

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

A brief summary of financial proposals filed with and actions by the S.E.C.



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FOR RELEASE January 29, 1965

SEC ORDER CITES LOUIS J. BARLOW. The SEC has authorized administrative proceedings under the Securities Exchange Act of 1934 with respect to an application for broker-dealer registration filed by Louis Jessop Barlow, doing business as Louis J. Barlow & Co., of Las Vegas, Nevada.

The proceedings are based upon staff charges that Barlow offered and sold common stock of National Land Corporation (of Salt Lake City) during the nine-month period ended February 17, 1964, in violation of Section 5(a) of the Securities Act of 1933. Barlow was president, promoter and controlling stockholder of National, which made a public offering of stock in 1963 pursuant to a Regulation A exemption from registration. The exemption was suspended by the Commission in June 1964 for alleged violations of Sections 3(b), 5 and 17 of the Securities Act. The staff further asserts that Barlow falsified a March 1964 report of stock sales by National, particularly with respect to the purported receipt of \$237,000 in cash from the public offering when, according to the staff, at least 141,000 shares (of the 260,000 share offering) were exchanged for land rather than sold for cash, and the statement that \$159,789 of the cash proceeds was used to purchase real estate when, it is asserted, the real estate was acquired in exchange for stock. The staff also challenges the accuracy of Barlow's business address listed in his registration application, namely, 111 So. Las Vegas Boulevard, Suite TAB, Las Vegas, Nevada.

A hearing will be held, at a time and place to be announced, for the purpose of taking evidence on the staff charges and afford the respondents an opportunity to establish any defenses thereto, all for the purpose of determining whether the alleged violations occurred and, if so, whether any action of a remedial nature is appropriate in the public interest.

BALBROOK SECURITIES GRANTED REGISTRATION. The SEC today announced a decision under the Securities Exchange Act (Release 34-7522) permitting effectiveness of an application for broker-dealer registration filed by Balbrook Securities Corporation, of Bernardsville, N. J. The decision was rendered by Commissioners Budge and Wheat, with Commissioner Owens dissenting. Chairman Cohen and Commissioner Woodside did not participate.

The majority opinion held that the circumstances involving a 1961 court action by the Commission to enjoin Townsend Corporation of America, Townsend Management Company and the directors of those companies, including Clinton F. Davidson, president of Balbrook, are not such as to require denial of Balbrook's application for broker-dealer registration. In the SEC complaint in that action, it was alleged that Davidson and the other individual respondents had caused the two defendant corporations to commit various violations of the Investment Company Act. Without admitting the allegations of the complaint, Davidson consented to the entry of a permanent injunction against him. The Commission noted that Davidson had been in the securities field since 1931 without any action against him other than the consent injunction, and that he has not been permitted to engage in the securities business since the 1961 injunction. It also observed that Balbrook has agreed that, if its registration were permitted to become effective, it would not maintain custody or possession of, or exercise discretionary authority over, customers' funds or securities. Accordingly, and although the case was considered to be "a close one," the majority concluded that Balbrook's registration might appropriately be permitted to become effective.

In dissenting from the majority opinion, Commissioner Owens stated that the violations charged in the 1961 complaint "were serious and extensive in nature" which continued over a period of years, and that Davidson was one of three controlling officials alleged to be chiefly responsible for those violations. He further observed that to permit Davidson to engage in the securities business in the capacity of a principal at this time would not be consonant with the objective of raising standards in the securities industry.

TILLMAN PROCEEDINGS DISMISSED. The SEC today announced the issuance of an order under the Investment Advisers Act (Release IA-182) dismissing proceedings involving the investment-adviser registrations of Carroll Tillman, doing business as The Tillman Survey, and his employee, John Francis Ryan, Jr. The proceedings related to alleged violations of the Act by the use of advertisements soliciting subscriptions to Tillman's investment-advisory service. According to the order, Tillman died after the record was taken under advisement by the Commission. Subsequently, the SEC Staff and Ryan joined in a stipulation, supported by an affidavit by Ryan, reciting that Tillman was in charge of such advertising and that Ryan performed only ministerial duties with respect to it. (The firm's address is 32 Westminster St., Providence, R. I.).

INVESTORS ASSOCIATED STOCK SALE ENJOINED. The SEC Seattle Regional Office announced January 25 (LR-3136) the entry of a Federal court order (USDC Seattle) preliminarily enjoining Gerald L. Rogers, Thomas B. Moore, Lonzo L. Tackett, Wayne E. Holm, Investors Associated, Inc., Securities Sales Co. (both Washington corporations), Hartford Mortgage & Trust Co. (an Arizona corporation) and Continental Properties, Inc. (a Utah corporation) from further violations of the registration and anti-fraud provisions of the Federal securities laws in the sale of securities of Investors Associated and Continental Properties. A receiver was appointed for Investors Associated, Hartford Mortgage and Continental Properties.

OVER

DELISTING GRANTED. The SEC has issued an order under the Securities Exchange Act (Release 34-7526) granting an application of the New York Stock Exchange to strike from listing and registration the common stock of Two Hundred and Fifty East Main Street Corporation (formerly Manning, Maxwell & Moore, Inc.), effective at the opening of business on February 2, 1965. The application indicates that following the company's sale of its assets to Dresser Industries, Inc., the stockholders voted to dissolve and liquidate the company.

CITATION NATIONAL LIFE FILES FOR OFFERING. Citation National Life Corporation, 314 Hanna Bldg., Cleveland, Ohio, filed a registration statement (File 2-23116) with the SEC on January 27 seeking registration of 120,000 shares of common stock. The stock is to be offered for public sale at \$10 per share through underwriters headed by Scheinman, Hochstin & Trotta, Inc., 111 Broadway, New York, which will receive a \$1-per-share commission. The registration statement also includes 73,000 common shares to be offered by the company at \$9 per share to company officials and employees. In addition, the company is registering 20,000 common shares to be offered for sale to insurance agents and brokers.

Organized under Ohio law in April 1964, the sole business of the company will be to own all of the stock of Citation Life Insurance Co. of Ohio and Citation Life Insurance Co. of Pennsylvania. Citation of Ohio was organized under Ohio law in April 1964, and the company has subscribed for all of its authorized stock consisting of 10,000 shares for a total of \$1,000,000. Citation of Pennsylvania will be organized under Pennsylvania law as a stock life insurance company, and the company will subscribe for all of its authorized stock (5,000 shares for \$500,000). Net proceeds from the stock sale will be used by the company to pay for such subscriptions and to complete the organization of the two insurance companies. The company has outstanding 100 common shares, all of which were acquired by Daniel S. Winston (president of the company and the insurance companies) at \$10 per share.

NON-COMMISSIONED OFFICERS CORP. PROPOSES OFFERING. Non-Commissioned Officers Corporation, Jefferson Bldg., Alexandria, Va., filed a registration statement (File 2-23120) with the SEC on January 27 seeking registration of 400,000 shares of Class A common stock. The stock is to be offered at \$5 per share to active and retired non-commissioned officers of the armed forces of the United States in the E-5 through E-9 grades. The offering is to be made through active and retired non-commissioned officers in the same grades, who will receive a \$.375-per-share commission.

Organized under Ohio law in August 1964, the company intends to create, own and control various insurance companies and financial institutions catering to the needs of non-commissioned officers. The company has already chartered a life insurance company, Non-Commissioned Officers Life Insurance Co. ("NCO Life"), and a fire and casualty insurance company, Non-Commissioned Officers Insurance Company. Net proceeds from the company's stock sale will be invested in NCO Life, which was organized under Delaware law in December 1964. The company has outstanding 100,000 Class B shares, which were purchased by the founders of the company for a total of \$175,400. Management officials own 53.8% of the outstanding stock. Curtis K. Gerry is president of the company and NCO Life.

UNITED AIR LINES PROPOSES RIGHTS OFFERING. United Air Lines, Inc., P. O. Box 8800, Chicago, Ill., filed a registration statement (File 2-23122) with the SEC on January 28 seeking registration of \$70,000,000 of convertible subordinated debentures due 1990. The debentures are to be offered to stockholders at the rate of \$100 principal amount of debentures for each 10 common shares held on February 18, 1965. Any unsubscribed debentures are to be offered for public sale through underwriters headed by Morgan Stanley & Co., 2 Wall St., New York. The interest rate, public offering price and underwriting terms are to be supplied by amendment. United expects to use the net proceeds from its debenture sale to reduce borrowings under a bank credit agreement. It has ordered (for 1965 and 1966 delivery) 40 Boeing 727 3-jet-engine passenger aircraft and 3 Douglas DC-8F 4-jet-engine cargo aircraft, estimated to cost a total of \$181,000,000. In addition to indebtedness and preferred stock, the company has outstanding 6,573,446 common shares, of which management officials own approximately 2%. W. A. Patterson is board chairman and G. E. Keck is president.

MITRON RESEARCH & DEVELOPMENT FILES FOR SECONDARY. Mitron Research & Development Corporation, 899 Main St., Waltham, Mass., filed a registration statement (File 2-23124) with the SEC on January 28 seeking registration of 129,000 outstanding shares of common stock. The present holders thereof propose to offer such stock at the prevailing price in the over-the-counter market through brokers or dealers (\$3 per share maximum*). Also included in the registration statement are 10,000 stock purchase warrants sold to Stanley Heller & Co., the underwriter of a previous public offering, for \$1 and the 10,000 shares issuable on the exercise thereof at \$3 per share.

Organized under Delaware law in 1961, the company's principal business consists of the development, research, manufacture and sale of special equipment and products in the materials and shock and vibration fields. It has outstanding 469,000 common shares, of which management officials own 43.3%. Included among the 20 selling stockholders (all of whom are offering their entire holdings) are Stanley Heller & Co., offering 12,500 shares; and Max Fiaklov, Herman Fiaklov, Carl Knoblock, Jr., Frank Pennucci, Edwin S. Marks, and Louis Peirez, offering 10,000 shares each. The remaining selling stockholders are offering stock ranging in amounts from 1,000 to 5,000 shares. Robert A. Rosenberg is board chairman and Joseph Ganz is president.

CORRECTION RE CLINCO CORP. INJUNCTION. The News Digest of January 26th referred to the announcement by the SEC Denver Regional Office (LR-3133) that Clinco Corporation and certain individuals had been permanently enjoined from further offering of Clinco stock in violation of the Securities Act registration and anti-fraud provisions. Clinco and three individuals consented to the injunction. The case is still pending against defendants William C. Joines and W. D. Weigand.

RECENT FORM 8-K FILINGS. The companies listed below have filed Form 8-K reports for the month indicated and responding to the item of the Form specified. Photocopies thereof may be purchased from the Commission's Public Reference Section (please give News Digest's "Issue No." in ordering). Invoice will be included with the requested material when mailed. An index of the caption of the several items of the form was included in the January 4 News Digest.

Automatic Retailers of America Inc, Dec 64,
(7,13)
Monte Cristo Corporation, Oct 64, (11)
UTD Corporation, June 64, (7,13)
The Winter Park Telephone Company, Dec 64,
(2,13)

Aluminium Limited, Dec 64, (3)
Brite Universal, Inc, Jan 65, (12,13)
Republic Indemnity Co of America, Aug 61
thru Dec 64, (2,4,7,11,13) (1 rept)
Simplicity Mfg Co, Dec 64, (11)
Wickes Corp, Dec 64, (12,13)

Branson Instruments, Inc, Dec 64, (13)
Cott Corporation, Dec 64, (12)
New York and Honduras Rosario Mining Co,
Dec 64, (7)
Piasecki Aircraft Corp, Dec 64, (12)

American Investors Corp, Dec 64, (2,11,13)
International Mining Corp, Dec 64, (2,13)
Mercantile Financial Corporation, Dec 64,
(4,7,9,13)
New York Airways Inc, Dec 64, (2,9,12,13)

Applied Research, Inc, Dec 64, (11)
G.&W.H. Corson, Inc, Dec 64, (7)
Link-Belt Co, Dec 64, (13)
North Carolina Natural Gas Corp, Dec 64,
(2,11,13)

Irving Air Chute Co, Inc, Dec 64, (4,7,10)
National Mercantile Corp, Nov 64, (11)
Television Industries, Inc, Dec 64, (12)
Vapor Corporation, Dec 64, (12)

Bonanza Airlines Inc, Dec 64, (12)
Inter-County Tel & Tel Co, Nov 64, (11,13)
Wyandotte Chemicals Corp, Dec 64, (7,13)

Berkshire Gas Company, Sept 62,63,64,(11)
(1 rept)
Delta Air Lines, Inc, Dec 64, (8)

Novo Industrial Corp., Dec 1964 (12,13)
Sundstrand Corp., Dec 1964 (4,7,13)
Triangle Conduit & Cable Co. Inc., Nov 1964 (3)

The Budd Co., Dec 1964 (4,7,8,13)
Far West Financial Corp., Dec 1964 (9)
Franchard Corp., Dec 1964 (12,13)
Hayden Publishing Company Inc., Dec 1964 (3,11)
Howell Electric Motors Co., Dec 1964 (7)
Mt. Clemens Industries, Inc., Dec 1964 (2,13)
Pacific Gas Transmission Co., Dec 1964 (12,13)
Pauley Petroleum Inc., Dec 1964 (11)
Trans Canada Pipe Lines Ltd., Dec 1964 (7,8)
Transwestern Pipeline Co., Dec 1964 (3)

Nedick's Stores, inc., July & Aug 1964 (13)

Associates Investment Co., Sept.1964 (7)
Associates Investment Co., Oct 1964 (7)
Associates Investment Co., Nov 1964 (7)

Hoffman International Corp, Dec 64
(1,9,11,12,13)
Weingarten Markets Realty Co, Dec 64, (7)

Falstaff Brewing Corp, Dec 64, (7,11)
Sonotone Corp, Dec 64, (2)
Yardney Electric Corp, Jan 65, (8)

Associated Grocers Inc, Dec 64, (7)
Community Research & Development Inc, Dec 64,
(7,13), Jan 59, Mar 60, June 63, Apr-May-
July 64 (1 rept)
Ohio Brass Co, Dec 64, (3)

Buckeye Corp, Dec 64, (2,7,11,13)

Anken Chemical & Film Corp, Dec 64, (12)
A. M. Castle & Co, Dec 64, (7,8,13)
Eitel-McCullough, Inc, Nov 64, (8)
Ling-Temco-Vought, Inc, Dec 64, (8)
Midwest Oil Corporation, Dec 64, (1,8)
The New York Central Railroad Co, Dec 64,
(7,13)
Technicolor, Inc, Dec 64, (7,13)

Bassett Furniture Industries, Inc, Dec 64,(11)
Ethyl Corp, Dec 64, (7,11,13)
Thor Power Tool Co, Dec 64, (12,13)

Airlift International, Inc, Dec 64, (12,13)

Albertson's, Inc, Dec 64, (3,12)
Equity Funding Corp of America, Dec 64,
(7,13)
Revdav Industries, Inc, Dec 64, (2,8,12)
Standard Financial Corp, Dec 64, (7)
Sunset International Petroleum Corp, Dec 64,
(7,8,13)
Two Hundred and Fifty East Main Street Corp.
Dec 64, (2,11,12,13)
W. R. Grace & Co, Amend #1 to 8K for July 64,
(13)
Schenuit Rubber Company, Amend #1 to 8K for
Sept 64, (2,12)

Anelex Corp., Dec 1964 (11,13)
Cerro Corporation, Dec 1964 (7)
Potomac Edison Company, Dec 1964 (11,13)
Rollins Broadcasting Inc., May 1964 (7)
Russ Togs, Inc., Dec 1964 (7)
Santa Fe Drilling Co., Dec 1964 (12,13)
James Talcott, Inc., Dec 1964 (2,12,13)
Tandy Corporation, Dec 1964 (7,13)
Taylor Corporation, Dec 1964 (8)
Texas Industries, Inc., Dec 1964 (7,11,13)
Trailer Train Co., Dec 1964 (7)
Vogt Manufacturing Corp., Dec 1964 (7)

Electro-Voice Inc., Dec 1964 (12,13)
May Dept. Stores Co., Dec 1964 (7)
Ramer Industries, Inc. Dec 1964 (1)

Cameo-Parkway Records, Inc., Dec 1964 (12,13)
Continental Vending Machine Corp., Dec 1964
(2,3,13)
New Jersey Power & Light Co., Dec 1964 (8)

Aetna Mauntenance Co. Oct 1964 (It 3)	2-18950-2	Servomechanisms, Inc. Apr 1964 (Its 2,13)	1-3719-2
Wham-O Mfg. Co. Dec 1964 (Its 12,13)	2-19527-2	Daryl Industries, Inc. Jan 1965 (Its 9,11,13)	1-4321-2
Aldens, Inc. Dec 1964 (Its 2,4,8,11,13)	1-412-2	Flexible Tubing Corp. Dec 1964 (It 7)	1-4866-2
American Home Products Corp. Dec 1964 (It 8)	1-1225-2	American Credit Corp. Dec 1964 (Its 2,4,7,11,13)	1-4491-2
Tintic Lead Co. Dec 1964 (It 11)	1-37-2	Maremont Corp. Dec 1964 (It 4)	1-4232-2
Ashland Oil & Refining Co. Dec 1964 (It 7)	1-2918-2	Peruvian Oils & Minerals Ltd. Jan 1965 (It 3)	1-3820-2
Crown Aluminum Inds Corp. Dec 1964 (Its 9,13)	1-4584-2	Essex Chemical Corp. Dec 1964 (Its 3,7,8,9,13)	1-4228-2
The Flxible Co. Oct 1964 (Its 11,12)	2-21943-2	Southern Nitrogen Co, Inc. Dec 1964 (Its 4,7,13)	2-15335-2
American Shipbuilding Co. Dec 1964 (It 12)	1-455-2	Canadian Superior Oil Ltd. Jan 1965 (It 11)	1-4927-2
Atlas Sewing Centers, Inc. Dec 1964 (Its 6,13)	1-4265-2	Guerdon Industries, Inc. Dec 1964 (It 10)	1-4317-2
Hudson Pulp & Paper Corp. Dec 1964 (Its 4,7,11,13)	1-3546-2	Internatl Tel & Tel Corp. Dec 1964 (It 7)	1-1558-2
Flying Tiger Line, Inc. Amend #1 Dec 64 (It 7)	1-3673-2	Allied Products Corp. Dec 1964 (Its 2, 13)	1-2355-2
Grow Chemical Corp. Amend #2 Jan 64 (It 13)	1-4596-2	Cooper - Jarrett, Inc. Dec 1964 (It 12)	1-4011-2
Alaska Airlines, Inc. Amend #1 Nov 64 (It 5,8)	1-3314-2	McLean Trucking Co. Dec 1964 (Its 7,12,13)	1-4093-2
Defiance Ind., Inc. Amend #1 Dec 64 (It 2)	1-2910-2	Campbell Chibougamau Mines Ltd. Dec 1964 (It 7,8,13)	1-3900-2
McQuay-Norris Mfg. Co. Amend #1 Dec 64 (It 13)	1-736-2	Evans Aristocrat Industries Inc. Dec 1964 (Its 8,12)	1-4592-2
Statham Instruments, Inc. Amend #1 Sept 64 (Its 11,12)	1-4110-2	Litton Industries, Inc. Dec 1964 (Its 2,7,11)	1-3998-2
Highway Trailer Ind., Inc. Amend #1 Dec 64 (It 12)	1-1030-2	Fischer & Porter Co. Dec 1964 (It 7)	1-4400-2
Atlantic Research Corp. Amend #1 May 63 (It 12)	1-4257-2	MCA Inc. Nov 1964 (Its 4,7,13)	1-4243-2
Amend #1 July 64 (It 11)	1-4257-2	Eastern Mass. St. Ry. Co. Dec 1964 (It 6)	1-1563-2
Amend #1 Dec 64 (Its 2,3,8, 10,12,13)	1-4257-2		

ORAL ARGUMENT, COMING WEEK. Arnold Securities Corp., February 3, 2:30 P.M.

SECURITIES ACT REGISTRATIONS. Effective January 28: A. B. Chance Co. (File 2-23012); Data-Control Systems, Inc. (File 2-23061); Fischbach and Moore, Inc. (File 2-22618).
Withdrawn January 28: Historic Figures of Virginia (File 2-22696).

NEW REGISTRATIONS OF O/C COMPANIES. Allied Radio Corp., Chicago, Ill. (File 0-13); Big "C" Stores, Inc. Portland, Ore. (File 0-14); Brooks & Perkins, Inc., Detroit, Mich. (File 0-15); Houston Natural Gas Corp., Houston, Tex. (File 0-16); E Z Paints Corp., Milwaukee, Wisc. (File 0-12); Sanders Associates, Inc., Nashua, N. H. (File 0-17); Wallace Business Forms, Inc., Chicago, Ill. (File 0-18).

*As estimated for purposes of computing the registration fee.

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