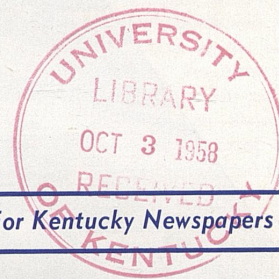


# The Kentucky Press

August, 1958



Published in the Interest of Community Journalism . . . Of, By, and For Kentucky Newspapers



VOLUME TWENTY-FOUR  
NUMBER ELEVEN

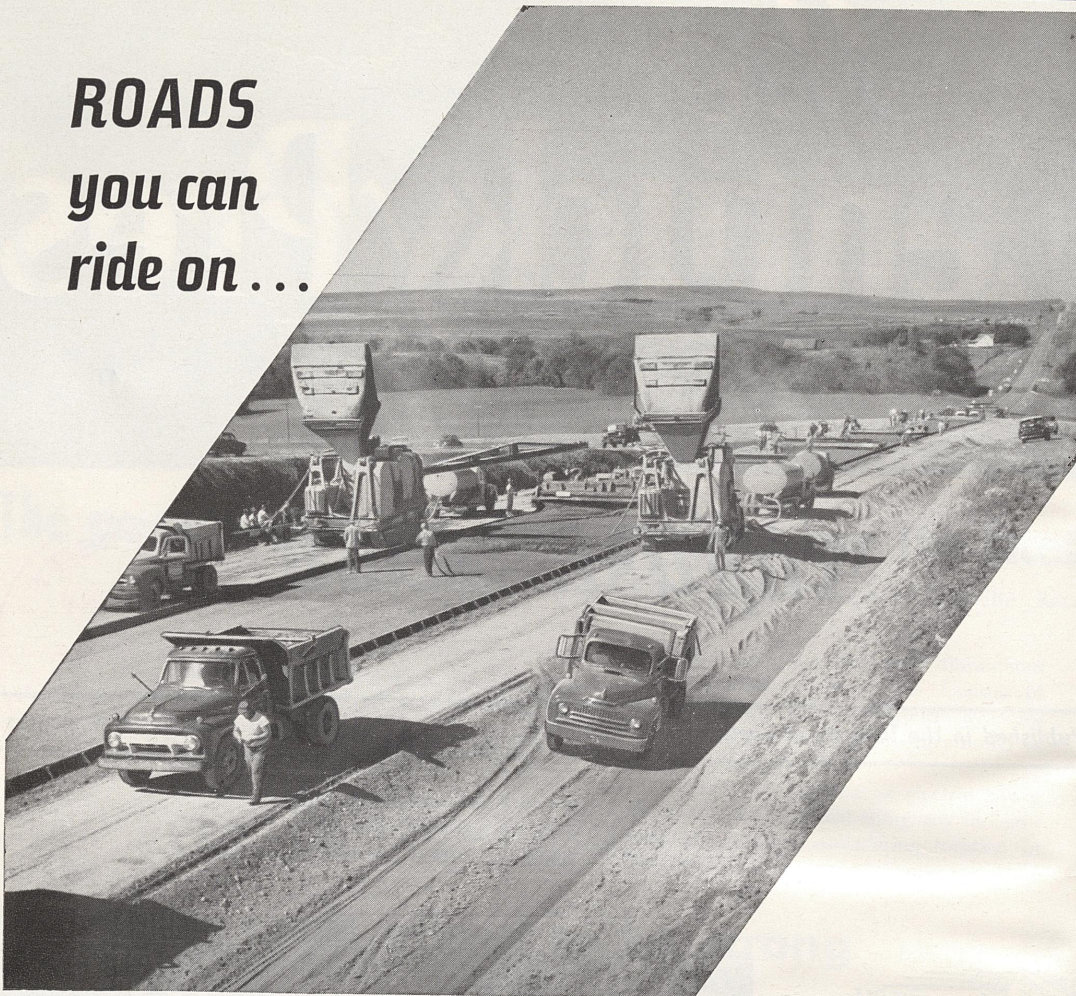


Kentucky's Showcase: Beautiful Natural Bridge

Publication Office:  
School of Journalism  
University of Kentucky  
Lexington

Official Publication Kentucky Press Association

**ROADS**  
*you can  
ride on . . .*



*into the next century . . . .*

Schools, hospitals, power plants, and other public improvements are designed to last at least 50 years with little maintenance. Highways need be no exception . . . for today engineers can build modern concrete roads which will give more than 50 years of safe, smooth-riding service.

And concrete costs no more to build than other pavements designed for the same traffic. It costs less to maintain—by actual cost records of 24 state highway departments keeping such records. It's simple arithmetic: Moderate first cost + low maintenance cost ÷ long life = *low annual cost.*

**PORTLAND CEMENT ASSOCIATION**

805 Commonwealth Building, Louisville 2, Kentucky

A national organization to improve and extend the uses of portland cement and concrete . . . through scientific research and engineering field work

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## Legal Publications Are Basic To Peoples' Right To Know

The Kentucky Press Association believes that, in general, every political subdivision which has the right to levy taxes has the corresponding duty to account to the taxpayers for those taxes; that the best form of such accounting is a Legal Publication detailing how much went to whom for what; and further that a complete financial statement for each such tax-levying body should be published periodically.

Why? What are the considerations for, and against?

Everyone agrees that "the public has a right to know" how its agents conducts its business. It is an historic right, considered a cornerstone of the United States Constitution written into the First Amendment in the form of "freedom of the press." The language of the Amendment confers no special privilege on the press. Rather, the founding fathers spelled out in a concise phrase the basic principle of the **people's right to know**. Even in that early day of high illiteracy, the printed word, in general and unrestricted circulation, was recognized as the means of making any information public information.

The right of the citizen to be kept informed found ready concurrence in the opening paragraph of a report of the Legislative Council to the 41st Colorado General Assembly. This Council (our prototype in Kentucky is our Legislative Research Commission) is a continuing research agency charged with the study of broad problems proposed by legislators. This paragraph reads:

"It is the underlying concept of democratic government that the citizen has the right to be informed on the operations of the various governmental units which serve him and to which he pays taxes. Such knowledge is basic to informed participation in governmental affairs and such informed participation is vital to the democratic system."

In projecting this principle to the logical requirements that local tax-supported subdivisions should make public accounting of their finances, the press of our state has encountered some misunderstanding, some opinions that honestly differ. The question is asked, "Certainly the people have the right to know, but why in paid public notices?" The answer is basic: Because paid public notice in legal newspapers will be read by nearly all the interested citizens and it is the best and cheapest method.

Throughout the nation, the readership of newspapers, the largest city newspaper and

the smallest community weekly, is an unvarying habit. Readership studies indicate that the average adult spends one and one-half hours each day in newspaper reading. Home-town papers, daily and weekly, in Kentucky, as elsewhere in the nation, on the average go into more than 90 per cent of the homes of the communities that they serve. Other readership studies show that more than 80 per cent of the adults in each family carefully read each issue, and of these, over two-thirds give their **interested attention** to the legal publications therein.

This, in comparison with the small number of people who go to the courthouse, the city hall, or the school office and ask to "look at the books", should prove that the fact that **the books are open** does not begin to satisfy the people's interest in their governmental affairs and how their money is spent, or the privilege and obligation of the public official to report to his stockholders.

Of course, certain legal publications, receive less attention than others, dependent on the basic public interest. Even so, in law and experience, such readership constitutes effective public notice, and the fact remains, nothing can be hidden in the newspapers.

Every man, woman, and child in the U.S.A. was born with the right to know what our public officials are doing with the **responsibility entrusted to them**. Election to public office is both an honor and a trial. It is the honor manifested by the faith that voters have shown in the successful candidate. But it is a trial of that candidate's inherent integrity, ability, and willingness to serve his constituency. Accounting for his stewardship directly to the men and women who elected him is as much an essential part of the American system of government as the exercise of the franchise itself.

Custom from Colonial days has now established the point that every person who receives or expends public moneys should give an accounting of the funds that he handles

(Editor's Note: Any publisher is entitled to use all, or any, of this article in his columns, news-wise or editorial-wise. In refutation of the Kentucky Municipal League's absurd contentions (outlined in our last issue), one inherent right of our readers stands out—their right to know what their elected officials are doing with the taxpayer's money; this we should stress, time and again, in our columns.)

by a published statement at periodical intervals. The American Press can never compromise with this **RIGHT . . . as vital as any of the freedoms we hold as a self-governing society**. From it there can be no exception, no release. The Taxpayer is entitled to know **HOW** his money was spent, **WHO** got it, for **WHAT**.

Public notice does not—and is not intended to—replace the need for periodic audits of public accounts. As a trained professional, devoting his full and continuing attention to the job of examining thoroughly the public body's accounting, the auditor can establish facts and make proofs that never could be expected from the average citizen, no matter how thorough the published report. The auditor can prove how a dollar was spent. He may have no opinion on the wisdom of the spending.

But on the other hand, the public notice, and its readers, effect checks and safeguards that never would occur to the auditor, or result from his report. For example, in the payment of any warrant to any person, there is always at least one person—no auditor—who knows if the sum reported as paid is correct: the person who received the money.

The requirement of a published report is no more an implication of suspicion or distrust of public officials than is a requirement that books be kept, and that they be audited. The public's interest and concern in any report may be as varied, for as many different reasons, as the number of persons who read it. We have no more right to question the Citizen's motive in reading a financial report than we have to question his motives in voting as he does. But all interest in public affairs, all reasons for demanding and reading (not invariably, but at will) such reports, occupy the common ground of the public's right to know.

The need for a complete copy of the report of public officials is not to be underestimated. Most taxpayers are neither accountants nor politicians; they do not readily understand all of the items in a report and must examine it at their leisure and with repeated attention to the less understood items. Often they must take the report to some friend who has a greater knowledge of accounting and of the procedure in public office in order to get a thorough knowledge of how the public money was handled. The very least to which a man or woman whose money goes to support government is entitled, is a simple, complete, clear statement of what has been done with it.

Any method, therefore, which does not make it easy and convenient for each taxpayer to have a copy of every report of a public official is inadequate in a democratic system of government. There are five im-

## Plan To Observe National Newspaper Week, Oct. 1-8

The theme for the 1958 National Newspaper Week, to be observed by Kentucky newspapers October 1-8, will be "Your Newspaper—Guards Your Freedom."

Announcement of the theme and slogan for the 19th annual observance was made by Arthur Strang, chairman of the National Newspaper Week committee. Strang is secretary-manager of the Illinois Press Association.

This special week, established in 1940, is sponsored annually by Newspaper Association Managers, Inc., a nationwide organization of state, regional and national press association managers.

"In this era of peril and uncertainty the role of American newspapers in guarding our freedoms of speech, worship, assembly, economic enterprise, and self-government has become increasingly important," Strang stated.

"Your newspaper speaks the truth when others are silent, it exposes injustice, it labors for the public welfare, and it can and does resist the growing encroachment of government and vested interests upon individual rights." He added, "Your newspaper also wages a constant war on ignorance, indifference, and complacency, which are the most



dangerous 'weapons' potential aggressors possess."

Strang reminded that National Newspaper Week gives the nation's press an opportunity to make a concerted effort to impress indelibly upon readers that they should not take their newspapers for granted or consider them merely as a business enterprise. Every reader should be made to realize that American newspapers, independent and uncensored, are the greatest single bulwark we have to protect against those, from within and without, who would destroy the precious rights of every American citizen.

In the past, many Kentucky newspapers have not participated in this special promo-

tion as much as papers from other states. None of the prizes offered each year have been won by a member of the KPA.

By the time you receive your Press, a promotion packet, prepared by the Newspaper Association Managers, Inc., should have reached your office. Much helpful material is included in the packet which will both help you with NNW promotion and save you time in preparing the releases.

Material included in the folder is a 4-page folder of promotion ideas; a clip sheet; the text of speeches by Theodore Peterson, University of Illinois; and Ira W. Cole, Northwestern University; a special editorial by Dr. Nyaradi of Bradley University; a 4-page folder of advertising suggestions; mats of Newspaper Week emblem in three sizes; two editorial cartoons, and two copies of the journalists' creed—one in color for framing for your office wall, and a black and white copy to be used editorially.

Two very valid suggestions are made in the instructions with this folder. The first is to localize the material as much as possible, and the second is to keep tearsheets of your printed material so it can be entered in the 1958 National Newspaper Week Promotion Contest.

portant phases of legal publications:

1. Report To Management—Financial reporting has come to mean more than just a means of checking on the honesty of public officials. It is recognized as an integral part of the whole management process. Reports to management, the legislative body, and the people are all recognized as necessary to efficient government.

2. Public Relations—Public relations have been accepted by officials as a vital aspect of successful administration. Many officials are using all available informational devices to inform their citizens of what they are doing.

3. Officials demanded it, then as now—It may be well to reiterate the fact that public notice in newspapers was born because public officials demanded it; and it became accepted as a part of the American system of government long before newspapers were out of the feeble, struggling age of "one-man shops." In a democracy such as ours, the very existence of government by the people and for the people is predicated on the assumption that every voter can be kept informed of the government's activities. Without such widespread information there can be no democracy; lack of knowledge among the people is the sword by which every autocracy and dictatorship has enslaved its

citizens. Muzzling the press is demagoguery's first step in destroying individual liberty, and preventing the people from knowing the true state of affairs in the commonwealth is its method for keeping them subjected.

4. Honesty, Efficiency, Good Government—Honest officials gladly seize the opportunity to render a public statement of their acts to show the efficiency, honesty, and good government that they have exercised.

5. Protection for Officials—Taxpayers frequently place the blame for increased rates on public officials when the real reason for higher taxes is to be found in improvements and additional expenditures ordered and authorized by the voters themselves. In such cases the best proof public officials can use to demonstrate their own integrity and to place the blame for increased expenditures where they belong is an itemized notice published in a newspaper of general circulation.

Based on the inherent right of the public, this then is the newspaper's fight of, for, and by the public; it is the duty that has been placed on the newspaper since the start of American Nationality—and may we ever continue that fight.

Quitting advertising to save money is like stopping the clock to save time.

### Gallop Poll Confirmed

Preliminary findings by Dr. Gallup's Public Opinion Poll reported last July have just been confirmed. Here is a run-down on some things worth thinking about: (1) News must be made more pleasant and easier to read; (2) The present way of presenting news is too formal and too stuffy; (3) Newspapers need to be edited with a little more sense of humor than is now apparent; (4) A majority of newspaper readers questions (10,000) think there is better writing in the news magazines than in the newspapers; (5) There is a widespread objection to the continuation breaks in news stories carrying readers from page to page; (6) There is a heavy demand for health news that is not being filled; (7) The public thinks newspapers are entitled to an increase in subscription rates; (8) The survey demonstrates that newspapers are "very weak in promotion"; and (9) The public, particularly women, consider newspaper advertising as news.

Until after 1810 expensive newsprint and limited mechanical facilities held daily newspaper circulation to 900 issues or less. The average circulation per edition remained close to 550 issues.

## 1-8 Keeping Your Expense Accounts

The storm which raged over the reporting of employees' traveling and other business expenses has now been reduced to a tempest in a teapot by the Internal Revenue Service's issuance of proposed regulations (Sec. 19.1-1 through 19.1-5) covering both reporting and record keeping of those expenses.

Late in 1957, IRS created a furor when the 1957 individual income tax returns (Form 1040) included, for the first time, "Line 6(a)." The effect of this new line was to require that employees include in gross income all advances for, and reimbursements of, expenses incurred for their employers, and that they then specifically detail those expenses to deduct them on their tax returns.

Although, technically, IRE regulations had for many years required this type of reporting, no serious attempt to enforce this rule ever has been made. In fact, it was the generally accepted (and probably correct) view that reimbursement of expenses was merely the employer's repayment of a loan which the employee initially made when he paid the expenses on the employer's behalf; such reimbursement was therefore not income.

Besides that, most individual taxpayers had not bothered to maintain detailed records of reimbursed expenses. A clamor of protests culminated in testimony before the House Ways and Means Committee, and IRS finally announced that "Line 6(a)" could be ignored on the 1957 return.

Now IRS has proposed regulations which, if finalized, will be applicable to all tax years beginning January 1, 1958 and thereafter. They cover not only the proposed reporting requirements but also indicate what types of records will be acceptable to IRS as proof that employees' expenses were actually incurred.

### Reporting

The proposed regulations set up three categories for reporting purposes:

#### 1. Incidental expenses:

The regulations do not apply to expenses incurred for incidentals, such as office supplies or local transportation in connection with an errand. Regardless of the manner of reimbursement, employees need not report either the reimbursements received or the expenses incurred. Nor will they be required to substantiate, with detailed records, the fact that they incurred such expenses.

Although not specifically stated in the regulations, however, it is clear that if the reimbursements received by the employee for such expenditures exceed the amounts he actually spent, he must report the excess gross income. Conversely, if his local

transportation expenses exceed the reimbursements he received he can deduct the excess from his gross income in arriving at adjusted gross income (Sec. 62(2) (C), 1954 I.R.C.).

#### 2. Expenses for which the employee accounts to his employer:

An employee need not report expenses if these meet all of the following three tests: (a) they are incurred by him solely for his employer's benefit, (8) he accounts to his employer for them, and (c) they are either (i) charged to his employer, or (ii) the employer pays the employee for them by reimbursement, advances, or in any other similar manner. In such a case the employee need only state on his return that the amounts charged to, or received from, his employer did not exceed the business expenses he actually incurred. If they did exceed the actual expenses, he must include the excess in income, simply stating on his return that such excess has been included.

How must an employee "account to the employer" for expenses in order to fall within the above rule? A written statement must be made to the employer showing the business nature and the amount of the employee's expenses broken down into broad categories, such as (a) transportation, (b) meals and lodging, (c) entertainment expenses and (d) other business expenses.

However, the Commissioner may dispense with such specific accounting where bona fide, fixed-scale, allowances are made for mileage, daily subsistence, and other similar business expenses. It is anticipated that IRS will soon issue a general ruling covering these situations. Until such time, however, it is advisable that employees who receive such allowances submit written accountings of their expenses (in the form set forth in the preceding paragraph).

There are certain things about which you should be cautioned because many loose statements have been made covering this subject. One concerns the use of credit cards. You cannot circumvent the specific requirements by merely charging expenses directly to the employer on credit cards. The "accounting" made to the employer must include the business nature, amount and category of the expense. If the bill received by the employer does not contain this information, it is not an "accounting." The employee should, therefore, submit a written statement containing the information, or indicate it on the bill itself (e.g., the persons entertained, the purpose of his trip, and, if not otherwise clear from the bill, the broad

category of the expenses charged).

Any personal expenses which the employee charges on his credit card, and for which he does not reimburse his employer, is income to the employee and must be reported.

Finally, it should be kept in mind by all the employees that to the extent they do not account to their employers for sums received to defray expenses, the employer will generally be required to report such sums to the government either on the employee's W-2 form or on a Form 1099 information return filed for the employee. These amounts must be included by the employee on his tax return as gross income (as set forth below).

#### 3. Expenses for which the employee does not have to account to his employer:

This is the final category dealt with in the regulations. To the extent that an employee does not account to his employer for business expenses (whether they be charged directly or indirectly to the employer, reimbursed by the employer in the form of an allowance, or incurred by the employee without recoupment), the employee must submit with his tax return (a) The total received from the employer consisting not only of sums received from the employer for expenses but also any charges paid to others by the employer, and (b) A statement showing (i) the nature of his occupation, (ii) the number of days away from home on business, and (iii) the amount of his ordinary and necessary business expenses (including those charged directly or indirectly to the employer) broken down into broad categories such as transportation, meals and lodging while away from home overnight, entertainment expenses, and other business expenses.

This rule covers not only expenses which are deductible on page 1 of Form 1040 in arriving at adjusted gross income (such as reimbursed expenses, unreimbursed travel and local transportation expenses, and expenses of an "outside salesman"), but also covers those business expenses which can be deducted only if they are itemized on page 2 of the return in place of taking the standard deduction (such as unreimbursed entertainment expenses of an "inside salesman").

### Record Keeping

The proposed regulations state that the Commissioner "may require any taxpayer" to substantiate expense account information, but "ordinarily" will require substantiation only from employees who do not account to their employers. Thus, he evidently takes the position that he can require any employee to provide substantiation, even those who account to their employers and who are not required to report the amounts as income. This is open to considerable dispute

*(Please Turn To Page Five)*

# The Kentucky Press

Official Publication  
Kentucky Press Association, Inc.  
Kentucky Press Service, Inc.

Victor R. Portmann, Editor  
Perry J. Ashley, Associate Editor

Member  
Kentucky Chamber of Commerce  
Newspaper Managers Association  
Sustaining Member  
National Editorial Association  
Associate Member  
National Newspaper Promotion Association  
Printed by The Kernel Press

*The Kentucky Press Association recognizes the fundamental importance of the implied trust imposed on newspapers and dissemination of public information. It stands for truth, fairness, accuracy, and decency in the presentation of news, as set forth in the Canons of Journalism. It advocates strict ethical standards in its advertising column. It opposes the publication of propaganda under the guise of news. It affirms the obligation of a newspaper to frank, honest and fearless editorial expressions. It respects equality of opinion and the right of every individual to participation in the Constitutional guarantee of Freedom of the Press. It believes in the newspaper as a vital medium for civic, economic, social, and cultural community development and progress.*

## Kentucky Press Association, Inc.

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Thomas L. Adams, *Vice-President*  
*Sentinel-Echo, London*

Victor R. Portmann, *Secretary-Manager*  
*Herald-Leader, Lexington*  
*University of Kentucky, Lexington*

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## Indiana Survey Covers Out-Of-Territory Advertising

Because of the several somewhat surprising facts developed by the HSPA survey on the policy of Indiana newspapers in accepting or rejecting retail advertising from outside the normal retail trading area served by the newspaper, we consider it proper to summarize the results of the survey and the salient reasons given for the policies being followed, states the Indiana Bulletin.

Fifty-one publishers participated in the survey. That is not too good a showing but it is sufficient to provide a fair cross-section report. Of the 51 reporting, 29 were dailies and 22 were weeklies. Further, 21 of the participants do not accept advertising from outside their retail trading area but 30 of them do. In the daily field, 16 papers do not accept but 13 will accept advertising from any locality although 9 of these do not actively solicit outside accounts. A surprising result of the survey was that of the 22 weeklies participating, only 5 refuse outside advertising while 17 accept it and several actively solicit business from adjoining counties.

The chief reason given by both the 16 dailies and 5 weeklies for turning down retail advertising from outside their retail trade area was to protect local merchants and the community by furtherance of the trade at home philosophy. One daily publisher was vehement however in stating that local retailers are the worst offenders of the code by permitting their wives to buy in a city some 50 miles distant.

Outstanding reason given by the 30 papers that accept outside advertising was that the public is being exposed to retail advertising through direct mail, radio and television from outside their normal retail trading area which, plus today's rapid transportation facilities, makes provincial advertising policies by newspapers obsolete. The leading answer by publishers in this group to protests by local retailers to their policies was that the protesting retailers serve customers from any locality, therefore the newspaper is entitled to do likewise. It was also the opinion of several publishers that their acceptance of outside advertising has caused local merchants to be more on their toes in increasing advertising space and in providing better merchandising service to the local community.

The fact that more papers in the survey accept outside retail advertising is not proof that the situation is statewide. But it does indicate a surprising trend that may be considered by publishers in reappraising their policies for the future.

## Minimum Copy PO Rates Apply To In-County Mail

Increases in minimum per copy charges as part of new second class rate structure apply to within-county mailings except free-in-county matter in spite of statement to the contrary in Conference Report on postal rate increase Bill H.R. 5836.

Post Office Department has stated that a new law gives it right to apply minimum per copy increases to within-county mailings other than free-in-county matter, and this will become part of second class postal rate structure effective Jan. 1, 1959. Minimum per copy rate increases from present 1/8 cent to 1/4 cent Jan. 1, 1959; to 3/8 cent Jan. 1, 1960 and to 1/2 cent Jan. 1, 1961.

Where a statute is specific, statute governs irrespective of comment in Congressional Reports. It is only where a statute is ambiguous that debates and reports may be referred to in new postal rate act as one that shall be continued is act providing for free-in-county.

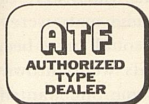
## Legal Advertising Banned In Maryland Throw-Aways

Circuit Court for Anne Arundel County, Maryland has issued temporary injunction to prohibit county commissioners placing legal notice advertising in free distribution publications. Bill of complaint was filed by property owner and taxpayer after County entered into contract with two weekly free distribution publications, rejecting bids of daily and weekly newspapers with paid circulation. Maryland law requires, among other things, that a newspaper have second-class mail permit or be eligible for one to carry legal notice advertising.

## Florida Group To Ban Large Display Advertising

It is stated that a bill will probably be introduced in 1959 Florida Legislature which would allow the Florida State Board of Funeral Directors and Embalmers to suspend or revoke license of any funeral director or mortician who uses advertising exceeding three newspaper column-inches.

Bill would strengthen Rules and Regulations of State Board of Funeral Directors and Embalmers of Florida, which already prohibit all advertising except three-column-inch ads "in the local newspaper." Rules were reaffirmed by State Board March 11, 1957, but reports indicate no action has been taken against funeral directors who continue to advertise despite the prohibition. Next regular session of Florida Legislature begins April 7, 1959.



# ALSO...

Authorized Dealers  
Representing Leading  
Manufacturers of  
Graphic Arts Equipment

- HAMILTON  
COMPOSING ROOM
- C & G SAWS
- CHALLENGE  
MISCELLANEOUS
- ROUSE SAWS and  
MITERING MACHINES
- AMERICAN STEEL CHASES
- NUMBERING MACHINES  
ALL MAKES
- STITCHING WIRE
- BRASS RULE  
and GENERAL  
COMPOSING ROOM NEEDS

May we serve you?

**THE CINCINNATI  
TYPE SALES, INC.**

424 COMMERCIAL SQUARE  
CINCINNATI 2, OHIO  
Telephone: CHerry 1-8284

## Sales Talk Ammo

Here's a good sales argument to use on your local merchant who does little or no advertising, or for use as a house ad:

How long did it take you to court your wife? Did you just happen to see her, walk up to her, ask her to marry you, call in the minister—right on the spot?

Perhaps not—it probably took a lot of calls, and trips, movies, flowers, candies, and a lot of putting-your-best-foot-forward. You had to sell yourself. She had to know all about you.

It's the same with advertising . . . you can't "Woo" customers with one ad . . . you've got to "Call On Them" over a period of time . . . you've got to win their confidence and be convincing.

Consistent advertising wins the customers if it's truthful, if it gives helpful information, if it saves shopping steps, if it is backed up with intelligent, courteous service and honest values.—Illinois Press

The first newspaper to appear in Michigan was in 1809, in French and English.

Prior to World War I, foreign newspapers, newspaper groups, and newsgathering agencies had assigned only 25 resident correspondents for United States coverage.

*(Continued From Page Three)*

but it may be advisable for all to attempt compliance until this point is settled.

The primary method which the regulations recognize for substantiating expenses is the keeping of a daily record (in which the amount and nature of the expenses are recorded), plus retention of supporting documents unless these are given to the employer. Detailed records of small expenditures, such as tips, will not be required. If an employer requires an employee to submit the original bills and other documents with his expense accounting, retention of copies of the expense report only will probably suffice.

Where records are incomplete or documentary proof is unavailable, IRS may accept reasonable approximations of expenditures based upon reliable sources of information. This is sanctioned by many Court decisions stemming from the original "Cohan" rule (George M. Cohan, 1930, C.A. 2, 39 F(2d) 549). For example, if an employee can prove that he actually took a business trip, where he went, and how long he was there, the rail, plane or automobile expenses incurred can usually be easily established or approximated, and his expenses for meals and lodging can be based upon average hotel and food rates in the community. Small expenditures (tips, etc.) can also be approximated.

## New Food Ad Service

Stamps-Conhaim-Whitehead have just announced they are bringing out a new Food Advertising Service for Super Markets and Food Stores.

This new service, published on a quarterly basis covering three months advertising, will contain 13 full page layouts, all of which can be adapted for 4 or 5 column ads. Each ad contains an important merchandising theme, attractively illustrated with a smart selling heading, augmented by a large illustration of the featured meat or food product.

In addition, the service contains many distinctively illustrated headings, attention compelling mortises, departmental headings, photographs and wash drawings of the popular cuts of meats and other food products.

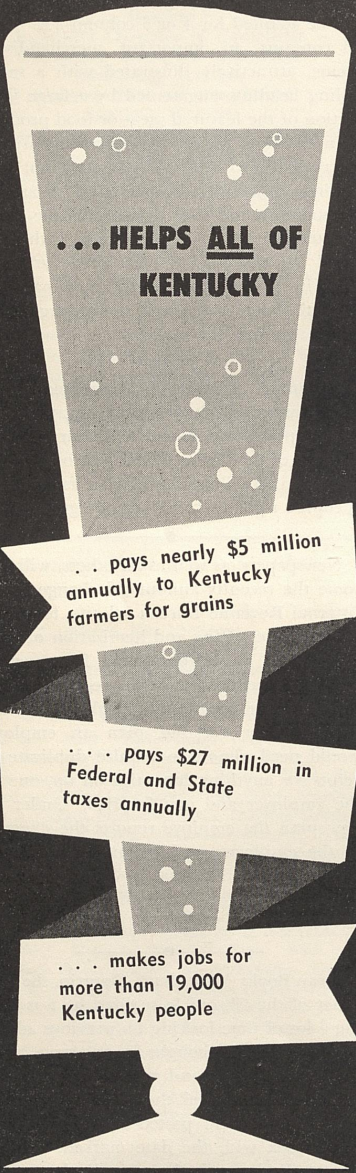
All illustrations, in mat forms, are supplied in two sizes to meet the exacting needs of both large and small newspaper advertisers.

**Slogan:** A number of Tennessee newspapers are regularly using the slogan, "What the People Don't Know Will Hurt Them." The use of the slogan is being encouraged by the Tennessee Press Association as part of a "people's right to know" campaign.

Newspapers, as well as all others, will welcome the recently announced change in the Internal Revenue Bureau relative to the individual's reporting and itemization of money received as reimbursement for expenses. Complete itemization with receipts would have been practically impossible. For a true report under the old plan an employee would need almost to require duplicate receipts for anything from tips on up, one for the employer and one for IRS. Under the new plan the employee reports the expenses to the employer, with supporting evidence and certifies to IRS that he has not been reimbursed for more than actual money spent on expenses.

**Scrap Book:** At Durham, Ontario, the publisher of the Chronicle realized he was wasting a lot of time looking up previous ads for advertisers. He bought some large scrap books at 25c each and marked one for each advertiser. Each week the ads are clipped out of the paper and pasted in the respective scrap book with the date marked. On the regular Friday calls the scrap books are carried. Quite often, when an advertiser doesn't have an idea for next week's ad he'll get an idea from his scrap book or say, "Use that one the same as last year." It requires only about 10 minutes to clip and paste up the ads each week and this saves hours of call backs and hunting through the files.

**KENTUCKY'S  
BREWING  
INDUSTRY...**



... HELPS ALL OF KENTUCKY

... pays nearly \$5 million annually to Kentucky farmers for grains

... pays \$27 million in Federal and State taxes annually

... makes jobs for more than 19,000 Kentucky people



**KENTUCKY DIVISION  
U. S. BREWERS FOUNDATION**

1523 HEYBURN BUILDING • LOUISVILLE 2, KY.

**Krehbiel Explains Cause For Shrinking Profits**

Marion R. Krehbiel of the Bailey-Krehbiel Newspaper Service, a veteran newspaper appraiser and broker, has a pointed answer to the problem of shrinking newspaper profits. He sums it up in the failure of newspapers to keep their rates abreast of rising costs. He states that surveys he has run show that costs are now a little more than 275 per cent of what they were prior to World War II.

"Your help is now costing you more than 300 per cent of pre-war, and that represents about 50 per cent of your total costs. Another 15 per cent of your total costs, paper stock, is now also about 300 per cent of pre-war. So there's 65 per cent of your costs that are now 300 per cent of pre-war. The other 35 per cent of your costs are now about 230 per cent of pre-war. . . . That figures out that your costs are 276.5 per cent of pre-war."

A \$1.50 subscription charge in pre-war days should now be \$4.12, or a \$2 pre-war rate should now be \$5.50, he said. If the local ad rate then was 25 cents ("and many of them were") it should now be 79 cents, or if it was 50 cents it should now be \$1.38.

"Are you getting this?" he asked. "No! As nearly as I can find out the national average of local ad rates is now less than 200 per cent of pre-war. It should be 275 per cent to keep you abreast of rising costs. You're one-third short. And what would one-third added to your ad and sub revenue do for you in net profit?"

In the past year, he said, costs have risen about 6 per cent—"did you raise rates 6 per cent in that time? If you had a 50 cents rate a year ago is it 53 cents now? Probably not. Local rates should be raised every year as your costs go up."

Krehbiel said that in his years of looking over balance sheets and P & L statements of a lot of newspapers, both sick and well, he has come to the inescapable conclusion that the sick ones are "invariably low-rate," while the well ones are charging somewhere near what they should to cover ever-rising costs.

**Time Clocks for Electric Pots**—Time clocks are in common use today in plants with electric metal pots. By using these clocks, the machines are available for instant operation when the operators report for work.

**Machinist**—If there are enough machines in your plant, a full-time machinist should be employed. In smaller plants without a machinist or machinist-operator, an outside machinist should be called at regular intervals to service and repair the machines.

**Mat File:** The Berne (Ind.) Witness, a tri-weekly newspaper had considerable difficulty in keeping track of mats which were cast for the paper. Some of these mats were to be retained while others could have been discarded. All of the mats were thrown in a large box and when some one wanted one they were hard to find. The problem was solved by an alphabetical file. A large envelope marked A was used for all firms starting with A, and so on. Every few weeks the ad man took those mats to the dealer and let him go through them. If the dealer or merchant wanted the mats saved, he could keep them. This kept the mats at the publishing office fresh and up-to-date and prevented the accumulation of hundreds of mats over a period of years, taking up a lot of room and accumulating dust. The envelope filing system is easy and accurate. When a mat is cast, it is put in the proper envelope and at the end of each month the mats are returned to the merchant and he can save them or discard them.

About 110 foreign language newspapers are printed in the United States.

**There Are Profits in OFFSET For You!**

SUCCESSFUL PUBLISHERS rely on the FRANKLIN OFFSET CATALOG



for fast, accurate valuing of all photo-offset and direct image work.

Write for 60-day FREE TRIAL! PORTE PUBLISHING COMPANY P. O. Box 143 • Salt Lake City 6, Utah

**BIGGER than ever**

**METRO'S CHRISTMAS GREETINGS SERVICE**

and COMBINATION Christmas and New Year Greetings Service

Write for PROOF and Rates

**METRO** 80 Madison Avenue New York 16, N.Y.



Tips For Club News

This is a good time to think of ways to improve relations between your newspaper and the correspondents for local civic and women's clubs. Before the clubs resume their all meetings you might print something similar to the information below in your newspaper. You might send copies to correspondents.

Your Editor is looking for news. Your club is making news.

Your Editor has a time schedule to meet. All articles must reach him in time to be edited, proofed, and spaced before the paper goes to press.

The space your Editor gives to your news is free to you and at the same time brings no financial gain to him. Make your release worth printing and be grateful to your Editor for the space he gives you.

Your Editor has the right to edit your script. The paper he publishes goes out to the people over his signature and what is printed in it must meet his standards.

Your Editor will like to know you and the aims of your Club. Talk your problems over with him, then accept his suggestions

and work with him.

"You must realize that your Club news can make interesting reading. To make it acceptable make it concise and accurate. You should expect only a fair share of space allotted to the news of organizations. Accuracy is most important. Mistakes in names and dates can be costly. Do not use adjectives. Facts are the news. 'Who, When, Where, Why' is the magic formula.

"Be as consistently regular as possible with your news release. Your Editor can then expect them and leave space for them.

"Do have your Club news published. If the world knows of your Club activity, your Federation will continue to grow. It does pay to advertise. Learn the few rules of newswriting and you will reap satisfaction in knowing that you are doing an important job well."

The Technical Tax Revision Act of 1958 has been approved by Congress and sent to the White House. This bill includes a provision permitting all newspapers and magazines to spread prepaid subscription income over the period for which it is actually earned.

Newsbreak



... and it's going to hit the streets first! One of the reasons is that this paper, like so many, has a row of Comet Linotypes ready to translate copy into columns in a hurry.

If you'd like to know more about how the Comet can save time—and overtime—in your composing room, write Mergenthaler Linotype Company, 29 Ryerson Street, Brooklyn 5, New York. Or your Linotype Production Engineer.

IMPROVE YOUR NEWSPAPER PLANT WITH NEW EQUIPMENT

From JOHN L. OLIVER & SONS 952 Main Nashville

Representing the Leading Manufacturers from a Makeup Rule to Duplex in new or rebuilt Printing Equipment.

The ideas that benefit a man are seldom welcomed by him at first.

Extra Profits

FOR YOU, MR. PRINTER

Send Us Your Orders

- ADMISSION TICKETS
COUPON BOOKS
LICENSE STICKERS
SCALE TICKETS
NUMBERED FORMS

WELDON, WILLIAMS & LICK FORT SMITH, ARKANSAS Ticket Printers Since 1898

FAST PRODUCTION FINE REPRODUCTION

- If you wish... Highest quality Fastest service for Reasonably priced Printing plates of Zinc, Triplemetal or Copper Made by Qualified Experienced Engravers

SEE

LEXINGTON PHOTO ENGRAVING

223 W. Short St. Lexington, Kentucky Dial 3-5015

**Complimentary Subscriptions**

Many newspapers send complimentary copies of their newspaper to the United States Senators, Congressmen and other important government officials. The list is long and it is costly to the newspaper. This news is important to the public officials as it gives them the news of what is happening on mainstreet at home, on the rural routes, in the churches and schools. Some of the officials already subscribe, but the list of papers is also long and it is costly to the official.

Why not ask your Chamber of Commerce or some civic organizations how many things come up in Washington that affect your town or area? What better way to keep Washington and Frankfort informed than to supply the hometown newspaper? Washington is a long way off and your town needs its report there regularly. What better project could your local Chamber of Commerce or some other organization have than to pay for a subscription to these folks. Selling papers is your business, so put a bug in the C. of C. President's ear.

There were enough paper napkins made in the United States during 1956 to form a sheet long enough to encircle the earth over 600 times.

**KENTUCKY'S** *Hammond*  
**BIG** *Hamilton* **CENTER**  
**FOR PRINTING** *Chandler & Price*  
**EQUIPMENT**  
**AND** *ACME STEEL* **SUPPLIES**  
**PLUS ENGRAVING** *Rouse*  
**INGS** *Morrison* **PLUS**  
**ELECTROS PLUS**  
**MATS** *Challenge* **EQUALS**  
**SUPERMARKET**  
**FOR PRINTERS**

**BUSH-KREBS**  
 BUSH-KREBS CO., INC. • 408 W. MAIN ST.,  
 LOUISVILLE, KY. • JUNIPER 5-4176 **BK**

**New Operator-Machinist Book Highly Recommended**

This is a new and valuable book, especially to small weeklies. Your central office received a few days ago a copy of the book with the title above, for review in our magazine. We regret to state that because of the small amount of advertising scheduled for August and September we have been forced to hold off until October. For that reason it seemed unwise to withhold comment on this 264 page book.

This book is important to anyone who wishes to know a lot of things about the linotype machine which are not to be found in the usual manuals. The authors are Edwin B. Hardin, professor emeritus of journalism and printing, South Dakota State College, and Noel M. Loomis, linecasting machinist of Minneapolis, Minn. They have both been making notes about their experiences with the machines all their business lives and have now put them down in book form. The information provides the answers to questions ranging from the smallest to the most difficult problems of the keyboard. The authors have wide reputation in the linecasting field and feel it will be very important to all small weeklies to keep from costly repairs and prevent serious breakdowns on publication days.

The book is published by the Stockton Book Publishers, 72 First Avenue, Pittsburgh, Pa., and the cost per copy is \$5.95.

**Freedom Of Information Law Signed By Eisenhower**

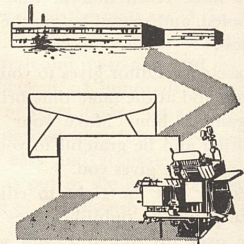
President Eisenhower has signed into law the Moss-Hennings "Freedom of Information" bill. The one-sentence measure states that a 1789 statute which authorizes department heads to regulate the keeping of their records does not include authorization to withhold information from the public or Congress. Department heads relied heavily on this old "housekeeping" statute to keep information secret.

The bill was written by a special House Subcommittee on Government Information under the chairmanship of Rep. Moss (D., Calif.). The committee held exhaustive hearings during which the members dug into the history of the old law and also quizzed department heads.

What practical effects the bill will have remain to be seen. In signing the bill, the President issued the following statement: "It is clear from the legislative history of the bill that it was not intended to, and indeed could not, alter the existing power of the head of an executive department to keep appropriate information or papers confidential in the public interest. This power is inherent under the Constitution."

**COMMUNITY PRESS SERVICE**  
 "SERVING AMERICA'S WEEKLY NEWSPAPERS"  
 • EDITORIAL FEATURES  
 • HOLIDAY GREETING ADS  
 • GRADUATION GREETING ADS  
 • HOLIDAY FEATURES  
 100 East Main St. Frankfort, Ky.

**JUSTRITE ENVELOPES**  
**DIRECT FROM FACTORY**  
**TO YOU!**



A full line of standard and specialty envelopes from the Justrite factory direct to you, the printer . . . this means you can enjoy these Justrite profit-making benefits—complete set of catalogs for plain and printed envelopes . . . full assortment of samples . . . and Justrite's top quality envelope line. Write us for your complete envelope catalog.

"SOLD FOR RESALE ONLY"

**JUSTRITE ENVELOPE MFG. COMPANY**  
 523 Stewart Avenue S.W. • Atlanta 10, Georgia

**THE HANDY TWINE KNIFE**  
**FOR**  
**NEWSPAPER**  
**MAILING**  
**ROOMS**



This Handy Knife Is Worn Like a Ring

ALL SIZES  
 25c EACH \$2.40 PER DOZ.  
**Handy Twine Knife Co.**  
 Upper Sandusky, Ohio

**MILLIONS OF ENVELOPES**  
**for Immediate Delivery**



- COMPLETE LINE OF STYLES AND SIZES!**  
 • Correspondence • Air Mail • Window  
 • Bankers Flap • Artlined • Remittance  
 • Flat Mailer • Booklet • Open End • Coin  
 • Duo-Post • Metal Clasp • Postage Saver  
 • Tension-Tie • Formvelopes

You Are Invited to visit our factory. We know you'll enjoy a guided tour of our plant.

**TODAY!** Write or call for full information

**TENSION ENVELOPE CORP.**

this is how **K.P.S.** helps the advertiser



**THE HARD WAY**

<p><b>CONTRACTS</b> FOR EACH NEWSPAPER</p> <p>ACCT. EXEC.</p>	<p><b>SPACE ORDERS</b> FOR EACH NEWSPAPER</p> <p>ACCT. EXEC.</p>	<p><b>TEARSHEETS AND BILL</b> FROM EACH NEWSPAPER</p> <p>CHECKING DEPT.</p>	<p><b>CHECKS</b> TO EACH NEWSPAPER</p> <p>EXEC.</p>
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**THE K.P.S. WAY**

<p><b>ONE CONTRACT</b></p> <p>ACCT. EXEC.</p>	<p><b>ONE ORDER</b></p> <p>ACCT. EXEC.</p>	<p><b>ONE BILL</b></p> <p>ACCT. EXEC.</p>	<p><b>ONE CHECK</b></p> <p>ACCT. EXEC.</p>
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this is how **K.P.S.** helps the publisher



**THE HARD WAY**

<p><b>CONTRACTS</b> OF VARIOUS SIZES AND DESCRIPTIONS</p> <p>PUBLISHER</p>	<p><b>NON-UNIFORM</b> <b>INSERTION ORDERS</b></p> <p>PUBLISHER</p>	<p><b>EVERY ONE CHECKS</b> <b>TEARSHEETS FOR BILLING</b></p>	<p><b>MANY CHECKS</b> TO ENTER AND CREDIT</p> <p>BOOK KEEPER</p>
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**THE K.P.S. WAY**

<p><b>ONE CONTRACT</b></p> <p>PUBLISHER</p>	<p><b>UNIFORM</b> <b>INSERTION ORDERS</b></p> <p>PUBLISHER</p>	<p><b>FOUR COPIES OF</b> <b>NEWSPAPER TO K.P.S.</b></p> <p>PUBLISHER</p>	<p><b>ONE CHECK FROM K.P.S.</b> TO NEWSPAPER K.P.S.</p> <p>BOOK KEEPER</p>
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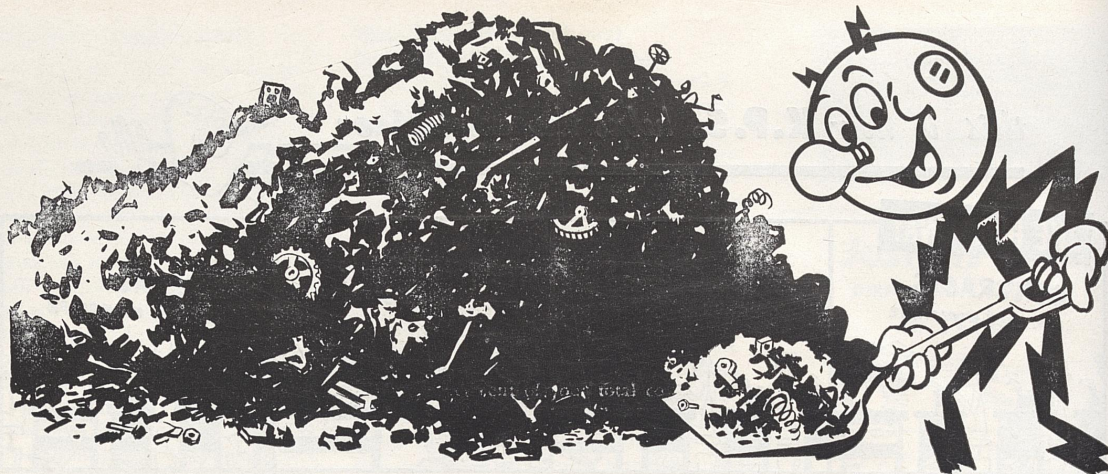
velopes

DAY!

or call for

ormation

CORP.



## "Even our scrap costs more than our power"

Ben M. Stanley, Chief Engineer, Kawneer Company, Appliance Products Division, Cynthiana

Folks who think electricity makes for high manufacturing costs just haven't talked to men who know production. At the Kawneer Company, fabricators of light metal parts, they break costs down to show that KU power costs represent only 9/10ths of 1% of their sales volume—about half the cost of the scrap.\*

Sounds pretty insignificant. And it is—in practically every field of manufacturing today. Across the whole industrial board (by count of the Census of Manufacturers) electricity averages only about 1 cent out of every dollar of manufacturing cost. Industries can't afford to be wrong.

## Industries can't afford to be wrong

There's a lot at stake when an industry moves into a new area. That's why the KU-service-area industrial development team (KU, community committees, the State Chamber of Commerce, the Department of Economic Development) has been bombarded by questions from hundreds of industrial prospects—but the electric power rate was never a prime consideration.

Kawneer cites these reasons for locating 3 plants in Kentucky:

1. Labor supply
2. Schools, churches and recreation facilities

3. Interest of the community in having us
4. Strong Chamber of Commerce
5. Shipping facilities and transportation
6. Tax conditions

"On power, our biggest question was availability in quantities necessary to our operations. Power played a very small part in the cost of products produced and was, therefore, a small factor in determining location.

Power supply and dependability are important—but never the cost. So say they all.

\* Copy of the letter from which this information is taken is on file at Kentucky Utilities Company

**KU has helped bring many industries to Kentucky**

# KENTUCKY UTILITIES COMPANY

WORKING FOR A BETTER KENTUCKY

K  
Pu  
YOU'RE NEW  
VOLUME  
NUMBER  
Publication  
School of  
University  
Lexington  
Of