

BABSON FORECASTS:

Needs Necessity Of Advertising By Merchants

The business situation will vary with different industries, and hence with different cities. Some defense centers will boom, steel cities will still find the going tough... but better than a year ago. Considering the high level of the past ten years it will not be surprising for 1963 to show a moderate decline in business. If so it should come in the second or third quarter, with recovery in the fourth quarter, followed by a good 1964.

Disposable personal income will remain in high. With increased savings deposits and

little change in the cost-of-living, the public should continue to spend freely, especially if merchants maintain their advertising outlays. Inventories will remain about the same during 1963. But government spending will increase over \$3 billion—largely on defense—and \$2 billion on new roads, whether manufacturers will hike their expenditures for new machinery in 1963 in view of the depreciation tax credit, I would not now forecast.

All this means that business and employment for early in 1963 will bepegged largely upon the attitude of its leading businessmen. If they will be optimistic and spend more on new plans, advertising, and salesmanship, we should have nothing to fear.

STOCKS AND BONDS
My father used to tell me, "It is okay, Roger, for you to

make forecasts...but never put dates on them!" I forecast that the Dow-Jones Industrial Average will register lower sometime during 1963 and stocks will show in average yield of about 5%. Dividends must be increased or prices of stocks must go lower, both cannot continue forever so poorly adjusted.

The above comment refers primarily to industrial stocks. I forecast that both gross and net earnings of utility stocks will advance during 1963 and for some years thereafter. The utility cumulative preferreds have reached a point whereby they will closely follow interest rates as determined by the federal reserve banks. The utility common limited by legislation by state and federal regulatory commission.

As for railroad stocks, I generally feel bearish. A year with Cuba or a world nuclear

war breaking out anywhere could cause the stocks of all our transcontinental railroads to go up sharply in price, but down they would come again. We are today in an electronic age and no longer in a railroad age. Those who desire to invest in common stocks should stick to the oils, chemicals, and electronics. Even then keep in mind Newton's Law of Action and Reaction which will always determine the time to buy and sell common stocks.

Regarding bonds I am not optimistic for 1963. Certainly, the noticable bonds will sell higher during 1963. Also, good short-term corporation and government bonds will be safest to hold. Long-term corporations and government bonds may sell for less sometimes during 1963. Long-term bonds will be interesting so long as rates and the probability of in-

flation. **BUILDING AND REAL ESTATE**
There may be some decline in residential building in 1963 and shopping center in many suburbs. Development may remain at a standstill for a while. However, so much money is piling up in savings banks which must be invested, it seems that by 1964 many more new homes will be built, in this connection, when purchasing a house or business property, be sure to study the land, which usually improves in price while the value of the building declines.

When constructing new frame houses, build against single homes or houses with only two apartments on the ground floor. There will be considerable new building of brick-apartment houses, which will be more interesting to buy than they are well maintained. Old

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apartments and old houses will decline in price during 1963. The least attractive outlook for home building generally does not apply to government or public buildings, or to all commercial buildings. The real estate developer, however, must spend more on advertising in 1963 to meet the growing competition.

RETAIL TRADE
Naturally, there will be a seasonal lull in retail trade after Christmas and the mark-downs which follow January 1. That will be the time to look for bargains. Scan the advertisement with this especially applicable merchandise that depends more or less on style, such as dresses, coats, hats, and shoes. Buy good-quality items that can be passed down to the younger children. Over all, I expect 1963 to see a somewhat higher

level of retail trade than prevailed in 1962. Purchases made at retail stores could be good cause for opening a new charge account. But be very careful to build up a name for good credit. You can arrange to pay some in 30 days, some in 60 days, and some at 90 days, but be sure to pay a little before your account is due. Good credit is good retail store will help you and your husband (or wife) when you need their credit. Filter to buy real estate or start a business on your own.

CUBAN OUTLOOK
I forecast that the Cuban problem will not be settled in 1964. It could extend until after the 1964 presidential elections. The Russians have removed their missile installations and bombers from... TURN TO PAGE 1 SEC. 2

Business Will Depend On Attitude of Our Businessmen

The Carlisle Mercury

We've Been Keeping Nicholas Countians Informed Since 1867!

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Mrs. Dickinson Jr. Women's Club guest speaker

Mrs. Mildred Dickinson, will address the January 10 meeting of the Carlisle Junior Women's Club to be held at the home of Mrs. Franklin Hughes on Elm street at 7:30 p.m. Her topic will be "Know Kentucky" and she will speak informatively on the history of Kentucky and points of interest in the state.

Mrs. Dickinson, a speaker for the Tourist and Travel Division of the Department of Public Information, Frankfort, is a resident of Somerset. She is a former instructor of the College of William and Mary.

For the past three years she has operated her own radio program, "Here's Millie," over WTLO Radio Station, Somerset.

She is a member of the Business & Professional Woman's Club, American Women in Radio & TV, Kentucky Broadcasters Association, and a representative for Associated Press for WTLO, Somerset.

Mrs. James Carter will serve as co-hostess.

In The Service

Home on Leave
Pfc. Bennie Dotson of Ft. Bragg, N. C., is spending a few days at the home of his mother, Mrs. Bernard Dotson.

Presented Certificate
Pvt. John Tobitt Elder of Ft. Monmouth, New Jersey, was recently presented a Certificate from the commanding officer at Ft. Knox for being an "honor trainee" during his basic training at Ft. Knox, which he completed Nov. 23. He has flown immediately to Ft. Monmouth where he entered the School of Photography.

He is the son of Mrs. Warren Fisher and Mr. Fisher, Carlisle.

Pvt. and Mrs. Elder, the former Ann Hickman of Millsburg, are living in Long Branch, New Jersey.

Masonic Lodges Elect

Henry Hunt was elected master of Dougherty Lodge No. 85 F&AM at a meeting Thursday night. Clay Dayton, retiring master, was presented with a past master's pin.

Other officers elected and installed at the meeting included John W. Allison, senior warden; Wilson Clark, junior warden; Custer Blair, treasurer; G. G. Caywood, secretary; Stewart A. Moore, senior deacon; Robert McFarland, junior deacon; Jimmy A. McGinley, senior steward; William M. Davis, junior steward; Robert Darbro, tiler; E. E. Pfanstiel, chaplain; Clay Dayton and

Frank C. Henry, trustees. **Orient Lodge 500**
Officers elected at a meeting of Orient Lodge No. 500 were: Craig Barton, master; Frank Sparks Jr., Sr. warden; Emory Hollar, warden; Maxwell Burden, treasurer; Hudson Snapp, secretary; Claude Trichter, Jr., Sr. deacon; James D. Gaunce, deacon; Melvin Feaseck, tiler.

Hope Lodge No. 246
The Hope Lodge No. 246 F&AM, at a meeting held at Little Rock, elected officers for 1963. They are: Rufus Hartman, master; W. B. Bramblett, senior warden; Burrell Workman, junior warden; Roger Ter-

rell, treasurer; Roger McCarty, secretary; James Hawkins, senior deacon; Bobby Grooms, junior deacon; Elmer McCarty and Charles Hinkle, stewards; Brooks Hinkle, tiler, and Richard Hinkle, chaplain.

Blue Licks No. 495
Officers for the Blue Licks Lodge include Bobby Jones, master; Fred Jones, senior warden; Ray Waggoner Jr., junior warden; Osborne Anderson, treasurer; Luther Hollar, secretary; Rex Jones, senior deacon; Wavell Fryman, junior deacon; William Hudnall, tiler.

Nicholas Team To Defend Title

Eddie Taylor and Ralph Wesley, champion debaters of the Nicholas County high school, will defend their title against Bowling Green high school at a tournament at the University of Kentucky Jan. 10. Raymond Wesley, county superintendent, announced today.

The team won the championship in a tournament at UK early last month. Members will compete in a tournament at Cincinnati Jan. 4 and 5.

In addition to the regular price-support loans and purchase agreements.

Mr. Wilson gave these highlights of the 1963 feed grain program: For small farms — with total feed grain base acreages of 25 acres or less — on which the producer diverts the net feed grain base acreage (1959-60 average acreage, as adjusted) the payment rate will be 50 percent of the county support rate on the normal production of the diverted acres. The county

Excerpts From Winning Essay

Miss Patricia House, county winner in the 1962 Soil Conservation Essay Contest, supplied lots of food for thought in her essay. Farmers and non-farmers can profit by adopting her philosophy. In her essay, she painted a word picture of action being taken in her community.

Much of her essay is quoted below: "The word conservation means to conserve or to save, while the opposite is waste and you have only to drive along the side roads in my community to see this great waste. I have ridden in the bus to school during a hard rain and could see the muddy water rushing down a hillside, carrying a great deal of farmers top soil with it. The following morning as we came along this same route, we drove through this rich top soil deposited in the road where the water had left it.

I worry about this when I see it for I think of generations to come who will have to use this same soil. Most of the farms in my community are handed down from father to son so it seems to me that we, teenagers, have a big investment in these farms and it is to our interest to keep this soil where it belongs, on the farm.

As we go about in our community we see farms so eroded that it seems only a layer of rock is left. But let a wide awake farmer get hold of this farm and with the help of the soil conservationist and a great deal of hard work, he will almost perform a miracle. You watch this change take place and it is one of the most interesting things you

can imagine. The rocks or where the rocks have become a beautiful hill side. From Sprout to Carlisle I watched this transformation take place. This hillside is covered with briars, rocks, brush and scraggly trees. I came alone one day and a bulldozer was driving into this field. I thought very little about it but when I came back a few days later I could hardly believe my eyes. The trees and brush were gone, the hollows were pulled, the ground had been leveled and in a few weeks, the miracle I had been waiting for happened for the hill side became a beautiful green field of some cover crop.

We buy a farm, it takes years to pay for it, we put the best years of our life in this investment and it surely is up to us to protect it, to save it and to feed it. We can not take everything from the soil and expect it to keep producing. If we feed it, it will feed us. Sometimes if we neglect our own farms, we damage our neighbor also.

Conservation is the responsibility of everyone. Conservation really pays off. It makes a community a more beautiful place in which to live. Conservation should start with your own surroundings. We can all observe erosion, the "silent thief" that steals away our topsoil.

These questions each one of us can himself, or our land well covered with grasses or trees? Is there a layer of dried grass, leaves or trees on the ground? Does the ground feel soft and springy under foot? Are there gullies in the fields and pastures? Are the

stream banks washing away? Are the streams muddy? Are the hillsides eroding? After all, boys and girls, it is up to us to be alert to soil conservation. It is our legacy, our heritage, we are protecting, given to us by an all wise Creator, who made this earth with all its beautiful natural resources. Lets keep it that way!"

Signup Set for Feed Grain

The signup period for 1963-corn, grain sorghum and barley will be from February 1 through March 22, 1963. R. O. Wilson, Chairman, Agricultural Stabilization and Conservation State Committee has announced. The signup period for wheat in winter wheat areas ended December 14.

The voluntary diversion programs for feed grains and wheat are generally the same as in previous years, the Chairman explained. Of a few provisions which are slightly different, the principal one is the price-support payment which will be available to farmers participating in the program.

FIRE DEPARTMENT ANSWERS CALL

The Carlisle Fire Department was called to the service station operated by Luther Hollar in the western suburbs at 10:30 p.m. Saturday.

A hit-and-run driver struck and damaged a gasoline pump and the hose ignited. It was extinguished before any damage was done.



SANTA'S HELPERS—Members of Nicholas Post No. 17, American Legion, gather around the old boy prior to his department Christmas Eve for the annual Christmas treat, sponsored by the post. Kneeling from left, Herb Allison, Leroy Sloop, Santa, Ottie McCarty, Standing, Adrain Anderson, George Bell, James Whittier, Paul House, Herman Shannon, Frank Reed and Sam Reynolds, also Andy, the dog.

New Rules Effective Now On Envelopes

New postal regulations governing the size and shape of envelopes went into effect Jan. 1, 1963. The new rules are aimed at speeding mail processing.

No longer acceptable are support rate reflects the recently increased national average support prices of \$2 per hundredweight for grain sorghum, and 80 cents per bushel for barley. (These farmers will receive no price-support payments since they will have no 1963 grain acreage.)

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envelopes having shapes other than rectangular and envelopes less than 3 inches in height or 4½ inches in length.

The post office will accept, but does not recommend, envelopes larger than 9 inches high and 12 inches long, envelopes having a ratio of height to length of less than 1 to 1.414, and envelopes which are not sealed or secured on all four edges.

Postcards may not be larger than 3 1/8 x 5 1/8, or smaller than 3 1/4 x 5 inches. They also must be rectangular in shape.

CHRONING IN—Kids all ages were out in hand Christmas Eve for the American Legion's annual treat on front of the courthouse.

