Today's investor

Investor education prevents mistakes

By THOMAS E. O'HARA
Board Chairman
National Association of Investment Clubs

Q. In the past two months, I've purchased eight different stocks. Would you give your opinions of which ones you would hold onto for long range, if any, and which ones you would sell in the near future?

A. It always amazes me that an individual will invest $12,000 and then ask if what he spent his money on was any good. The stocks you have bought tend to be on the speculative side but generally have shown good earnings improvement for 1973.

You did do an excellent job of buying your stocks at favorable prices. Because of that, I suspect most of them will make good money for you in time. If any of them make money for you in a hurry, it's likely to be an accident.

As with any individual, there are some things you can do to learn a little about a company before you buy its stock. Your broker or your public library probably has one or more of the financial services like Standard & Poor's which will give you the profit figures on the company. Learning to understand what those figures mean can take time, but an Investment Club is one way to learn.

If you want to do it yourself, the National Association of Investment Clubs has a home study course you can take. Every library has books on investing, and the more you read, the better investment decisions you are likely to make.

Many individuals fear they can't learn enough about stocks to make good buy-and-sell decisions on their own. Investment Club members learn to ask just three simple questions about a company before they buy it: (1) Are its sales increasing at a reasonable rate? (2) Are its earnings-per-share going up at a similar rate? (3) Is it priced reasonably enough so you have a chance to benefit if past growth continues?

Any individual can learn to ask and get the answers to those questions. They won't necessarily make you a fortune, but they can save you a lot of mistakes.

Q. What do you think the motor stocks will do in the near future as a result of the energy crisis?

A. That is one of the most frequently asked questions these days? When it comes to guessing what the prices of the motor stocks will do, I don't know the answer any more than anyone else.

I do believe there is a chance, however, that we have seen about the worst as far as the effect on their stock prices is concerned. As each day goes by the effect of the energy crisis will become clearer, and both customers and companies will begin to plan more positively. While big cars have suffered, I believe a good number of people will still elect to pay the price of the fuel required to drive them. The trend to smaller cars will continue, and the industry may make the switch quicker than many people now think.

GM is reported to have the body it uses on its Apollo, Nova, Omega, Ventura lines redesigned for 1975 and a Vega-sized car ready for Pontiac. Ford is enlarging its Maverick-Comet lines by retaining the present models when it introduces the new models that were to bear those named in 1975. Chrysler has no announced new small cars, but has been adept at getting good sales out of the Duster, Dart, Sprint and Valiant models. American Motors is already in good shape.

At their current prices, auto stocks would still be a good buy even if earnings declined 50% in '74 from '73.

Q. Price-earnings ratios have been going down for some time and are now at all-time lows. Don't you think a new era has arrived and that stocks will tend to sell at low price-earnings ratios for all time?

A. I received a lot of questions of the same type in 1961, but at that time the P/E on the Dow-Jones Industrials was above 20, and people wrote that they thought the Dow was going for all time in the future to sell in that area and above.

Actually, the D-J Industrials are selling at a P/E of 10 as I write this. That's down from 16.2 a year ago, but if you go back to the 1949-51 period, the figure was often at seven. I suspect currently the P/E on the D-J stocks is nearer a low than a high, but I suspect we will be able to buy at these P/E's for some time.

Q. Where can I get a book that tells me how to study stocks?

A. Your public library probably has a number of good books. We feel that the INVESTMENT CLUB MANUAL of the National Association of Investment Clubs is one of the best.

AUTO FACTS

by BILL MILLER

Carbon monoxide can easily leak into a car, even when you're travelling at speeds of fifty or fifty-five miles per hour. Wind pressure often forces the gas right into the car, through leaks in the engine compartment. On older cars it is wise from time to time to lift the mats on the floors and check for holes. Also check for holes in the firewall. Whenever you suspect difficulties in your exhaust system, have them fixed immediately.

When was the last time you had your car properly checked? A stop at **MILLER'S SOUTHFIELD AUTO PARTS,** 24210 W. Ten Mile Rd. (Phone 357-2355) or at 32430 Northwestern Hwy., Farmington (Phone 851-4500), is all it takes to let you know if it is working properly. For the most expertise car repair always rely on your local service station. If you are a do-it-yourselfer then **MILLER'S** is the place for you.

Be sure that your fan belts are in good driving condition and adjusted to the proper tension.

BUSINESS PEOPLE

M. Miller

C. S. Elliott

MARK MILLER of Birmingham has rejoined the Bloomfield Hills Office of D'Arcy-MacManus & Masius advertising agency as account executive for the Bendix Corp. account. Miller first joined the firm in 1972 and was marketing supervisor for more than a year. He is a graduate of Northern Michigan University.

DR. CHARLES S. ELLIOTT of Troy is the new program coordinator of engineering courses offered through Wayne State University's College of Lifelong Learning. Dr. Elliott will work with the College of Engineering to develop off-campus engineering courses. He previously was an associate dean of students and director of student activities at GMI and an engineer at Allison Division, GMC in Indianapolis.

HAROLD E. GWILLIM JR. of Bloomfield Hills, assistant vice president of revenues with Michigan Bell in Detroit, retires in July. A University of Michigan graduate, Gwillim joined Michigan Bell 33 years ago as a rate engineering assistant. He became assistant vice president in charge of pricing in 1967.

JOHN J. LAWLER of Bloomfield Hills has been appointed director of product assurance on the corporate manufacturing staff of Burroughs Corp., Detroit. Lawler will have senior responsibility for the quality of products manufactured by Burroughs, worldwide.

H. Gwillim Jr.

J. J. Lawler

THOMAS S. JOHNSON of Birmingham has been named national accounts manager for Investment Control, Inc., a division of Computer Dimensions, Inc. Johnson began his career in the automotive business in 1945 with the Chevrolet Motor Division and recently held the positions of eastern and western parts and accessories sales manager.

T. S. Johnson

W. Schweikart

W. BRIEN SCHWEIKART of Birmingham has been named a vice president of Batten, Barton, Durstine & Osborn, Inc., an international advertising agency. Prior to his appointment, Schweikart was a media director at BBDO, Inc., in Detroit.

ROBERT J. HETZEL of Bloomfield Hills has been named regional sales manager of the Great Lakes region of Holophane, a lighting equipment division of Johns-Manville Sales Corp. Before his new assignment, Hetzel served as district manager in Detroit.

THOMAS FEURIG of Troy has been appointed administrative assistant at Harper Hospital. Feurig previously worked as an administrative intern at the hospital and just completed his masters degree in hospital administration at the University of Michigan.

Business at a Glance

JOSEPH A. RINALDO JR. M.D., of Birmingham has been elected president of the American Society for Gastrointestinal Endoscopy. Dr. Rinaldo is the medical director at Providence Hospital.

JANE MOELLER of Troy has been installed as president of the American Society of Insurance Management. Miss Moeller is a senior vice president at First Federal Savings of Detroit.

DAVID LAWRENCE of Birmingham, editor of Inner Circle Magazine has won special recognition for the magazine from the Society of Technical Communications (STC). Lawrence won the Best of Show Award and the Award for Distinguished Technical Communications during the fifth annual publications competition of the Michigan chapter of the STC.

PATRICK M. SHERIDAN of Farmington Hills has been named outstanding executive committee member of the U.S. Jaycees at their national convention. Sheridan was treasurer of the U.S. Jaycees in 1973 and Detroit's Outstanding Young Man of the Year—1973.

ALEX C. MAIR of Bloomfield Hills has been initiated into Tau Beta Pi, national honorary engineering society. Mair is vice president and general manager of GMC Truck & Coach in Pontiac.

JOSEPH N. MONAGHAN II of Farmington Hills was presented the National Pilots Association (NPA) "Senior Pilot" citation. The award, NPA'S highest, is in recognition of skill and flying ability as measured by 20 different tests and rating.

The GARDEN OF EDEN has opened at 23135 Lahser in Southfield. Owned by Richard Roth and Leonard Cyrulnik, the store sells pots and plants, but specializes in large tropical plants. Roth estimates that 80 percent of the stores plants are of a tropical variety.

TEICHNER-ZOEDES ASSOCIATES has recently opened an office at 32620 Grand River in Farmington.

Owned by Charles J. Teichner and Tom W. Zoedes, the company provides architectural, planning, construction managing and developing services.

Zoedes was formerly in business for himself in Farmington. Teichner formerly had his own architectural firm in Birmingham.

Students get jobs

Although summer jobs for youth are scarce this year, the growers of Christmas trees provide nearly 30,000 jobs annually for high school and college students in the United States.

Three thousand students are employed in Michigan alone, says Edward Cole, director of the Michigan Christmas Tree Association.

The student workers are hired to shape Christmas trees — a chore naturally relegated to the summer months. Shaping controls the height, taper, and density of the Christmas tree and is necessary to meet consumer demands.

In many cases, this is a youth's first job. The growers provide on-the-job training programs to assist the students to develop the skills necessary to perform the task. Employment extends for a period of six to eight weeks, and students are paid at least the Federal minimum wage.

Many students return to their former employers year after year, relying on this summer employment to defray their school expenses. Often experienced college students become crew leaders supervising groups of younger tree-shapers.

NOR-WEST ASPHALT PAVING COMPANY
OWNER SUPERVISED — WE SPECIALIZE IN
RESURFACING
ASPHALT RESURFACING
AND
Protective Coating of Existing Driveways Or Parking Lots
341-3880
BIRMINGHAM

CITY OF FARMINGTON
ELECTION REGISTRATION HOURS

The City Clerk's Office, 23600 Liberty, Farmington, Michigan, will be open for registrations as follows:

Saturday, July 6th - 8:00 A.M. to 5:00 P.M.

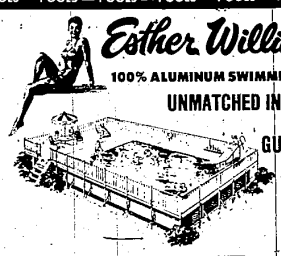
LAST DAY - Monday, July 8th - 8:00 A.M. to 8:00 P.M.

NEDRA VIANE, City Clerk

Publish: June 24, July 1 & 5, 1974

POOLS — POOLS — POOLS — POOLS — POOLS — POOLS — POOLS

Esther Williams
100% ALUMINUM SWIMMING POOLS
UNMATCHED IN QUALITY OR GUARANTEE
Why Settle for less?



WEBER & TEMCO BBQ GRILLS NATURAL GAS PROPANE GAS ELECTRIC-CHARCOAL

LARGEST SELECTION SUN POOL CHEMICALS! "FREE WATER ANALYSIS BRING 1 QT. SAMPLE"

"RID-O-RAY ELECTRONIC BUG KILLERS "FREE DEMO"

"FREE: WOODEN NICKEL — THAT'S WORTH A DIME WITH ANY PURCHASE!"

Daily 10-9 Sat. 10-6

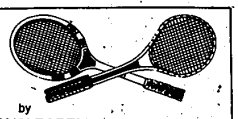
VISCOUNT POOLS
The Pool People

OPEN Sunday 11-6

LIVONIA • 34750 PLYMOUTH ROAD
(300' EAST OF WAYNE ROAD)
ALSO LOCATED IN ANN ARBOR, TAYLOR, WINDSOR

POOLS — POOLS — POOLS — POOLS — POOLS — POOLS — POOLS

TENNIS LESSONS



by MARTY KARABELL
$24.00 for 8 wk. session
Adults & Children
MERCY CENTER
28600 11 Mile Rd. (Corner of Middlebelt & 11 Mile)
Farmington, Michigan
Call Marty Karabell 398-8420

★★★
8.15% AAA RATED BONDS
GUARANTEED BY U.S. GOVERNMENT

For further information concerning these bonds call your nearest Roney & Co. office or mail the coupon below. No obligation, of course.

Name
Address
City State Zip
Phone

SIPC

WM. C. RONEY & CO.

2 BUHL BUILDING • DETROIT, MICHIGAN 48226 • 963-6700
ESTABLISHED 1925 • MEMBER: NEW YORK STOCK EXCHANGE, INC.
BRANCH OFFICES MICHIGAN—BATTLE CREEK • BENTON HARBOR • DEARBORN • FLINT
GRAND RAPIDS • KALAMAZOO • TRAVERSE CITY • LANSING • MT. CLEMENS
MUSKEGON • PETOSKEY • SAGINAW • SOUTHFIELD INDIANA—FT. WAYNE • SOUTH BEND
963-6700

Richly rewarding

7 1/2 %

Earn the highest interest possible with this new 7½% certificate of deposit at Capital Savings & Loan. Deposit $5,000.00 minimum or more 4 years and earn a compounded interest rate with an effective annual yield of 7.71%. Federal regulations require a substantial interest penalty for early withdrawal.

CAPITOL SAVINGS & LOAN

27215 SOUTHFIELD RD.—Just N. of 11 Mile
Lathrup Village, Michigan
559-4000

HOME OFFICE: LANSING, MICHIGAN
OTHER OFFICES: PONTIAC, OKEMOS, GRAND LEDGE, ST. JOHNS, MASON, WILLIAMSTON

INSURED