



Putnam County Board of Realtors members (from left) Charlie Cooper; Mary Field; Vera Kierstead; Jamie Hutcheson, chairman of the Realtor Community Service Committee, and Jana Snellenbarger, board president, display the first-place award in the "Let's Green America" Realtor Community Service Award. The contest was judged by the Public Relations Committee

of the state association. The county project was the flowering crabapple tree project. The P.R. committee judged the winner on scrapbook prepared by Mrs. Hutcheson. Cooper and Kierstead serve on the local committee, while Field is the board of directors committee liaison. (Banner-Graphic photo by Gary Goodman).

Kroger cost cut: 300 workers

CINCINNATI (AP) — Kroger Co. has announced a round of layoffs under a \$4.6 billion restructuring aimed at thwarting an unwanted takeover, with 300 corporate headquarters workers from vice presidents to secretaries getting their walking papers.

Kroger officials said Thursday that the firings of 300 of its 800 corporate employees would enable it to save \$13 million a year and defend the company from takeover attempts.

THE WORKERS WERE told only hours earlier that they would be let go, although rumors of mass

layoffs had circulated all week. All were covered by severance packages that provided up to nine months' pay, plus insurance and other benefits, Kroger said.

"They're not finished yet," said Scott Hatch, who still has his job in the management information systems department. "It's like watching a horror film and knowing it's coming, but you don't know when."

As part of the restructuring, Kroger also plans to pay shareholders a special \$48 a share dividend — \$40 in cash and a bond it values at \$8.

THE SUPERMARKET company also has plans to sell certain businesses in order to help cut costs and streamline operations.

Kroger last month proposed the restructuring to fend off unwanted takeover offers from Kohlberg Kravis Roberts & Co., a New York investment firm, and the Haft family, which controls retailer Dart Group Inc.

Kohlberg Kravis on Tuesday raised its offer to \$5.03 billion, or \$64 a share in cash and securities, and proposed to buy Kroger whether or not it restructured.

Unit trust: Safe and simple

Editor's note: Ted Willer has been involved in various financial investments for more than 10 years. Currently a financial consultant with the investment banking firm of Shearson Lehman Hutton (an American Express Co.), Willer specializes in individual and corporate retirement programs. For questions and information about business topics, he can be contacted at 1-800-382-1051.

By TED WILLER

Some investors buy them for their monthly payments. Some buy them for their safety and stability. Still others like them for their convenience. Whatever the preference, the unit investment trust is a simple, flexible approach to investing that can be tailored to the needs of several types of investors.

A **UNIT TRUST** is a portfolio generally of high-quality securities designed to preserve capital at maturity in general and produce a high level of current income.

Typically, the portfolio includes municipal or corporate bonds, mortgage-backed securities such as "Ginnie Maes" or "Freddie Macs," or dividend-producing stocks such as utility issues. These portfolios are fixed, meaning the underlying securities are not bought and sold but are held until the securities mature, are called or the trust is liquidated. The actual securities are held "in trust" by a bank which collects the interest, dividends, and principal and then forwards payments to investors.

The investment is simply structured. Shares in the entire portfolio are sold as units representing a portion of the underlying securities.

UNITS TYPICALLY cost \$1,000 each, including a built-in, one-time sales charge of from 2-5 percent. The low cost is good news for investors who want to diversify their investments but who don't have enough money to buy a variety of different securities.

Since unit trusts came on the market 15 years ago, the number of portfolios has grown dramatically. Today there are likely to be portfolios designed to meet a wide range of individual investment goals.

A conservative investor looking for maximum safety might consider a unit trust composed of insured municipal bonds. A more aggressive investor seeking a potentially high return may prefer a portfolio of international bonds. As one example, Shearson Lehman Brothers offers a unit trust comprised of bonds denominated in Australian and New Zealand dollars.

IF YOU WANT HIGH, fixed monthly income you might think about a corporate bond unit trust, a portfolio of well-known investments grade issues or better. If you want to save for the future,



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look into a portfolio of high-yield taxable government issues, such as mortgage-backed securities. Or, if you simply want to follow the trends of the Big Board, invest in a portfolio of stocks that comprise the S&P 500 Index.

Two of the unit trust's most attractive features are safety and predictability. Both result from the way the portfolio is assembled.

Unit trusts are generally considered safe since sponsors of unit trusts (such as brokerage firms) strive to buy high-quality securities of several issuers. The issues in any one market are carefully researched by professionals who follow those securities.

In addition, the diversity of securities within the portfolio prevents your monthly return from changing much, if at all. The result is a secure investment with a predictable return.

OTHER FEATURES include:

* **Stability:** Securities held in a unit trust portfolio represent diverse yields, call protection and maturity dates. This way, any changes in an individual security will have little affect on the performance of the unit trust as a whole.

* **Liquidity:** A secondary market allows quick and easy redemption at current market value.

* **Low cost:** In addition to its initial low cost, there are only minimal transfer fees incurred.

WHATEVER YOUR goal, unit trusts could provide a measure of safety and certainty to your investments. Talk to your financial consultant to learn more about unit investment trusts, and how they can be tailored to serve both your current and future needs.

business

Don't let the market make your decisions

Editor's note: This article was submitted by Grant Stewart of Edward D. Jones & Co.

Outsiders often view the stock market as an unpredictable beast, lavishing investors with wealth one moment and snatching it away the next.

Warren Buffett, perhaps America's most astute investor, offers a simple explanation of how the stock market works. This explanation appeared in the Berkshire Hathaway 1987 Annual Report to its stockholders.

According to Buffett, he buys common stock for Berkshire's insurance companies, "as if I were buying into a private business." He looks at the company's management, future prospects and the price of the stock. Buffett acts as a business analyst not a market analyst. "Eventually, our economic fate will be determined by the economic fate of the business we own."

BUFFETT follows the philosophy of Benjamin Graham, another reputable investor. He looks at stock market quotations as coming from a partner in business, a partner he calls Mr. Market. Each day Mr. Market offers to either buy your interest or sell you his for a given price.

Unfortunately, Mr. Market has

severe emotional problems. One day he is euphoric and sees nothing but prosperity. That day he may even set a very high buy/sell price. Other times he's depressed, seeing only trouble ahead, so he offers a low price for fear you'll unload all your holdings on him.

One thing is certain, if you don't like Mr. Market's offer, he will be back. This means you can decide when to buy from or sell to Mr. Market.

THE IMPORTANT thing to understand, Buffett cautions, is that "Mr. Market is there to serve you, not to guide you."

A simple explanation like this often eludes us when the media is reporting frightening stories about program trading, hedging, world influence and more. Yet all of these outside influences do not alter the fact that the stock market is simply a place to buy or sell shares of American business. Its purpose is to provide a central location where buyers and sellers come together to consummate their transactions.

The stock market is there to serve you. If you ignore the underlying value of the companies you own, you'll become a victim of Mr. Market's euphoria or depression. As a result, you could make disastrous investment errors.

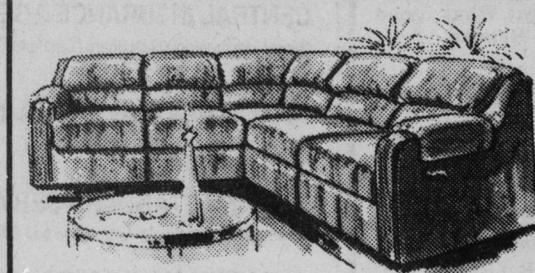
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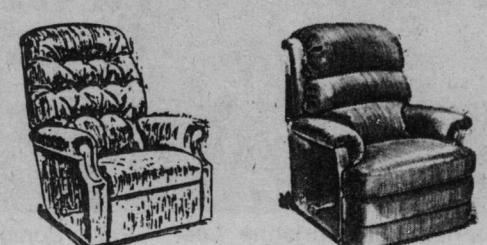
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