41,449 outstanding shares of common stock, which may be offered for sale from time to time by the holders thereof at prices related to the current price (* \$102 per share maximum). (File 2-45642)

CONSUMERS POWER COMPANY, 212 West Michigan Ave., Jackson, Mich. 49201, filed a registration statement on September 8 seeking registration of \$50 million of first mortgage bonds, due 2002, to be offered for public sale at competitive bidding. (File 2-45641)

In a separate statement, the company seeks registration of 2,200,000 shares of common stock, to be offered for public sale (* at \$27.625 per share maximum) through underwriters headed by Morgan Stanley & Co., 2 Wall St., New York 10005. Net proceeds of its offerings will be used to finance in part the company's construction program and to repay short-term borrowings made and to be made in connection with interim financing of the construction program. Construction expenditures are estimated to exceed \$2 billion for 1972 through 1976. (File 2-45643)

INTERCRAFT INDUSTRIES CORPORATION, 1840 North Clybourn Ave., Chicago, Ill. 60614, filed a registration statement on September 8 seeking registration of 105,000 shares of common stock, which have been issued or are issuable pursuant to the company's stock option plans. The company manufactures and markets frames and framed art reproductions. (File 2-45644)

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:
 Shapell Industries, Inc., Beverly Hills, Calif. (File 2-45626) - 100,000 shares
 Copper Range Company, White Pine, Mich. (File 2-45629) - 110,250 shares
 Emery Industries, Inc., Cincinnati, Ohio (File 2-45650) - 209,025 shares

MISCELLANEOUS

UNLISTED TRADING SOUGHT. The SEC has issued a notice giving interested persons until September 24 to request a hearing upon an application of the Philadelphia-Baltimore-Washington Stock Exchange for unlisted trading privileges in the common stocks of the following companies: Alaska Interstate Company, Altamil Corporation, American Biltrite Rubber Co., Inc., Augat, Inc., Benrus Corporation, Combustion Equipment Associates, Inc., Oriole Homes Corporation, Bergen Brunswick Corporation, Burgess Industries Incorporated, Executone, Inc., Gearhart-Owen Industries, Inc., Gladding Corporation, Inexco Oil Company, Monogram Industries, Inc. (Rel. 34-9769)

RECENT FORM 8-K FILINGS. The companies listed below have filed Form 8-K reports for the month indicated, responding to the item on the 8K form numbered in the parentheses. 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 several items of the form was included in the September 1 News Digest.

8K Reports for May 72

Allegheny Power System, Inc. (11,14)	1-267-2	Overseas National Airways, Inc. (2,6)	0-3060-2
American Export Industries, Inc (6,7,14)	1-5054-2	Fanax Corp. (4,8,11)	0-4754-2
Anchorage Carolina Corp. (4,11,14)	0-6099-2	Riviana Foods, Inc (7)	1-4823-2
Fanfare Corp (3)	1-6753-2	Rusco Industries, Inc (13)	1-5087-2
First Virginia Mortgage and Real Estate (7)	2-43523-2	Santa FE International Corp. (7,8,11,13)	1-4828-2
GFI Computer Industries, Inc (2,3,13)	0-3323-2	Schaevitz Engineering Apr.72 (10)	0-2696-2
Golden Flake Inc Apr.72 (3)	0-4339-2	Taylor Internatl Corp Mar 72 (7)	0-2126-2
LTV Aerospace Cor (8,14)	1-5219-2	Unity Capital Corp of America Nov. 71 (1)	2-33395-2
Macrodyne Chatillon Corp.(3,6,13)	1-5592-2	Utah Power and Light Co. (7,11,13)	1-3568-2
Mankato Citizens Telephone Co (3,13,14)	0-673-2	Varadyne Industries Inc Apr 72 (2,8)	0-3243-2
McMoran Exploration Co. (2,14)	0-5332-2	Angelica Corp (7,13)	1-5674-2
MCH Co., Inc.	1-5292-2	Atchison Topeka & Santa FE RY Co. (7)	1-868-2
Mississippi Chemical Corp. (11,14)	2-7803-2	Family Dollar stores Inc (7,12)	1-6807-2
Morrison Inc. (7)	0-1750-2	Fire Fly Enterprises Inc (3,13)	2-38087-2
Napco Industries Inc (11)	1-1281-2	Gearhart Owens Industries, Inc June 72 (11)	1-4975-2
National Chemsearch Corp. (3,7)	1-5838-2	Lee National Corp (10)	1-344-2
North Atlantic Bancorp.(11)	2-41878-2		
Omega-Alpha, Inc. (2,14)	1-6449-2		

TRADING SUSPENSION CONTINUED. The SEC has ordered the further suspension of over-the-counter trading in the securities of Meridian Fast Food Services, Inc. for the further ten-day period September 13-22, inclusive.

CORRECTION RE VETCO. The registration statement of Vetco Offshore Industries, Inc., File 2-45181, is still pending and was not effective September 8, as reported in the September 12 News Digest.

SECURITIES ACT REGISTRATIONS. Effective September 8: Carmax Industries, Inc., 2-44472.
Effective September 11: Delhi International Oil Corp., 2-42709; Connbia Fund, Inc., 2-42963; Lucky Stores, Inc., 2-45543; The Nieuport Co., 2-40853 (90 days); Pollution Control-Walther, Inc., 2-44034 (90 days); United Tennessee Bancshares Corp., 2-44882; Western Trio Cattle Co., 2-44635.
Effective September 12: Central Illinois Light Co., 2-45448.

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.

---ooo0ooo---

ONLY the SEC News Digest is for sale by the Superintendent of Documents, Government Printing Office, Washington, D. C. 20402. All other referenced material must be ordered from the Securities and Exchange Commission, Washington, D. C. 20549. In ordering full text of Releases from SEC Publications Unit cite number.