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ANDREW BARR, SEC CHIEF ACCOUNTANT, RETIRES

Andrew Barr, Chief Accountant of the SEC since 1956, retired from the Federal service on January 21, 1972. Mr. Barr has been a member of the Commission's staff almost thirty four years. Prior to coming with the SEC, he taught accounting as a member of the faculty at Yale University for twelve years, and was on the staff of a public accounting firm for two years in Chicago. Mr. Barr joined the Commission in 1938 as a member of the staff of the Chief Accountant and served with the Commission continuously with the exception of military service in World War II. He was Assistant Chief of Staff, G-2, Third Armored Division and remained with the Division throughout the war.

A native of Urbana, Ill., Mr. Barr was educated at the University of Illinois where he received his degree of Master of Science. A Certified Public Accountant and a member of the Illinois Society and the District of Columbia Institute of Certified Public Accountants, Mr. Barr is generally recognized in the accounting profession as one of the leading experts in the field of corporate financial accounting. The special contributions he has made to improved standards of auditing and accounting have been given recognition by the National Civil Service League in 1955, when he was one of the ten recipients of a Career Service Award. In 1968, Mr. Barr received the Robert W. King Gold Medal - the highest honor granted to any member of the Federal Government Accountants Association which he served as President in 1953-54. He is also a winner of the SEC Distinguished Service Award.

In a brief retirement ceremony in the Commission meeting room, SEC Chairman William J. Casey paid tribute to Mr. Barr saying that "he has made an outstanding and remarkable contribution in the field of securities regulation and investor protection. Both in the establishment of proper standards of disclosure in financial statements and in the review of such statements for compliance with requirements, Mr. Barr's achievements have been uniformly recognized and respected in the accounting profession."

SEC Executive Director Jones Yorke added that "Mr. Barr typifies all that is good in the career governmental employee - a dedication to his job, adherence to principle, and an uncompromising loyalty to the public which he serves."

Upon leaving the Commission, Mr. Barr will become Visiting Professor of Accountancy in the College of Commerce and Business Administration at the University of Illinois.

DECISIONS IN ADMINISTRATIVE PROCEEDINGS

VICTOR SECURITIES CORP., REVOKED, SCHAFFZIN BARRED. The SEC has issued an order, effective January 24, 1972, revoking the broker-dealer registration of Victor Securities Corp., New York City, and barring Victor Schaffzin, its president, from association with any broker-dealer, investment company or investment adviser. The order further provides that after one year Schaffzin may, upon a proper showing of adequate supervision, apply to the Commission for permission to become associated with a broker-dealer and that, if he is permitted to re-enter the securities business, he may not be a proprietor of or occupy a supervisory capacity with any broker-dealer for a period of two years after such re-entry.

According to the decision, the respondents violated antifraud provisions of the securities acts in connection with securities offerings by Firelite Industries, Ltd. and Pollution Research & Control Corp. for which the Victor firm was the designated underwriter. With respect to the Firelite offering, although the respondents represented that they would use their best efforts to sell the issue, they did not solicit customers to purchase the securities. Instead, confirmations were mailed to trade customers of Firelite, who were not customers of the firm and had not placed orders for or given indications of interest in such securities. With respect to the Pollution offering, respondents made misrepresentations concerning the fact that another broker-dealer acted as underwriter. In addition, the respondents were found to have violated the Commission's recordkeeping requirements and to have failed reasonably to supervise persons subject to their supervision.

The order was issued pursuant to an offer of settlement in which the respondents, without admitting the allegations in the order for proceedings, consented to the indicated sanctions. (Rel. 34-9456)

BERTHILL SECURITIES, INC., REVOKED, HERBERT S. LAZAR BARRED. The SEC has revoked the broker-dealer registration of Berthill Securities, Inc., of New York, and barred its sole stockholder, Herbert S. Lazar, from association with a broker or dealer. The action was based on findings that the firm, aided and abetted by Lazar, violated the antifraud, recordkeeping and reporting provisions of the Securities Exchange Act at various times during the period February 1970 to July 1971. Among other things, the firm converted to its use monies paid by customers for the purchase of securities, and also accepted orders when it was incapable of promptly consummating transactions. The firm and Lazar failed to file answers to the order for proceedings, which alleged the violations found, and were deemed to have defaulted. (Rel. 34-9457)

KENTUCKY CO. REVOKED. The SEC has issued an order revoking the broker-dealer registration of The Kentucky Company, of Louisville, Ky., by reason of various violations of the Federal securities laws. The firm had filed and then withdrawn its answer to the charges and was deemed to be in default.

According to the Commission's decision, the firm during 1969-1970, among other things, effected securities transactions for customers and with broker-dealers while insolvent; appropriated to its own use, for substantial periods, monies and securities of customers; improperly hypothecated customers' securities; failed to file a financial report for 1969 within the prescribed time, which report when filed was not duly certified; failed to accurately make and keep current certain required ledgers and records; and failed to exercise reasonable supervision with a view to preventing the violations found. (Rel. 34-9455)

COMMISSION ANNOUNCEMENT

SEC CITES WINSLOW, COHU & STETSON. The SEC has ordered administrative proceedings under the Securities Exchange Act of 1934 against Winslow, Cohu & Stetson, Inc., New York City broker-dealer, Samuel R. Winslow (Winslow), president, and William C. McKinney, vice president. A former member of the NYSE, Winslow, Cohu and Stetson has filed a broker-dealer withdrawal application.

The proceedings are based upon staff allegations that some time during the period March 1968 through September 1969 (a) respondents violated the antifraud provisions of the Federal securities laws in the offer and sale of securities, including failure to disclose that the firm was in a precarious capital position, (b) respondents and employees extended and maintained credit for customers of securities (other than exempted securities) registered on a national securities exchange, (c) supervisory and/or clerical personnel in the margin department made false entries, created a fictitious account, kited checks and falsified records, to conceal the fact that customers and registered representatives were purchasing securities with no money or with insufficient margin, and respondents failed reasonably to supervise with a view to preventing the alleged 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 RELEASES

ASSOCIATED BUSINESS INVESTMENT COMPANY. The SEC has issued a notice giving interested persons until February 7 to request a hearing upon an application of Associated Business Investment Company (ABI), Birmingham, Ala. closed-end investment company, for an order declaring that it has ceased to be an investment company as defined in the Act. The company was organized in July 1970 for the benefit of shareholders of Associated Growers of Alabama, Inc. (AG, Inc.) and represents that AG, Inc. is in the business of cooperative purchasing for its shareholders who are owners of retail grocery stores. ABI was organized to raise capital and provide financing to its shareholders to make improvements and construct new facilities; it may also make loans to other companies. ABI represents that it intends to operate as a small business investment company and does not propose to make a public offering of its securities. (Rel. IC-6944)

BROAD STREET INVESTING. The SEC has issued a notice giving interested persons until February 7 to request a hearing upon an application of Broad Street Investing Corporation, National Investors Corporation, Union Capital Fund, Inc., Whitehall Fund, Inc., all New York mutual funds, and Tri-Continental Corporation, New York closed-end, diversified, management investment company, for an order providing that their directors shall not be deemed to be interested persons as defined in the Act solely by reason of their having any interest in any security issued by, or being a director or officer of, applicants who may be deemed controlling persons of Union Service Distributor, Inc., or by being a director or officer of Union Service Corporation, Inc., which wholly owns Union Distributor. Applicants receive investment research and administrative services at cost from Union Service, all of whose outstanding securities are owned by applicants. The principal underwriter for applicants, except Tri-Continental, is Union Distributor. Pursuant to an agreement with Union Service, applicants each have designated one of their directors to serve as director of Union Service and several directors of applicants serve as officers of Union Service. Because of the stock ownership of Union Service and effective ownership and control under the agreement, applicants as a group may be concluded to be controlling persons of Union Distributor and thus all directors who own stock in applicants may be concluded to be interested persons of Union Distributor. (Rel. IC-6955)

TRI-CONTINENTAL CORP. The SEC has issued a notice giving interested persons until February 7 to request a hearing upon an application of Tri-Continental Corporation, New York closed-end, diversified, management investment company, for an order declaring that W. Paul Stillman shall not be deemed an interested person as defined in the Act solely by reason of his status as chairman of the board of directors of the Mutual Benefit Life Insurance Company. Stillman, a director of Tri-Continental, is also a director of Mutual Benefit whose wholly-owned subsidiary, Mutual Benefit Financial Service Company (FISCO), a registered broker-dealer engaged in selling variable annuities offered by mutual funds organized by Mutual Benefit. Stillman is not an officer or employee of Tri-Continental; nor is he a director, officer or employee of FISCO. Tri-Continental asserts that Stillman should not be deemed an interested person because his affiliation with Mutual Benefit does not and will not impair his independence in acting on behalf of Tri-Continental and its stockholders. (Rel. IC-6956)

CONTINUED

A separate notice was issued giving interested persons until February 7 to request a hearing upon an application of Tri-Continental for an order declaring that Lewis A. Lapham shall not be deemed an interested person of Tri-Continental as defined in the Act solely by reason of his status as a director of the Chubb Corporation. Lapham, a director of Tri-Continental, is also a director of Chubb, an insurance holding company, which owns all of the capital stock of United Life and Accident Insurance Company, which has a wholly-owned subsidiary, ULAICO Equity Services, Inc. Tri-Continental states that Chubb plans to acquire all the outstanding capital stock of Equity Services from ULAICO. Lapham is neither a director, officer nor employee of ULAICO or Equity Services. Tri-Continental asserts that Lapham's affiliation with Chubb does not and will not impair his independence in acting on behalf of Tri-Continental and its shareholders. (Rel. IC-6957)

SHEARSON FUNDS. The SEC has issued an order upon an application of The Shearson Appreciation Fund, Inc. and The Shearson Capital Fund, Inc., both of New York, providing that Harry W. Knight, a director of each of the Funds, shall not be deemed an "interested person" of the principal underwriter of the Funds or the Funds solely by reason of the fact that Knight is a director of INA Life Insurance Company of New York. (Rel. IC-6958)

HOLDING COMPANY ACT RELEASE

COLUMBIA GAS. The SEC has issued a notice giving interested persons until February 14 to request a hearing upon an application of The Columbia Gas System, Inc., and thirteen subsidiaries, Columbia Gas Transmission Corp., Columbia Gas of Kentucky, Inc., Columbia Gas of Virginia, Inc., Columbia Gas of W. Va., Inc., Columbia Gas of Ohio, Inc., The Ohio Valley Gas Co., The Preston Oil Co., Columbia Gas of Pa., Inc., Columbia Gas of New York, Inc., Columbia Gas of Md., Inc., Columbia Gulf Transmission Co., Columbia Gas Development Corp., and The Inland Gas Company, Inc. It is now proposed that the subsidiaries issue and sell to the parent \$100 million of 25-year installment promissory notes, divided equally by each subsidiary into two series designated A and B. Net proceeds will be used to repay a like amount of promissory notes payable to the parent which mature February 25, 1972 and were issued to provide funds for construction. (Rel. 35-17434)

SECURITIES ACT REGISTRATIONS

PURITY SUPREME, INC., 312 Boston Rd., North Billerica, Mass. 01862, filed a registration statement on January 17 seeking registration of 300,000 shares of common stock, of which 84,000 are to be offered for public sale by the company and 216,000 (being outstanding shares) by the holders thereof. The offering is to be made (*at \$11 per share maximum) through underwriters headed by Kohlmeyer & Co., 147 Carondelet St., New Orleans, La. 70130. The company is primarily engaged in the operation of a chain of supermarkets and the wholesale tobacco business in the northeast. (File 2-42868)

SUMMIT INVESTMENTS, INC., 2601 E. Oakland Park Blvd., Ft. Lauderdale, Fla. 33306, filed a registration statement on January 17 seeking registration of \$10,000,000 of installment notes, due in 36, 48 or 60 months or four-year notes, to be offered for public sale at 100% of principal amount. The company has been engaged in selling assignments of agreements for deed and notes and mortgages for land developers. The company proposes to make direct loans to, or purchase receivables of, land developers in return for corporate promissory notes secured by first mortgages and agreements for deed on land owned by the developers. Net proceeds will be used for general corporate purposes. (File 2-42869)

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:

- Glass Containers Corporation, Fullerton, Calif. (File 2-42857) - 16,326 shares
- Norton Simon, Inc., New York, N. Y. (File 2-42858) - 125,000 shares
- Somerset Importers, Ltd., New York, N. Y. (File 2-42859) - 12,245 shares
- Cincinnati Financial Corporation, Cincinnati, Ohio (File 2-42861) - 22,280 shares
- Metro-Goldwyn-Mayer Inc., Culver City, Calif. (File 2-42864) - 200,000 shares
- Serendivity, Inc., Sherman Oaks, Calif. (File 2-42865) - 76,000 shares
- Sundstrand Corporation, Rockford, Ill. (File 2-42867) - 150,000 shares

SECURITIES ACT REGISTRATIONS. Effective January 18: Lee Enterprises, Inc., 2-41717.
Effective January 19: Broadway-Hale Stores, Inc., 2-42663; Carolina Power & Light Co., 2-42617; Heitman Mortgage Investors, 2-42339; Suave Shoe Corp., 2-42643.

* As estimated for purposes of computing the registration fee.

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