

# SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST



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

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FOR RELEASE December 19, 1969

**UNITED FUNDS RECEIVES ORDER.** The SEC has issued an exemption order under the Investment Company Act (Release IC-5931) permitting CWR Corporation, a wholly-owned subsidiary of Continental Investment Corporation, to act as investment adviser to United Funds, Inc. ("Fund"), Kansas City, Mo. mutual fund, pursuant to an investment advisory contract between Fund and CWR, which has not been approved by shareholders, until the date of the annual meeting of shareholders of Fund. CWR owns all the voting common stock and over 99% of the nonvoting common stock of Waddell & Reed, Inc., which is presently the investment adviser to and principal underwriter for Fund. It is proposed that effective December 31, 1969, Waddell & Reed be merged into CWR and that the name of CWR as the surviving corporation be changed to "Waddell & Reed, Inc." No change in the officers, functions or activities of Waddell & Reed will result from the merger.

**COLUMBIA NATIONAL LIFE TO SELL STOCK.** Columbia National Life Insurance Company, 249 Royal Palm Way, Palm Beach, Fla., filed a registration statement (File 2-35669) with the SEC on December 15 seeking registration of 1,000,000 shares of Class A common stock, to be offered for public sale at \$5 per share. No underwriting is involved; selected securities salesmen will receive a 14% selling commission.

The company (formerly Sunbeam Life Insurance Co.) was organized in June 1966 as a legal reserve life insurance company. Net proceeds of the company's stock sale will be added to its working capital and used for general corporate purposes. The company has outstanding 500,000 Class B common shares, all of which are owned by Columbia National Corporation. Leon Landon is board chairman and Ray C. Gilbert president.

**NATIONAL CORP. FOR HOUSING PARTNERSHIPS PROPOSES OFFERING.** National Corporation for Housing Partnerships (the "company"), 1625 L St., N. W., Washington, D. C. 20036, filed a registration statement (File 2-35685) with the SEC on December 17 seeking registration of 249,500 shares of common stock and 998 limited partnership interests in The National Housing Partnership (the "Partnership"), to be offered for public sale in units, each consisting of 250 shares and a partnership interest. The securities are to be offered to business corporations, labor organizations, financial institutions and other organizations domiciled in the U. S. and having substantial assets, whose primary interest in subscribing is promoting the construction of low and moderate income housing rather than return on investment, the offering is to be made at \$50,000 per unit, with a minimum investment of \$100,000 required. No underwriting is involved; selected investment bankers have agreed to perform certain services in connection with the offering on an agency basis and without charge; they will receive a total of \$40,000 for expenses.

Pursuant to the 1968 Housing and Urban Development Act, the President of the United States appointed "incorporators" charged with establishing the "Venture." As directed by the Act, the incorporators caused the creation of the company as a "private corporation for profit." The company and the Partnership, of which the company is the sole general partner, will have common ownership and objectives, which are referred to as the Venture. The company will be responsible for the management and control of the business of the Venture, whose objective is to plan, initiate and carry out the building and rehabilitation of housing and related facilities primarily for the benefit of families and individuals of low and moderate income. In most cases, projects sponsored by the Venture will receive federal assistance and will be financed with federally insured mortgages of 90% of the project cost. Of the net proceeds of the sale of units, \$830,000 will be used to repay outstanding bank borrowings and to pay other current obligations which have been incurred to date and \$95,000 will be set aside for payment by the company to the Partnership as its full commitment as the general partner; the balance will be employed in the program of the Venture. Carter L. Burgess is board chairman and chief executive officer and Ray A. Watt is president of the company.

**COMPUSCAN TO SELL STOCK.** Compuscan, Inc., 125 Fort Lee Road, Leonia, N. J. 07605, filed a registration statement (File 2-35686) with the SEC on December 17 seeking registration of 200,000 shares of common stock, to be offered for public sale at \$10 per share. The offering is to be made on a "best efforts--all or none" basis through Flaks, Zaslow & Co., Inc., 40 Exchange Pl., New York, which will receive a \$1 per share selling commission plus \$25,000 for expenses. The company has agreed to sell the underwriter, for \$200, five-year warrants to purchase 20,000 shares, exercisable after one year at \$10 per share.

The company was organized in June 1968 to design, develop, manufacture and market proprietary optical scanning equipment and to operate a service bureau business using such equipment to render optical scanning services to others. Of the net proceeds of its stock sale, \$100,000 will be used to purchase additional equipment, \$250,000 to continue development of software programs used in the company's optical scanning system, \$350,000 to develop and maintain its marketing staff and for sales and promotional expenses, \$200,000 for expansion of plant manufacturing facilities and \$425,000 for research and development; the balance will be added to the company's working capital and used for general corporate purposes. The company has outstanding 1,078,125 common shares (with a 35c per share net tangible book value), of which Marvin Weiss, president, owns 18.8% and management officials as a group 44%. Purchasers of the shares being registered will acquire a 15.6% stock interest in the company for their investment of \$2,000,000 (they will sustain an immediate dilution of \$8.32 in per share book value from the offering price); the present shareholders will then own 84.4%, for which they paid \$674,000 or 63c per share.

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**DSI DESIGNCARD SERVICES TO SELL STOCK.** DSI Designcard Services, Inc., 350 Fifth Ave., New York, N. Y. 10001, filed a registration statement (File 2-35688) with the SEC on December 17 seeking registration of 100,000 shares of common stock, to be offered for public sale at \$7.50 per share. The offering is to be made through underwriters headed by First Philadelphia Corporation, 80 Wall St., New York, N. Y. 10005, which will receive a 75¢ per share commission plus \$15,000 for expenses. The company has agreed to sell the underwriters, for \$10, six-year warrants to purchase 10,000 shares, exercisable after one year at \$8.25 per share.

Organized in July, the company proposes to engage in selling discount privilege cards which entitle the holders thereof to enter into and purchase merchandise from wholesale design showrooms catering to decorators at the wholesale prices that are charged to interior decorators, and the locating, leasing for, decorating and staffing of commercial office space for others. Of the net proceeds of its stock sale, \$200,000 will be used for advertising and promotion, \$225,000 for leasing of commercial office space and decorating of such space and \$150,000 for salaries; the balance will be added to the company's working capital and used for general corporate purposes. The company has outstanding 400,000 common shares (with a 14¢ per share book value), of which Jay M. Pitlake, president, owns 50% and management officials as a group 60%. Purchasers of the shares being registered will acquire a 20% stock interest in the company for their investment of \$750,000 (they will sustain an immediate dilution of \$6.14 in per share book value from the offering price); present shareholders will then own 80%, for which they paid \$70,640.

**TRANSCONTINENTAL DATA PROCESSING TO SELL STOCK.** The Transcontinental Data Processing Corporation, 12011 San Vicente Blvd., Los Angeles, Calif. 90049, filed a registration statement (File 2-35689) with the SEC on December 17 seeking registration of 50,000 shares of common stock, to be offered for public sale through Chartered New England Corporation, 90 Broad St., New York, N. Y. The offering price (\$10 per share maximum\*) and underwriting terms are to be supplied by amendment. The company has agreed to pay the underwriter \$15,000 for expenses and to sell it 5,000 shares at \$2 per share. Also included in this statement are 40,000 outstanding shares which may be offered for sale from time to time by the holder thereof.

Organized in June 1967, the company engages in the sale of franchises and equipment to service independent accountants in various areas of data processing. Of the net proceeds of its stock sale, \$250,000 will be used to finance equipment purchases by franchisees, and the balance will be added to the company's working capital and used for general corporate purposes. The company has outstanding 400,000 common shares (with a 64¢ per share book value), of which Mrs. Betty Zolla owns 78%; she may sell the 40,000 shares being registered. Edward M. Zolla (spouse of Betty Zolla) is president and board chairman. Purchasers of the shares being registered will acquire an 11.1% stock interest in the company for their investment of \$500,000\*; present shareholders will then own 89%, for which they paid \$388,000 or 83¢ per share.

**OCEAN SCIENCES TO SELL STOCK.** Ocean Sciences, Inc., 1124-1150 Poeyfarre St., New Orleans, La. 70130, filed a registration statement (File 2-35690) with the SEC on December 17 seeking registration of 220,000 shares of common stock, to be offered for public sale through underwriters headed by Emanuel, Deetjen & Co., 120 Broadway, New York, N. Y. The offering price (\$8.50 per share maximum\*) and underwriting terms are to be supplied by amendment. The company has agreed to pay the underwriters \$20,000 for expenses and to sell the Deetjen firm five-year warrants to purchase 20,000, exercisable initially (after one year) at 107% of the offering price. In June, the company sold 1,500 shares to the Deetjen firm at 10¢ per share in connection with a private sale of other shares of common stock.

Organized in June 1968, the company is engaged principally in fabricating structures and providing systems and services for offshore oil and gas exploration, drilling and production operations. Of the net proceeds of its stock sale, \$250,000 will be used to repay bank indebtedness, \$250,000 to purchase heavy machinery and equipment for fabricating, handling and testing and \$125,000 for research and development, market research and new business development; the balance will be added to the company's working capital and will be available for possible future acquisitions of other businesses, development of the company's products, joint ventures, license agreements and other corporate purposes. In addition to indebtedness, the company has outstanding 303,770 common shares, of which Marine Technology, Inc. owns 29.6%. Lawrence T. Atkinson, a director of the company, owns 29.7% of the outstanding common stock of Marine Technology. Terrance L. Schmidt is president.

**FIRST INVESTORS PROPOSES OFFERING.** First Investors Corporation ("Sponsor"), 120 Wall St., New York 10005, filed a registration statement (File 2-35691) with the SEC on December 17 seeking registration of \$25,000,000 of Single Payment and Periodic Payment Plans for investment in First Investors Discovery Fund, Inc. ("Fund"). First Investors Life Insurance Company of which NFIC Holding Company ("NFIC") is the controlling stockholder, participates in the group insurance written in conjunction with First Investor Plans through reinsurance agreements with the principal companies writing such insurance. NFIC also owns all the outstanding common stock of First Investors Management Company, Inc., the investment adviser and principal underwriter of the Fund. The Sponsor is a wholly-owned subsidiary of NFIC, the controlling stock of which is held by David D. Grayson and Glenn O. Head (board chairman and president, respectively, of the Sponsor) in equal proportion.

**KIDDIE CARE TO SELL STOCK.** Kiddie Care Corporation, 200 Trust Bldg., Grand Rapids, Mich. 49502, filed a registration statement (File 2-35692) with the SEC on December 18 seeking registration of 320,000 shares of common stock, to be offered for public sale through underwriters headed by Laird Incorporated, 140 Broadway, New York 10005. The offering price (\$7 per share maximum\*) and underwriting terms are to be supplied by amendment. Recently the company sold 25,000 shares to Laird Corporate Development Incorporated (an affiliate of Laird Incorporated) and 5,000 shares to Laird Incorporated at \$2.50 per share.

Organized in October, the company is engaged in the developing and operating of child development and day care centers for children between the ages of two and one-half and six. Part of the net proceeds of its stock sale will be used for the acquisition of additional sites and the construction and equipping of additional centers or acquisition of existing centers, and the balance will be used to retire \$100,000 indebtedness and accrued interest owing to Care Corporation, major stockholder of the company. In addition to indebtedness, the company has outstanding 370,000 common shares (with a 50¢ per share book value), of which Care Corporation owns 83.8%. Robert W. Browne is board chairman of the company and of Care Corporation and James C. Hurst is president of the company. Purchasers of the shares being registered will acquire a 46% stock interest in the company for their investment of \$2,240,000\*; present shareholders will then 54% for which they will have exchanged cash and assets having a book value of \$183,743.

**CAROLINA POWER TO SELL BONDS.** Carolina Power & Light Company, 336 Fayetteville St., Raleigh, N. C. 27602, filed a registration statement (File 2-35694) with the SEC on December 18 seeking registration of \$40,000,000 of first mortgage bonds, due 2000, to be offered for public sale at competitive bidding. An electric utility, the company will apply net proceeds of its bond sale to reduction of about \$64,000,000 of short-term loans incurred for current corporate purposes, primarily for construction of additional electric plant facilities. Construction expenditures are estimated at \$596,711,000 for the period 1970 through 1972.

**MONEY VARIABLE ACCOUNT A RECEIVES ORDER.** The SEC has issued an exemption order under the Investment Company Act (Release IC-5932) permitting The Mutual Life Insurance Company of New York ("MONEY") and The MONEY Variable Account A ("Account A") to make no sales charges with respect to payments under group variable annuity contracts of the deposit administration type in connection with annuity plans qualified for tax deferred treatment under Section 403(b) of the Internal Revenue Code, where payments are made by transfers to Account A of fixed accumulations under similar group fixed annuity contracts that have been previously issued by MONEY before variable contracts became available.

**CONVICTIONS OF TARVESTAD & WYUM SUSTAINED ON APPEAL.** The SEC Denver Regional Office announced December 16 (LR-4506) that the Eight Circuit Court of Appeals on December 10 affirmed the convictions of Lee E. Tarvestad, formerly of West Fargo, N. Dak. and George A. Wyum, of West Fargo. They had been convicted in November 1967 of violating the registration and anti-fraud provisions of the Federal securities laws in the offer and sale of securities of Dalco American Enterprises, Inc., Dalco American Mortgage and Continental Mortgage Company and had received 18-month prison sentences to be followed by five years' probation.

**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 in parentheses. Photocopies thereof may be purchased from the Commission's Public Reference Section (please give News Digest "Issue No." in ordering). Invoice will be included with the requested material when mailed. An index of the captions of the several items of the form was included in the December 4 News Digest.

8K Reports for Nov '69

Hoover Ball & Bearing Co. (11)	1-5883-2	Hayes-Albion Corp. (11,13)	1-5942-2
Illinois Beef Packers Inc. (7)	2-30709-2	G. Heileman Brewing Co. Inc. (7,12)	1-4738-2
Jayark Corp. (11,12)	0-3255-2	Hitco (11,13)	1-5168-2
LFE Corp. (12,13)	1-4571-2	Kansas City Southern Ind. (3)	1-4717-2
Lowe's Co. Inc. (11,12,13)	0-94-2	Katz Drug Co. (13)	1-886-2
Masonite Corp. (7,11)	1-2263-2	Kissell Co. (1)	1-4950-2
Pacific Tin Consolidated Corp. (12)	1-228-2	Marathon Enterprises Inc. (12,13)	2-31191-2
Phoenix Steel Corp. (1,4, 7,8,9,10,12,13)	1-2908-2	Networks Electronics Corp. (7,8)	0-1817-2
Spiral Metal Co. Inc. (2,7,13)	0-3367-2	Nortek, Inc. (11,12,13)	1-6112-2
Air Products & Chemicals Inc. (7,12)	1-4534-2	Texas Power & Light Co. (7,11,13)	0-381-2
Amarex Inc. (12,13)	2-31307-2	Vai D'or Ind. Inc. (2,9,13)	0-3915-2
Athlone Ind. Inc. (2,7,13)	1-5573-2	Kaneb Pipe Line Co. Amdt #1 for Jul 69 (13)	1-5083-2
Bankers Trust Oct. 69 (3,13)	0-1610-2	United Founders Corp. Amdt. #1 for Nov .69(13)	0-974-2
Cinematation Ind. Inc. (11)	0-3903-2	Unicare Health Ser. Inc. Amdt #1 for Aug 69 (13)	2-29127-2
Fidelity Real Estate Invst. Oct 69 (3,13)	0-1929-2		
Equitable Real Estate Invst. Trust Oct. 69 (3,13)	0-1605-2		

8K Reports for Nov '69 (Con't)

Denny's Restaurants Inc. Amdt #1 for Mar. 69 (12, 13)	1-5124-2	American Investment Co.(7) American Medicorp, Inc. (2,7,13)	1-2335-2 2-28313-2
Ryder System Inc. Amdt. #1 for Sept 69 (13)	1-4364-2	Bell Intercontinental Corp. Oct 1969 (1)	1-4354-2
FAR West Financial Corp. Amdt. #1 for May 69 (3)	1-4923-2	Canon Inc.(6K) Dec. 1969 Cattlemen's Foundation Corp. Inc.	2-32402-2 0-2067-2
Alco Standard Corp. (7)	1-5964-2	Hercules Galion Products, Inc. (2,7,13)	1-3593-2
Fairmont Food Co. (2,13)	1-4100-2	Hershey Foods Corp. (7,12,13)	1-183-2
Financiera Metropolitana (7)	2-29641-2	Shakespeare Co. (3)	0-3358-2
First Western Financial Corp. (3,11,12)	0-2904-2	Storoscope TV Inc. (11)	2-29535-2
Network DATA Processing Corp. (11)	2-31714-2	Twin Americas Agri. & Ind. (7,12) Oct 1969 (7,12)	2-28197-2 2-28197-2
North American Planning Corp (7,9,12)	0-3859-2	Airwick Ind. Inc. (12)	1-5783-2
Tropical Gas Co. Inc. (6K)Dec. 1969	1-4937-2	Empire Petroleum Co. (4,7,8,12,13)	0-788-2
DEI Ind. Inc. Dec. 1969 (12,13)	0-725-2	Leasing Consultants Inc. (12)	0-3482-2
Edgington Oil Co. (8)	0-4046-2	NN Corporation (12)	0-3616-2
Halliburton Co. (13)	1-3492-2	Odell Inc. (1,12,13)	0-2923-2
deal Basic Ind. (3,12)	1-4070-2	Pro-Tech Programs Inc. (9,13)	2-31326-2
Life Insurance Co. of Kentucky (2,11,13)	2-20065-2	Bresnahan Computer Corp. (7)	2-33299-2
Quaker Oats Co.(7,10,11)	1-12-2	Celanese Corp. (3)	1-1308-2
Rudd-Melikian Inc.(2,7,12, 13)	0-1993-2	Ford Motor Co. (3)	1-3950-2
Arizona Biochemical Co. (2,3,13)	0-2948-2	International Standard Electric Corp. (7,13)	1-5205-2
Residential Realty Corp. (7,9,13)	1-4503-2	Petro-Lewis Corp. (2,7) Oct 69 (7)	2-29701-2 2-29701-2
		Alson MFG. Co. Inc. (2,13)	1-6103-2
		Applied Dynamics Inc.(11,13)	0-3288-2
		Avnet, Inc (7,11)	1-4224-2
		Aydin Corp. (2,13)	2-28936-2
		Burgess Ind. Inc. (2,13)	2-31787-2
		Cavanagh Leasing Corp. (2,13)	2-29705-2

SECURITIES ACT REGISTRATIONS. Effective December 18: Alberto-Culver Co., 2-35613; Alexander's Inc., 2-35408 (40 days); The Congress Co., 2-32351 (90 days); Cramer Electronics, Inc., 2-34656 (40 days); Exchange Oil & Gas Corp., 2-34104 (90 days); General American Life Insurance Co. Separate Account No. 1, 2-32987; Koger Properties, Inc., 2-35497; Mattel, Inc., 2-35672; The Mony Variable Account - A, 2-33983; Motherhood Maternity Shops, Inc., 2-34479 (90 days); National Showmanship Services, Inc., 2-34323 (40 days); Pennzoil United, Inc., 2-35580 (40 days); Peterson, Howell & Heather, Inc., 2-35445; Pittsburgh National Corp., 2-35450; Quackenbush Co., 2-35333 (Mar 17); Ross Medical Corp., 2-34264 (90 days); SCM Corp., 2-35544; B. F. Saul Real Estate Investment Trust, 2-35350 (90 days); Technitrol, Inc., 2-35510; United Planning Corp., 2-34950. Zayre Corp., 2-35615.

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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