

Today's investor

# Should Pan American receive temporary government subsidy?

**Q.** I've been reading in the paper about the troubles of Pan American and I see that the government has turned down its request for a subsidy. I'm a shareholder of Pan Am, and I think the company should have a subsidy. Don't you think it's needed?

**A.** The problems in Pan American are very complex and involve both the business of operating the airline and government policy on both the domestic and international levels. Because our government has itself highly involved in the operation of the airline, I believe a temporary subsidy might be in order. But it should be a definite amount and for a definite period of time.

Both Pan Am and Transworld have proposed a number of

changes needed in government regulations which would enable them to operate profitably. Certainly changing government regulations would be cheaper to us as taxpayers and customers than a government subsidy.

Some reports suggest Pan Am is too big and inefficient. I don't know whether that is true or not, but anything beyond a temporary emergency subsidy would not help to correct that problem if it is true. It would seem that the government could correct many of the unfair international practices Pan Am is subjected to. The other day, the Wall Street Journal carried a story that Pan Am pays a landing fee of \$4,817 for a 747 in Sydney, Australia, while the Australian line pays \$178 to land in Los Angeles.

There are reports that Pan Am is required to pay much higher prices for gasoline in some countries than its national carrier competitors. Pan Am has asked for authority to change some fares and some routes. Pan Am flies planes to Moscow pretty much at government request. The government sets Pan Am's passenger rates and mail rates.

Failure of the government to bring about reasonable changes would seem to justify a subsidy. At the same time, better and cheaper service for all and better results for shareholders would probably result if the government provided those lines with a completely free hand to solve their problems.

**Q.** Individuals are going to be able to buy gold in this country in a few months. Can you explain how I would be able to make money if I buy \$1,000 in gold at that time?

**A.** I'm not sure that I know how you will make money if you buy \$1,000 worth of gold. In order for you to make money, the price of gold will have to go up. That will happen over a long period of time.

Whether it will happen over a short period of time is a matter of great speculation. Certainly if inflation should continue at a high rate, if the international financial situation remains confused, if international tensions should increase, the demand for gold will remain high.

## Business at a Glance

**INFO-DATA INC.**, an independent data processing service firm in Southfield, has ordered a \$250,000 computer system to expand and upgrade current services, president R. Bruce DeLong has announced.

The firm provides medical billings for doctors in southeastern Michigan plus information processing for distributors, manufacturers and general businesses. Also, it offers data processing for political campaigns and candidates.

**RONALD R. RODDA** of Birmingham won first place and a trip to Bermuda in a recent sales contest sponsored by Max Brook, Inc., Realtors, with offices in Birmingham, West Bloomfield and the Waterford-Clarkston area.

**ROBERT HEEDER** of Bloomfield Township has purchased all outstanding stock of Chelsea Optical, Inc. and is now owner and operator of its Chatham Square Optical division at the Chatham Square Shopping Center in Farmington Hills.

**ECONOMIST CARL H. MADDEN** of the U.S. Chamber of Commerce will speak at a dinner meeting of the Detroit Association of Business Economists beginning at 7 p.m. Tuesday, Nov. 12, at the Holiday Inn, Telegraph Road, south of I-96 in Southfield. Dr. Madden's topic is "Where Will

Tomorrow's Business Economist Fit In?" Reservations may be made by calling 222-4839.

**ROBERT J. BARRETT, Jr.** of Birmingham recently received the chartered life underwriter award at national conferment exercises of the American College of Life Underwriters in Bal Harbour, Fla. Barrett is with Monarch Life Insurance Co. of Southfield.

## Green-8 gets fashion mall

A former discount store is being converted to a new shopping mall in the Green-8 Center at Greenfield and Eight Mile Road, in Oak Park, across from Northland Center.

The old Topps Department Store will become 19 shops in a fashion-oriented mall, a joint project of American Commercial Industrial Realty Co. and Milford Nemer of Kopy-Nemer Co.

The new front elevation will consist of a graphic type with a glassed-in mall. All merchants' names will be displayed on the face of the building.

Shops are expected to include a women's store, men's store, shoe store, restaurant and hardware store. A junior department store also is possible.

## Vicious circle

# Responsibility vs. initiative

It was quite a conundrum. Here was an employee from the accounting department complaining that he was being given no opportunity to assume responsibility.

His job, he said, was the same old daily routine. He was not only getting bored but getting very angry at his boss for treating him as if he were some schoolboy with not a brain in his head.

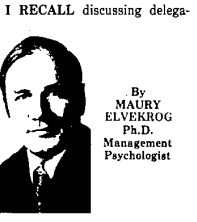
The strange part was that I had just come from a meeting with the president of the firm and the director of finance. They were complaining loudly about the difficulty in getting employees to take on responsibility.

They were constantly concerned with having to make all important decisions themselves and felt one of the major problems of their company was the lack of initiative on the part of the employees.

The only way to develop a person is to give him a little bit more responsibility than you think he can handle. The only way he can learn is by making his own mistakes. Delegation and responsibility have to be meaningful, not a game.

much? The father answered, "Of course not. I have to look over everything he does and cut back. We just can't afford that kind of mistake."

That son will certainly never learn and the accountant will never assume more responsibility. Delegating means delegating the ability to make mistakes.



By MAURY ELVEKROG, Ph.D., Management Psychologist

**IT JUST** did not seem like the accountant and the president could be thinking about the same company as the accountant was. But this situation isn't that unusual.

Many managers feel that their employees show no initiative and responsibility. As a result, they keep them in well-defined little niches. Then there is a vicious circle. No opportunity — no initiative. Even if there were some initiative somewhere, it would never get a chance to show itself.

tion with the founder of a family business. He complained about a son who was overly expansive and year after year tried to order more merchandise than they really could handle.

He complained that the son never seemed to learn even though he had delegated the responsibility for ordering materials to him for many years.

Then I asked the father how things really worked. Did he allow the son the opportunity of making the mistake and ordering too

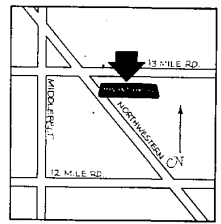
# "That's my new bank"



Don DeSerrano—Branch Officer  
Really new. It's our all new branch on the corner of Northwestern and Thirteen Mile Road. We moved from Northwestern and Inkster into larger more spacious quarters to serve you better.

And we'd like you to join us in celebrating the opening of our newest office on Monday, October 21 at 10:00 A.M.

You'll be able to meet our branch officer Don DeSerrano. And Don will be glad to meet and talk with you.



And you'll be able to enjoy refreshments and take home a Grand Opening complimentary gift. So stop in, see our beautiful new building and enjoy our Grand Opening Celebration.



"That's my bank"

## New trophy firm open in Farmington

Contemporary Awards and Trophy Co., a new firm with a showroom and manufacturing facilities, has opened at 24435 Halstead Road in Farmington Hills.

The firm specializes in awards, trophies, plaques and ribbons for all sporting competitions, youth organizations, dog shows and other events.

Vice president Arthur DesGrav-

ise of Farmington Hills said the firm primarily caters to area organizations.

Thomas Hankins, secretary-treasurer of the company, lives in West Bloomfield; and Peter V. Hankins, director, in Farmington Hills. President Don Schultz is a resident of Sterling Heights.

The firm employs 14 persons.

## NAA elects residents

Three area residents have been elected to offices of the Detroit Chapter of the National Association of Accountants for the 1974-75 fiscal year.

Fred L. Metz of Troy will serve as associate director, special activities. He is controller-treasurer of Bigelow-Liptak Corp.

Ronald J. Korn of Bloomfield Hills is associate director, membership. Korn is a partner in Peat, Marwick, Mitchell and Co.

Associate director, member relations, is the post of Paul H. Brewster, also of Bloomfield Hills. Brewster is an assistant cashier with Community National Bank.

### CITY OF FARMINGTON

## LEAF PICKUP

A special leaf pickup in the City of Farmington begins on Monday, October 14, 1974.

Each pickup area will be serviced on the day **BEFORE** regular refuse pickup — **exception** — MONDAY area will be serviced on Monday.

Residents are requested to rake their leaves onto the public right-of-way area between the sidewalk and the curb — on **curbed streets**.

Residents on **uncurbed** streets are requested to rake their leaves to the edge of the street.

All vehicles must be parked on private property during leaf pickup hours from 7:30 a.m. to 4:00 p.m. Leaf pickup service will continue in each area as long as weather permits.

