

# 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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**SEC INVITES COMMENTS ON MIDWEST EXCHANGE PROPOSAL FOR PUBLIC OWNERSHIP.** The SEC has received a proposal from the Midwest Stock Exchange relating to public ownership of its member firms which differs in a number of respects from that submitted by the New York Stock Exchange upon which public comment was invited in Securities Exchange Act Release No. 8717 of October 8, 1969. The Midwest Stock Exchange proposal together with a proposal previously submitted by the Pacific Coast Stock Exchange relating to public ownership will be made available for public examination by interested parties in the regional offices of the Commission and at its headquarters office. Any persons wishing to comment on these proposals may submit their views in writing to the Secretary of the Commission at 500 North Capitol Street, Washington, D. C. 20549.

**COMPUGUARD PROPOSES OFFERING.** Compuguard Protective Systems, Inc., 18 Orchard Drive, Woodbury, N. Y. 11797, filed a registration statement (File 2-35969) with the SEC on January 12 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 on a "best efforts all or none" basis through Robert Cea & Company, Inc., which will receive a \$.675 per share selling commission plus \$14,000 for expenses. The company has agreed to sell the underwriter, for \$100, five-year warrants to purchase 10,000 shares, exercisable after one year at from \$8.02 to \$9.60 per share.

Organized in September 1969, the company proposes to market automatic safety systems for commercial, industrial and residential properties mainly to protect users from burglary and fire hazards. Of the net proceeds of its stock sale, \$175,000 will be used to purchase inventory, \$60,000 to purchase engineering and production equipment to be used in the design and manufacture of certain components, and \$100,000 for sales promotion and advertising; the balance will be added to the company's working capital and used for general corporate purposes. The company has outstanding 300,000 common shares (with a 7c per share net tangible book value), of which Conrad Berenson, president, and I. Robert Parket, board chairman, own 46.6% each. Purchasers of the shares being registered will acquire a 25% stock interest in the company for their investment of \$750,000 (they will sustain an immediate dilution of \$5.78 in per share book value); present shareholders will then own 75%, for which they paid \$21,500 or 7c per share.

**DOWDLE OIL TO SELL STOCK.** Dowdle Oil Corporation, 1200 Midland Savings Bldg., 300 West Wall St., Midland, Tex. 79701, filed a registration statement (File 2-35970) with the SEC on January 13 seeking registration of 300,000 shares of common stock, to be offered for public sale through underwriters headed by Parker, Bishop & Welsh, Inc., 100 Park Ave., Oklahoma City, Okla. 73102. The offering price (\$5 per share maximum\*) and underwriting terms are to be supplied by amendment. The company has agreed to pay the Parker firm \$10,000 for expenses and to sell five-year warrants to purchase 30,000 shares, exercisable after one year at from 107% to 128% of the offering price.

The company was organized in October 1969 for the principal purpose of engaging in the acquisition, exploration and development of oil and gas prospects throughout the United States and elsewhere in the world. Net proceeds of its stock sale will be added to the company's general funds and applied toward the company's acquisition, exploration and development program. The company has outstanding 1,675,000 common shares (with a 48c per share net tangible book value), of which Nash J. Dowdle, president and board chairman, owns 75%. Purchasers of the shares being registered will acquire a 15% stock interest in the company for their investment of \$1,500,000 (they will sustain an immediate dilution of \$3.93 in per share book value from the offering price); present shareholders will then own 85%, for which they will have paid \$809,697 or 48c per share.

**MEDTRONIC FILES FOR SECONDARY.** Medtronic, Inc., 3055 Old Highway No. 8, Minneapolis, Minn. 55418, filed a registration statement (File 2-35971) with the SEC on January 13 seeking registration of 70,000 outstanding shares of common stock, to be offered for public sale by the holder thereof through underwriters headed by White, Weld & Co., 20 Broad St., New York, and Dain, Kalman & Quail, Inc., 110 S. 6th St., Minneapolis, Minn. The offering price (\$50 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company manufactures and sells medical electronic devices to doctors, hospitals, research institutions and universities. In addition to indebtedness, it has outstanding 2,926,212 common shares, of which Earl E. Bakken, president, owns 16%. Palmer J. Hermundslie, of Minneapolis, proposes to sell 70,000 of 218,034 shares held.

**MARATHON OIL TO SELL DEBENTURES.** Marathon Oil Company, 550 S. Main St., Findlay, Ohio 45840, filed a registration statement (File 2-35972) with the SEC on January 13 seeking registration of \$100,000,000 of sinking fund debentures, due 2000, to be offered for public sale through underwriters headed by The First Boston Corp., 20 Exchange Pl., New York. The interest rate, offering price and underwriting terms are to be supplied by amendment.

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The company is engaged principally in the exploration for and development, production, purchasing, transportation and marketing of crude oil and natural gas, and in the refining, transportation and marketing of petroleum products. The net proceeds of its debenture sale will be used to repay bank loans (at December 31 the company had outstanding \$115,000,000 of bank-loan notes and \$35,000,000 of commercial paper). J. C. Donnell II is president.

**HAWAIIAN AIRLINES TO SELL DEBENTURES.** Hawaiian Airlines, Inc., Honolulu International Airport, Honolulu, Hawaii 96820, filed a registration statement (File 2-35974) with the SEC on January 13 seeking registration of \$4,000,000 of convertible junior subordinated debentures, due 1990. It is proposed to offer the debentures for subscription by common stockholders at the rate of a \$100 debenture for each 35 shares held. The interest rate, subscription price and record date are to be supplied by amendment.

The company's principal business is the air transportation of persons, property and mail between the six major islands of Hawaii. Of the net proceeds of its sale of debentures, \$639,371 will be applied to the repayment of bank loans, \$2,500,000 will be used to restore working capital used in the acquisition of flight equipment and the improvement of ground facilities and equipment, and the balance will be added to working capital to finance the company's increased level of operation. In addition to indebtedness, the company has outstanding 1,271,191 shares of common stock, of which John H. Magoon, Jr., president, owns 38%. He has agreed to subscribe for the maximum amount of debentures under his basic subscription rights.

**ANCHOR PLASTICS FILES FOR OFFERING.** Anchor Plastics Company, Inc., 36-36 36th St., Long Island City, N.Y. 11106, filed a registration statement (File 2-35975) with the SEC on January 13 seeking registration of 250,000 shares of common stock, to be offered for public sale through underwriters headed by Kamen & Co., 50 Broadway, New York. The offering price (\$5 per share maximum\*) and underwriting terms are to be supplied by amendment. The underwriter will receive \$15,000 for expenses; and it will be entitled to purchase, for \$237.50, five-year warrants to purchase 23,750 shares, exercisable after one year at the offering price. An additional 1,250 warrants are to be sold to Robert M. Steinberg for \$12.50.

The company is engaged in the manufacture by extrusion of custom-order plastic shapes and forms. Of the net proceeds of its stock sale, \$700,000 will be used to acquire and equip a new facility to manufacture plastic products and \$75,000 to equip a research and testing laboratory; the balance will be used for working capital. The company has outstanding 850,000 common shares (with a 64¢ per share book value), of which Jay B. Shapiro, president, and Myron Rothman, executive vice president, own 45% each. Purchasers of the shares being registered will acquire a 23% stock interest in the company for their investment of \$1,250,000\*; present stockholders will then own 77%, which on October 31 had a book value of \$543,000.

**ELECTRO-NUCLEONICS SHARES IN REGISTRATION.** Electro-Nucleonics, Inc., 368 Passaic Ave., Fairfield, N. J. 07006, filed a registration statement (File 2-35976) with the SEC on January 13 seeking registration of 478,750 shares of common stock. Of these shares, 107,000 are issuable or have been issued pursuant to qualified stock options and 371,750 are outstanding shares which may be offered for sale from time to time by the present holders thereof at prices current at the time of sale (\$19.50 per share maximum\*).

The company is engaged in a program of research and development in components of the gas centrifuge and in the technology of separating particular components of liquids by centrifugation. In addition to indebtedness, it has outstanding 2,313,668 common shares, of which John J. Newgard, president, owns 17.24% and management officials 39.76%. Newgard may sell 50,000 shares of 398,960 shares held, Ray A. Kroc, a director, all of 60,000 and two other officers and two funds the remaining shares being registered.

**OVITRON FILES FOR OFFERING AND SECONDARY.** Ovitron Corporation, 44-62 Johnes St., Newburgh, N. Y. 12550, filed a registration statement (File 2-35977) with the SEC on January 13 seeking registration of 185,000 shares of common stock, of which 100,000 are to be offered for sale by the company and 85,000 (being outstanding shares) by the present holders thereof. The shares are to be offered from time to time at prices current at the time of sale (\$50 per share maximum\*). No underwriting is involved.

The company is engaged through subsidiaries in the following areas of business: electronics, high-temperature water and steam boilers and heaters, municipal incineration equipment, products related to retail sales promotions, automation equipment and air pollution control devices. Of the net proceeds of its sale of additional stock, \$1,500,000 will be used to pay bank loans incurred for working capital purposes and \$250,000 to further develop a process used in the long-term storage of biological vaccines and other substances, including blood; the balance will be added to the company's working capital. In addition to indebtedness, the company has outstanding 817,650 common shares, of which Stalco, Inc., owns 36.4% and management officials as a group 37.2%. C. Robert Allen, III, is board chairman, and John A. Stanko president. Guarante-Harrington Associates may sell all of 15,000 shares held and 16 others the remaining shares being registered.

**PALM BEACH CO. FILES FOR OFFERING AND SECONDARY.** Palm Beach Company, 400 Pike St., Cincinnati, Ohio 45202, filed a registration statement (File 2-35978) with the SEC on January 13 seeking registration of 400,000 shares of common stock, of which 350,000 are to be offered for public sale by the company and 50,000 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters headed by Eastman Dillon, Union Securities & Co., 1 Chase Manhattan Plaza, and Kidder, Peabody & Co., Inc., 20 Exchange Pl., both of New York 10005. The offering price (\$20 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company designs and manufactures a complete line of popular priced men's and boys' suits, sportcoats, slacks and formal wear, sold directly to retailers. Net proceeds of its sale of additional stock will be used to reduce short-term bank debt incurred to finance (1) the expansion of the company's facilities in Somerset, Ky., Knoxville, Tenn., and New Bedford, Mass., and acquisition of its leased facilities in Rockwood, Tenn.,

together with equipment and related training costs (approximating \$2,000,000) and (2) higher inventories and receivables resulting from increased sales. In addition to indebtedness, the company has outstanding 2,191,752 common and 215,460 Class B common shares; of both classes of stock, Elmer L. Ward (board chairman) and family members own 17.1%; and management officials as a group own 30.4% of the common shares and 71.6% of the B shares. Elmer L. Ward, Jr., is president. Aaron Siegal proposes to sell 18,000 shares of 95,940 shares held and nine others the remaining shares being registered.

**OPERATIONS ANALYSIS TO SELL STOCK.** Operations Analysis, Inc., Melrose Bldg., Houston, Tex. 77002, filed a registration statement (File 2-35979) with the SEC on January 13 seeking registration of 100,000 shares of common stock, to be offered for public sale through S. J. Salmon & Co., Inc., 101 Maiden Lane, New York, which will receive a 10% commission plus up to \$18,750 for expenses. The offering price (\$7.50 per share maximum\*) is to be supplied by amendment. The company has agreed to issue the underwriter six-year warrants to purchase 10,000 shares.

Organized in May 1967, the company is engaged in the operation of a full line computer service and data conversion facility in Houston. Of the net proceeds of its stock sale, \$200,000 will be used to establish its bank data processing capability (including cost of additional facilities, new hardware and software to support such operation), \$200,000 for acquisition of additional equipment (by purchase or lease) and \$100,000 to develop and/or acquire additional computer programs and "packages"; the balance will be added to the company's working capital and used for general corporate purposes. The company has outstanding 200,000 common shares, of which Lionel W. Levin, president, owns 27.25% and management officials as a group 39.64%.

**ALAN WOOD STEEL FILES FOR SECONDARY.** Alan Wood Steel Company, Conshohocken, Pa. 19428, filed a registration statement (File 2-35980) with the SEC on January 13 seeking registration of 204,690 shares of common stock. These shares are issuable upon conversion of 6 1/4% subordinated 1985 debentures and are to be offered for public sale through underwriters headed by The First Boston Corporation, 20 Exchange Pl., New York. The offering price (\$39 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company is a small steel producer. In addition to indebtedness and preferred stock, it has outstanding 756,130 common shares. Harleston R. Wood is board chairman and president. New York Life Insurance Company and The Prudential Insurance Company of America each own \$3,750,000 of the debentures; the debentures are to be purchased by the underwriters and converted into the shares the subject of this offering.

**1970 GREAT BASINS EXPLORATION PROGRAM.** 1970 Great Basins Exploration and Development Program ("Partnership"), 1011 Gateway West, Century City, Los Angeles, Calif. 90067, filed a registration statement (File 2-35981) with the SEC on January 14 seeking registration of \$5,000,000 of limited partnership interests, to be offered for public sale at \$5,000 per unit. The offering is to be made through company officials (who will receive no compensation therefor) and selected broker-dealers (who will receive up to a 5% selling commission); such broker-dealers who sell a minimum of 15 units will be entitled to receive five-year warrants to purchase units of the Partnership at the rate of one warrant for each \$100 of units, exercisable after one year at the offering price. The Partnership will engage primarily in exploration, development and production of oil and gas. Great Basins Petroleum Co. will serve as the general partner. R. G. Greene is board chairman and C. W. Hatten president of the general partner.

**NORRIS OIL PROGRAM PROPOSES OFFERING.** Norris Oil Exploration Program-1970 ("Partnership"), 1068 E. Main St., Ventura, Calif. 93001, filed a registration statement (File 2-35964) with the SEC on January 12 seeking registration of \$3,000,000 of limited partnership interest, to be offered for public sale at \$5,000 per unit. Participating broker-dealers and licensed agents will receive a 6% selling commission. The Partnership was formed to explore for oil and gas. Norris Oil Co. will serve as general partner. Edward J. Carr is president and William F. Wrath is executive vice president of the general partner; they own 15.21% and 13.04%, respectively, of its outstanding common stock.

**TRADING SUSPENSION CONTINUED.** The SEC has ordered the suspension of over-the-counter trading in the securities of Continental Vending Machine Corporation for the further ten-day period January 17-26, 1970, inclusive.

**SECURITIES ACT REGISTRATIONS. Effective January 15:** APL Corp., 2-35600; R. G. Barry Corp., 2-34993 (40 days); Brothers Two International, Inc., 2-32820 (90 days); Cenco Instruments Corp., 2-35424 (40 days); Computer Congenerics Corp., 2-33975 (90 days); Continental Telephone Corp., 2-35726; Cybertek, Inc., 2-32865 (90 days); Eastern Air Lines, Inc., 2-35543 (Feb 24); Globus International Ltd., 2-32022 (90 days); Holobeam, Inc., 2-34781 (40 days); Household Finance Corp., 2-35701; National Corp. for Housing Partnerships, 2-35685 (90 days); National Equity Corp., 2-32589 (90 days); Nayadic Sciences, Inc., 2-33981 (90 days); The Newhall and Land Farming Co., 2-35482 (40 days); Pacific Standard Life Insurance Co. of Texas, 2-33705 (90 days); Technicon Corp., 2-35833 (90 days); Transcommunications Corp., 2-34024 (90 days); Television Communications Corp., 2-35319 (40 days); United Technology Laboratories, 2-34575 (90 days); Wm. E. Wright Co., 2-35922. Withdrawn January 15: VTR, Inc., 2-33827.

**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.