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Computing The Real Valuation Of A Community Newspaper

Condensed THE INDIANA PUBLISHER
By JOSEPH S. HUBBARD

"What is my newspaper worth?" is a question every publisher must sooner or later ask, since he or his heirs at some time may wish to dispose of the property.

The best way to get at the value is through carefully kept records showing the worth of equipment for producing the newspaper, and the exact earnings from year to year. One of the greatest difficulties for a broker handling newspaper properties is the lack of records in many plants. It cannot be stressed too strongly that every newspaper, large or small, should have an adequate accounting system. It is not necessary for a small plant to have an elaborate book-keeping set-up, but it should have a simplified record that tells sources of income and necessary expenses for labor and other items.

Generally speaking, a paper may be worth more to the man who owns it than to an outsider looking for a property on which he can make a profit. I know one case where a publisher decided to sell his paper and had it advertised by a broker. The advertisement gave such a glowing story of the property that he wrote to the blind address for information and found it was his own paper. He decided then and there to stay where he was.

Under changing conditions of the past years, it has been found impossible by many handling newspapers to arrive at values in the way accepted fifteen or twenty years ago. Then the gross income of the paper for a year, with the possible addition of ten to twenty per cent, was regarded as a fair way to estimate the selling value of a paper. This method is not now considered accurate. Gross receipts of \$20,000 may mean a net earning capacity of \$2,000 to \$3,000; but it may mean a loss because of low rates for advertising, subscriptions, and commercial printing, if the plant is equipped for printing.

Another method regarded as a guide is the subscriber value, where a rate of \$10 or more is placed on a daily circulation and \$5 on a weekly. This valuation, added to the equipment, might prove a guide; but in the last analysis one must consider the future of a newspaper field in determining the value. A

newspaper alone in its field, that can show earnings of ten to fifteen per cent above expenses, including the salary of the publisher, is worth more than a newspaper in a competitive field, all things being equal. Here, too, the question of strong and weak competition enters.

One man handling newspaper properties over a period of years says he often goes into a town and pays little attention to the equipment and plant, except to see it is adequate for producing a newspaper. But he does question the potentialities of the field. If the community is growing and the paper not keeping up with the progress of the city, then a new man may take hold and increase the value of the property twenty-five per cent in a year's time. On the other hand, a publisher may have exceptional ability and be giving the town all that could be expected and a new man might not be able to keep up the standard of the newspaper. In other words, the publisher has built himself into the property as one of the intangible assets, the value of which it is practically impossible to estimate.

Another authority says the real starting point in valuing a newspaper is that it have a genuine paid circulation. He holds that if the publisher does not have at least one out of every five of the population of his town as a paid reader to his paper, he is not working as he should on the circulation end. In other words, if the paper is kept up to the standard of proper interest, it should be easily possible to maintain this one-to-five proportion in actual subscribers.

A digest prepared by the George W. Mead Paper Institute several years ago quoted from several authorities on newspaper values. One said the owner who has \$25,000 invested is entitled to a net profit of twenty per cent on his investment, and that one who has \$100,000 invested is entitled to fifteen per cent, the percentage diminishing with the total capitalization, so that a man with more than \$1,000,000 invested should regard eight per cent as a fair return.

The late Jason Rogers said he was convinced that the most fair method for a daily, provided circulation is well established, is to value a property of \$10,000 per 1,000 circulation, though a circulation of 10,000 in a city of 50,000

could not be as valuable as one of \$10,000 in a city of 20,000.

John Dodge, of the former Scripps-McRae Syndicate, contended that a going paper is worth \$5 per subscriber if the paper is breaking even, and that when the paper is making regular, healthy growth and earning between breaking even and fifteen per cent on gross receipts, \$1 per name should be added for each five per cent of profit; value circulation at \$10 per name if netting fifteen per cent, and for each per cent of profit above fifteen per cent, add \$2 per name up to twenty per cent profit. This rule, however, would be hard on smaller properties.

Earle Richardson, Dallas, Oregon, says he believes a weekly newspaper and printing business in a prosperous community is easily worth its average annual gross business. If the community is especially good, the property might easily be worth twenty-five per cent more than its annual business. If the community is backward or depressed, and the field is crowded, a figure between the physical value of the plant and the gross annual business would be safer.

In making a survey of twenty-nine weekly newspapers in Oregon, he arrives at these figures: The smaller group with an average circulation of 680 showed an equipment value of \$2,531 and an annual business of \$4,112, with an estimated fair price of \$3,000. The local advertising rate in this group averaged twenty-five cents an inch. Among the medium weeklies, with an average circulation of 1,150, equipment was placed at \$8,344, annual business at \$9,000, and the sale price of the paper at \$10,300. The local advertising rate in this group averaged from twenty-five cents to twenty-eight cents per inch. In the largest group, showing average circulation of 1,632, equipment value was \$13,644, annual business \$18,071, and the selling price \$18,786. This group had an advertising rate averaging twenty-six cents to thirty-one cents.

Mr. Richardson says the value of a paper is chiefly what it will produce, not what it is capable of producing or what it has to produce with. The Oregon survey showed that an owners' valuation, compared with circulation, ran from \$4 to \$20 per subscriber, averaging \$9.45 for the twenty-nine papers. It was interesting to note that only nine of the twenty-nine stated they were willing to sell at the price they gave.

M. C. Moore, a former Wisconsin publisher, now a California newspaper bro-

ker, insists that the old method of valuing a property at \$10 per subscriber is past, and that both in California and the East as much as \$30 per subscriber has been paid. He always asks the owner how much insurance he carries, and says that no publisher has yet admitted, after that question, that he carried enough. Mr. Moore says he believes the weekly and job shop should show an annual net earning equal to twenty per cent of what the owner considers his paper worth. A daily should be worth about eight times the annual net earnings.

W. E. Page, head of the Page chain of Southern weeklies, says it is better business to buy on a basis of return on the investment than of any hypothetical rule worked out by some newspaper economist. In purchasing a losing property, the buyer must use his own judgment. A newspaper not making twenty per cent on investment is not getting what it should be making.

J. Fred Wilman of Spencer, Iowa, in an article in *The Inland Printer*, said: "I know three methods for getting the valuation of a paper. Here is one solution reached by averaging all three methods:

"1. There is 2,250 circulation. The good will of this is worth, say, \$5 for each subscriber, or \$11,250. Say the value of the present machinery in the shop is \$12,000. Then the value of the paper would be \$11,250 plus \$12,000, or \$23,250. Of course, if the paper owned its own building, that should have to be counted extra.

"2. Take average circulation and advertising receipts for the past five years. Circulation, say, averages 2,250 for the five years and the cost per year is \$2; 2,250 times \$2 is \$4,500, the amount brought in by circulation. Say the average receipts for advertising are \$18,000 a year. This makes \$4,500 plus \$18,000, or a total of \$22,500 as the revenue for the year from circulation and advertising. Say the value of the machinery is \$12,000, this would make the value of the paper \$22,500 plus \$12,000 or \$34,500.

"3. Net receipts for circulation as figured above are \$4,500. Advertising receipts are \$18,000 for a year, as above, making a total of \$22,500 gross receipts. Say the net receipts are then \$17,000. The amount that brings you ten per cent, plus cost of machinery, is your value. Seventeen thousand dollars are the earnings, at ten per cent, on \$170,000. This amount, plus \$12,000 for machinery, equals a value of \$182,000 for the plant; but this is too high for this size

plant, and Mr. Wilman regards the second method as coming closer to the real value of the plant.

Grant Caswell, former managing director of the Iowa Press Association, says the field for the newspaper and printing business is more important than anything else. If the newspaper territory is large enough for a \$30,000-a-year business or for a \$150,000 business, it makes little difference what the equipment or management of a newspaper may be. Buyers will have to pay for the opportunity to occupy such a territory without making a lifelong fight to win in it. He tells of a daily paper appraised at \$140,000 fifteen years ago, which sold three years later at \$300,000 and still holds its exclusive field in the territory; that its stock is now valued at \$150 per share and none of it is for sale at any price.

This is because the business is fairly profitable on the investment and because no other place is open for producing as much business without paying for it on the same basis. Smaller dailies are likewise hard to acquire on a basis of volume of business or value of equipment. If they are filling their place in the newspaper business, they are making a little money and are holding out against any new competition. People in such territories, daily newspaper minded, will pay the price to get their local paper every day instead of once a week.

Small-town weeklies, Mr. Caswell insists, are still valued largely on what they produce, though good management and application of energy make a big difference in the amount of business. One weekly paper in a good Iowa town of small population, is making fair returns on a valuation of \$30,000, while most others in the same size place will run to as low as \$6,000 or \$9,000, with few offered for sale because these papers make a good living for their owners or provide occupation for members of the family owning them.

I am inclined to agree with Allen McGowan, manager of the Minnesota Editorial Association, when he says that a newspaper property, capable under sound management — with existing machinery and equipment and with the same overhead expense — of producing a net annual profit of \$1,000 is worth from \$5,000 to \$6,000, depending on whether the buyer is willing to capitalize at twenty or fifteen per cent. If the buyer is sufficiently desirous of owning a certain property that he will be satisfied with a potential ten per cent return on investment, the property would be

worth to him about \$10,000. Normal hazards of business are such that few buyers are satisfied with this potential margin.

In evaluation of newspaper properties, the essential question on machinery and equipment is not the resale value, but its adequacy in turning out business at a profit. If we assume adequate equipment, the bigger questions involve the capacity of the business to return a fair net profit on investment. Established rates, according to Mr. McGowan, are more important than machinery and equipment. A paper with an established local rate of thirty cents an inch, for example, is worth much more than an established rate of twenty cents. The same principal applies to subscription rates and job printing prices.

In conclusion, I advise every owner of a newspaper and printing plant, large or small, to have a complete, up-to-date inventory of his plant, carry adequate insurance, and keep accurate records of all income and expenses. Then he will have facts to give a prospective buyer; or in the event of death, his heirs will have information available should they wish to dispose of the property.

Pictorial Promotions Not Holding Cooking Schools

Pictorial Promotions announce that its 1939 Spring motion picture cooking schools will not be held. Because many national advertisers are unwilling to make advertising commitments for more than ninety days in advance, Pictorial Promotions state it had difficulty lining up sufficient advertising for the Spring cooking schools. The company hopes to be able to announce schools for Fall of this year.

Sampling For Subscribers—A good circulation department will have a list of non-subscribers, gained from many sources. Those who are not former subscribers should be sent sample copies periodically, and the sampling should be followed up by personal solicitation if possible, or other wise by mail, using all available inducements.

R& Puller—The St. Charles (Missouri) Daily Cosmos-Monitor recently used a new attention-getter, in which readers were asked to identify silhouettes of St. Charles business men and women appearing in a special advertisement. Clues to each person's identity appeared under each picture in the form of slogans or facts relating to the individual's particular business.

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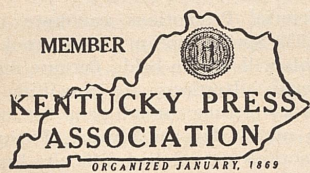
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Postal Inspectors Busy

We continue to get reports that Post-
al Inspectors here and there are drop-
ping in to pay a visit to newspapers and
generally leaving with a bill of from
one to eight hundred dollars for a pub-
lisher to pay.

In other words if your list is not paid
up, or if it is badly in arrears, it is highly
possible that the postage bill may put
you immediately out of business if you
cannot pay up.

For every name found in arrears over
one year, a postage bill of 2c per week
for each subscriber over that time will
be presented by the Government. Get
your list in condition now, for, like the
bank examiner, you'll never know but
what an Inspector will be standing in
front of your door waiting.

One of the best ways to clean up a
list is to give a good pencil and pen set

for each year of payment. These sets
will clean up several hundred old ac-
counts in no time at all.

A Pertinent Editorial

It has probably never occurred to
most of you that the policy of a news-
paper is not formed on street corners, or
that its owners and editors are ever
mindful of the public trust when they
put thought into cold type. Generally
speaking, this applies to most newspa-
pers, big and little. Of course there are
exceptions. A good newspaper is fear-
less. It never hesitates to tell the truth,
to criticize where needed, or to trample
toes left lying around in the mud.

A good newspaper makes enemies.
It has more traducers to the square inch
than ten thousand acres of hell has dev-
ils. What one man condemns it for
printing another gives praise. Articles
that make one dog howl wags another's
tail; and thus proving beyond a doubt
that never in all history have all the
people been pleased with a single issue
of the paper.

A good newspaper makes friends.
Both kinds—the hypocritical and the
true. And it knows and appreciates its
friends—no less than it is appreciated by
them. The hypocrite serves to keep him
on his guard and to remind of the fail-
ures and shortcomings of man.

A good newspaper stands for things.
Among them morality, law and order
and decency. Even if it has to crawl into
the barn to make the ass bray, or beard
the lion in his den—even then a good
newspaper will not hesitate if it believes
such action best for the community.
Business pressure, political influence,
all these things mean nothing to the
paper. But, at the same time, it must
strive to protect the innocent and re-
frain from malicious intent.

A good newspaper stands for justice.
Even though it has to pull down the
highest, or dig out the lowest. It must
champion the cause of wthe masses, yet
be fair to the classes. But, in distin-
guishing between the two, it must exer-
cise the greatest of caution and restraint.

A good newspaper stands for the
truth. Even though it puts the lie in
every friend's mouth. There is no great-
er virtue to stand for, to fight for; there
is no finer thing than a paper fairly
and impartially presenting the truth as
it is found.

A good newspaper stands for many
more things that are noble. It must,
also, be live, virile aggressive force with
character, conviction—and be true to

the large audience it is close to. It is,
in fact, just what it publisher happens
to be.

A good newspaper must have gobs of
civic pride and public interest. It must
never wear a bridle or fell a spur. It
must stand for clean, decent govern-
ment; it must champion the cause of the
oppressed, it must support the church.
It must have many other attributes. But,
if blessed with only a few of these it
can succeed. The more the greater the
success. They all make for public con-
fidence, the greatest asset any newspaper
can have. All strive to attain it—and
then strive to hold it.—Joe Richardson,
in the Glasgow Times.

A Newspaperless Town

We have often tried to imagine what
a town would be like which is so blind
to community interests as to be indiffer-
ent in its support of a local newspaper.

The newspaperless town indicates
that it is either too small to be of much
business importance, or that its citizens
are without business enterprise or civic
pride. The very absence of a local news-
paper in any town of suitable size indi-
cates that it lacks enterprise, energy, or
civic character.

Such a town would advertise to the
world that it did not think much of it-
self and didn't care what others thought
of it. The fact that no one published a
newspaper in it would prove conclu-
sively that it did not merit one, and that
its business concerns were unprogressive
and therefore unworthy of patronage.
Every worthwhile town has a local news-
paper.

The greatest business builder is ad-
vertising and the failure to seek business
by advertising stamps any concern as
lacking initiative and indifferent to
progress.

The lack of subscription support such
as would make a newspaper unprofit-
able shows that either the paper itself
lacks reader interest or that the people
of the community are incapable of ap-
preciating it.

Either way the result is the same. The
newspaperless town passes unnoticed
and cannot expect to be known to the
world as anything but a backward com-
munity and a place where people live,
but do not thrive.—Wreham. (Mass.)
Courier.

Editor R. R. Pritchford, Scottsville Citi-
zen-Times, and Mrs. Pritchford announced
the engagement of this daughter, Mary
Agnes, to Mr. Jerry Garret, Columbus, Ohio.
The wedding will take place in September.

Ink's Place in the Press Room

Condensed THE INLAND PRINTER
By W. W. HITCHNER

Regardless how perfect the makeready of a job may be, unless the rollers and ink are also good, best results cannot be obtained. There is a mistaken impression that a low-priced ink is an economy. Economy in ink depends entirely on the kind and quality of paper on which it is used and the nature of the job itself. Proper application of ink to paper is of vital importance, not only from the standpoint of good printing, but of sound economy. A good ink, strong in pigment strength and in every way suited to the paper and cuts, will prove the most economical to use.

Let us analyze this fact. An ink of good quality, properly fitted to the paper, will lie smooth, will cover a greater number of sheets, and there will be no offset; also, the printing will be clean-cut and effective. It is usually wrong to blame the inkmaker when there is trouble. In these days of strong competition, it is a safe bet that all ink-makers are doing their level best to deliver a satisfactory ink for the price you are willing to pay — and you usually get just what you pay for and no more. Most people are beginning to realize that real bargains are seldom found, and with ink it is foolish to take chances for the sake of the few cents saved.

A high-powered magnifying glass should be to the pressman what the stethoscope or X ray is to the doctor. It tells what is going on that the naked eye cannot see. The common troubles encountered in use of printing inks are offsetting, sticking, picking, skidding and crystallizing, mottling and chalking. There is a reason for each. To try to attempt a cure without finding or knowing the cause is a waste of time, and is putting a lot of faith in luck. Trusting to luck is a poor asset to any pressroom. In checking up for an ink trouble, we must first be able to see the trouble, then understand it, and last, but not least, know how to effect a cure without guessing.

When ordering inks not considered standard, give the inkmaker all the information possible — such as the nature of the job, how the ink is to be run, together with one or more of the plates. With colored inks, this is important.

The inkmaker's special attention should be called to all specialty jobs, such as soap wrappers, where ink must be alkali-proof, and labels to be applied

by pasting, where the ink must be acid-proof.

All inks for soap-wrapper purposes must be alkali-proof; that is, they must not change color under the action of alkali soap, nor should the color be drawn through the paper wrapper into the soap by the effect of the acids.

There are pigments that are proof against both these requirements; and there are other pigments that are proof against only one of the requirements named—that is, proof against alkali, but not against the action of fatty acids in the soap. The number of pigments that meet both requirements is comparatively small.

Soap manufacturers generally have met the problem of the inkmakers by using an inside wrapper for their soaps. When this is used, fatty acids have no effect on the alkali-proof, but non-fatty acid-proof pigments; and in this way a much larger variety of colors and tones of colors can be used.

To determine whether an ink is alkali-proof, make an actual test with the aid of a strong alkali solution, such as caustic soda. Take a few drops and put them on the proof, then put fresh water on, and you will readily see whether the color is affected by the alkali solution.

Printed labels of all kinds usually are applied by pasting. It is absolutely necessary that colors used for printing such labels withstand the action of acids, for the paste employed to apply labels is, in nine cases out of ten, acid, and this acid very readily works on some of the colors — particularly the reds — causing them to "bleed."

A good poster ink will not "bleed" when exposed to atmospheric conditions, such as rain or snow. It often happens, however, that you can detect posters that "bleed" badly. When this is the case, nothing really can be done. Bleeding is characteristic of a pigment and cannot readily be changed. To prevent an ink from "bleeding," a pigment must be selected that is insoluble.

It should be borne in mind, when speaking of permanency, that this is only a relative term. Nothing under the sun is absolutely permanent. There are inks, however, that, relatively speaking, are permanent in use.

Bear in mind that when an ink is found not to be permanent, nothing can be done to that particular ink to increase the quality of permanency, because every ink is composed of certain ingredients and varnishes, some of which

have inherent in them the quality of permanency, while others are fugitive" or not permanent. Nothing can be put into an ink, once it is made, either to increase or lessen the permanent quality.

There are, however, a number of pigments that lie between the two extremes of fugitiveness and permanency. If a certain pigment is fugitive, the ink into which it goes will be fugitive. It becomes necessary, therefore, to compound an entirely different ink in which a new pigment is used.

Ink plays an important part in the success of a varnished job. The ink-maker always should be requested to supply an ink suitable for varnishing purposes. Reflex blue is a great offender. This ink is used for toning purposes for many black inks. The blue is soluble in alcohol; and as some spirit varnishes contain alcohol, the ink bleeds when the two ingredients come in contact. The bleed consists in dissolving the pigment or color, creating a blue tint. Watch out for this.

When a customer orders certain colors to be matched, a good plan is to pull proofs of a specimen page and send proofs of this page, with the sample to be matched, to the customer for color approval. This will solve the ink problem before going to press and perhaps save much press time.

All pressrooms that print much color work should keep toning colors in stock. It is necessary to carry but a few pounds. The following list of toning colors is recommended: Primrose yellow, chrome yellow, red of crimson shade, red of orange shade, peacock blue, toning true blue, toning blue, purple shade.

Many times offset is caused by carrying too much color in an effort to match progressive proofs. With the aid of toning colors, less ink is required and offset is eliminated.

New Subscriptions — Thousands of newspapers that make important money from circulation have proved the following a necessary first step in getting new subscriptions: Get a list of names and addresses of all farm families in the territory. Get a list of all town families. (From a county plat map and from real estate dealers, rural carriers, and others, you can get these names. A correction once a year will keep it up to date.) Then write a series of about ten good sales letters to non-subscribers and send them at regular intervals to this list of non-subscribers. You will find this plan of systematic circulation promotion very profitable.—Circulation Management.

*It's A Good Racket . . .
If It Works*

The other day a couple of dirty-shirt promoters came through Illinois with a California license selling "safety campaigns". We turned them down at this office but another publisher took the deal, sold three half pages, was paid, and he's satisfied. However . . .

One hundred business men (?) in Belleville succumbed to the convincing voice at the telephone at \$3.00 per throw. The half page ad, appeared three times, cost the promoters \$10.00 and the \$285.00 was gone with the wind.

Here's what the astute businessman obtained for their investment. One signature line among a hundred names. In the ad were three cuts of the National Safety Council available free to every paper. The lead paragraph said something to auto drivers about safety.

Nobody read it!

No wild-eye motorist was deterred.

No one's life was spared.

But \$3.00 would have purchased a single column ten inch ad; \$3.00 would have purchased a series of five two-inch ads which, offering some definite article, or definite service would have been of some value.

A series of ten one-inch ads, in one paper, properly worded, might have brought sales that would have paid over and over again the cost.

That money wasn't advertising - it wasn't spent wisely for furthering national safety- it was plain hocus pocus. -The Illinois Editor.

Circulation of newspapers has reached an all time high. Though six per cent ahead of 1929 and forty-two per cent ahead of 1921, national advertising has not stood up as well as local. Last year only thirty-three cents out of the national advertising dollar went into the newspaper's cash register.

The advertising dollar was spent last year as follows:

| | |
|---------------------------|---------------|
| Newspapers | \$570,000,000 |
| Premiums | 350,000,000 |
| Direct Mail | 300,000,000 |
| Magazines | 165,000,000 |
| Radio | 165,000,000 |
| Outdoor | 50,000,000 |
| Business Papers | 50,000,000 |
| Farm Papers | 18,000,000 |
| Car Cards | 8,000,000 |
| Miscellaneous | 100,000,000 |

The average total national daily circulation is 41,418,730 copies. There are 2,140 daily newspapers published in 2,084 villages, towns, and cities in the

United States. Sixty-seven per cent of all dailies in the United States have circulation under 10,000, and ninety-two per cent are under 50,000 in circulation. -The Indiana Publisher.

One Subscription Offer - In selling subscriptions by mail, it is advisable to make just one offer. Additional offers make it hard for a reader to make up his mind. Hence, he will decide to "wait until tomorrow" to order. You want him to order promptly, not to put it off. Many magazines and newspapers have made tests on which pays best, one offer or more than one, and have found that more than one offer in a subscription salesletter nearly always cuts the number of orders.-Floyd L. Hockenhull.

A \$150 Project-The publisher of a weekly newspaper at \$2 a year got a supply of cardboard discs imprinted for twenty-five cents. He sent a multigraphed form letter to each non-subscriber, stating that the enclosed "quarter" was good for a six-week subscription, if returned with \$2 to cover a year. Thus the reader who returned the cardboard twenty-five cents with \$2 got a year's subscription plus six extra weeks free. The letter pulled fifteen percent-got fifteen subscriptions from every hundred prospects. This publisher sent out 500 letters got seventy-five new subscriptions with \$2 cash-a total of \$150. The idea is worth trying. If you can't get cardboard discs, a printed "certificate," good for twenty-five cents, probably will work as well.-Virginia Press Association Bulletin.

The Russell County Banner, Russell Springs, has changed from an eight column paper to one of tabloid size. Extra pages have been added to compensate for the same amount of space.

When Joe Richardson, publisher of the Glasgow Times, was named postmaster recently, one of his fellow Kentucky publishers inserted this editorial comment anent the appointment: "Joe Richardson has been confirmed as postmaster at Glasgow which makes him a confirmed postmaster as well as a bachelor."

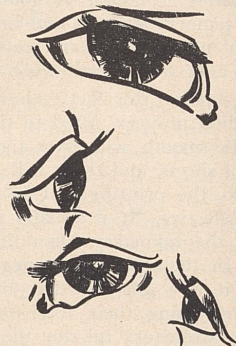
Gracean M. Pedley is responsible for the following "comedy of errors" recently published in the Eddyville Herald:

The poor editor was doing his best. It wasn't his fault that he came to such an untimely end. He didn't want to die. But she shot him, hacked him to pieces with a hatchet, and then poured acid on him, spat in his face and kicked him. Poor fellow. He had tried to be nice to her, too. He had written up her bridge game-really thought he had done himself proud. He had written, "Mrs. Jilks proved herself to be the prize winner when she smacked her big trump on the table and broke up the game." How was the poor editor to know that his typesetter had left the "t" off of trump?

5-Day Paper Is Legal

Attorney General Warren of California has ruled that a newspaper published on a 5-day basis is eligible for publication of official notices of cities and counties, terminating a controversy on the status of 5-day papers in the acceptance of legal advertising.

The correspondent's Booster Club of the Jeffersonian, Jeffersontown, held their annual picnic on the public school campus with Editor Hummel in charge.



**Make their
job easy
with Linotype
Legibility Faces**

The eyes of your readers are very delicate organs. And our modern civilization gives them a lot of tough work.

Let those eyes take it easy when they read your newspaper. It will make your news more enjoyable for readers; it will attract more readers.

Linotype Legibility Faces were especially designed for newspaper printing. They give excellent readability in spite of rough newsprint, no make-ready, fast presses, and the many other adverse conditions which go with newspaper printing. If you aren't already using one of them, let your Linotype representative show you how a Legibility Face can work wonders for your paper.



Professor Neil Plummer, head of the Department of Journalism, returned to the University of Kentucky after spending a year in study at the University of Wisconsin. He has practically completed the requirements for his Ph. D. degree.

Gracean M. Pedley, editor of the Eddyville Herald and "In Kentucky" and family spent a well-earned vacation the later part of the month in visiting historical spots in Virginia and Washington, D. C.

A meeting of the Kentucky members of the Associated Press was scheduled to be held in Paducah, Saturday, Sept. 2, but was postponed by Chairman La Gore on account of the European situation.

Eldon Everett, formerly on the advertising staff of the Champaign, (Ill.) News-Gazette, has joined the staff of the Lexington Herald-Leader as national advertising manager.

W. Vaughn Spencer, editor of the Kentucky Farmers Home Journal, will be the speaker at the fish-fry and get-together of the correspondents of the Campbellsville News-Journal on September 9. Editor Jody Gozder annually entertains his host of good correspondents at his beautiful summer home, Laurel Crest, on the Green river. A silver cup will be awarded the most faithful correspondent for the past year.

Editor D. B. Spragens, Lebanon Marion Falcon, is promoting interest in his advertising by running a misspelled word contest. Attractive cash prizes are offered.

The Morehead Independent, a victim of the recent flash-flood, is now located in the Ollie Caskey building with the job printing department completely refurbished and in full operation. The newspaper is still being printed at the Bath County News-Outlook plant in Owingsville.

The Adair County News, Edward Hamlett, editor, published a 12-page pre-election edition.

Arlis Napier, a summer graduate of the University of Kentucky, course in journalism, has rejoined the staff of the Hazard Plaindealer after spending the past four years in study. Tony Prezza, a student in the Department, has been assisting Mr. Napier during the interval between summer session and the regular session.

J. Lowell Lusby, editor of the East Kentucky Journal, Grayson, and successor to his father, the late J. W. Lusby, as president of the Christian Normal institute, was married to Miss Lela Stone of North Middletown. The marriage took place on the campus of the Christian Normal institute where both Mr. and Mrs. Lusby are members of the faculty. After the ceremony the young couple left on a wedding trip through Kentucky, Ohio, Pennsylvania, Virginia, and West Virginia. They will make their home at Grayson.

"Rarely does a son follow in the footsteps of his father in the choice of a profession. Even more unusual when two sons follow such a course. In the case of R. R. Pitchford, for 45 years editor and publisher of the Citizen-Times, and his sons, Robert B. Pitchford, associated with his father in the publication of the Citizen-Times, and Roy Pitchford Jr., editor and publisher of the Auburn Times, there exists a combination which we believe is most unusual in the annals of journalism."—Scottsville Citizen-Times.

Friends of Flem Smith, editor of the Georgetown News, will be happy to know that he is again back at the editorial helm after a month's enforced vacation due to an auto accident. Mr. Smith and a party of friends were returning from a fishing trip in northern Wisconsin when their car crashed into a motor transport truck making a wrong turn near Waukegan, Ill., Mr. Smith suffered a brainconcussion, bruised ribs, and lacerations.

The recent death of Urey Woodson and the nomination of Publisher Keen Johnson for Governor prompted the Elizabethtown News to reprint the following story, which will always be fresh in the minds of the editors who attended the summer meeting in Elizabethtown in the summer of 1928:

Under the caption:
"WHEN KEEN JOHNSON CAME NEAR DROWNING"

"The nomination of Keen Johnson for Governor and the death of Urey Woodson, former Owensboro newspaper publisher, brings a double focus on an incident that occurred near Elizabethtown 11 years ago, in which the man destined to become Governor of Kentucky came within a fraction of drowning.

"Mr. Woodson, Mr. Johnson, E. A. Jonas, then editor of the Herald-Post, and Tom Underwood, now editor of the Lexington Herald, had been to Elizabethtown where all four were speakers at a dinner honoring the then editor of the News on the occasion of his 50th anniversary as a Kentucky newspaper editor.

"About the time the four started to Louisville upon their return there fell one of the hardest rains ever known to this section before or since. The newspapers would have called it a "flash" flood, only they did not know the term then.

"When the party reached a point on the north Dixie a short distance south of Rogersville they ran into a low place on the road where water had completely submerged the highway. The motor drowned and the car in the middle of the stream was stalled. Messrs. Woodson and Jonas waded out, and were picked up by a passerby and taken to Louisville. The younger men stayed with the car trying to get it out of the water.

"O. C. Hamilton, then and now a lineman for the K. U. happened to pass by enroute to Fort Knox, and he found Keen Johnson pinned between the bumper of his car and a culvert, with the water coming almost up to his mouth and still rising. Quick action followed from Mr. Hamilton and several other persons who appeared and Mr. Johnson was extricated. He and Mr. Underwood spent the night at Rogersville and called a friend in Elizabethtown, who went there for them the next morning and furnished some dry, clean clothing for them to make their journey homeward in.

"Mr. Hamilton said he believes if he had been five minutes later Mr. Johnson would have drowned."

One of the latest two-letter display combinations announced by the Mergenthaler Linotype Company is 18-point Bodoni Bold Condensed with 14-point Bodoni Bo'd.

"This combination," says C. H. Griffith, Mergenthaler vice-president in charge of typographic development, "will be welcomed

by many newspaper executives. Both faces are good newspaper head and advertising faces, and the fact that both are obtainable from a single font of matrices should make the combination a particularly popular one among newspapers with heads in the Bodoni family."

BUSINESS DIRECTORY

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ED WEEKS

WE HEARTILY APPRECIATE THIS EDITORIAL

*—which was published in The Lexington Herald on
September 1, 1939*

LET THEIR LIGHTS SHINE!

Purchase by the Kentucky Utilities Company of 16,000 shares of preferred stock in the Lexington Utilities Company will make it possible for "K. U." to take over entirely the Lexington Utilities Company. This will pave the way for more extensive improvements of the Lexington property than could be undertaken under a complicated corporate structure.

Lexingtonians will be gratified especially by two things. First that the Lexington Utilities Company is to remain under its present efficient management without change in the personnel or the operating methods of the company that now enjoys the public confidence and support so vital to any utility company. In the second place Lexingtonians are pleased with the fact that the complete consolidation of these two companies means that the Kentucky Utilities Company is so pleased with its Lexington headquarters offices that it plans to remain here permanently . . .

R. M. Watt, president of the Kentucky Utilities Company, who has been the directing figure in accomplishing this big transaction, and Washington Reed, vice president of the Kentucky Utilities Company and president of the Lexington Utilities Company, and those associates who joined with them in working out this consolidation not only are to be congratulated upon bringing these large utilities companies into a single, simplified working system but they merit

commendation from stockholders of both companies, from customers and from Kentuckians and others touched by their operations for the forward-looking manner in which they have met the changing conditions which have forced so many utilities operations into the gravest difficulties.

There has been evidence in many ways of the vision of those in charge of the Kentucky Utilities Company which has made it possible for this company to expand and extend its sphere of usefulness.

When the Kentucky Public Service Commission was created by the Kentucky state legislature and appointed by the governor, instead of "bucking" this state control body, the Kentucky Utilities co-operated with it . . .

With the formation of the REA, a governmental agency to promote rural electrification, the Kentucky Utilities Company entered into contracts to supply fourteen rural co-operatives throughout the state with electricity . . .

From a public standpoint in no way does the K. U. show its good wishes for the public generally than at Herrington Lake where a vast recreational area has been created by Dix River dam which is a power producing operation of the company . . .

Because of all of these progressive steps, the "K. U." has gained good will and its complete consolidation with the Lexington Utilities Company will make stronger the ties in Lexington which has been the center of its extensive operations.

Kentucky Utilities Company
Incorporated
and Associated Companies