

MANAGEMENT LETTER

Vol. 21-Oct. 15, 1983

Those Social Security benefits...going up 3.5% as of January 1, 1984. This will mean average increase monthly benefits approximately \$15 for single retirees and \$22 for retired couples. Was scheduled for July of 1983, but Congress delayed it as part of their recent SS legislation.

Purchases of new equipment picking up...because of cautiously optimistic future. Equipment which can stimulate production and reduce the number of employees per standard unit of production - logic...that equipment which is well maintained doesn't get sick, doesn't fail to show up for work, and pretty much allows for specific costs allocations.

Interest rates predicted to stay about where they are until spring. Some analysts are reporting that after that time rates will probably go a bit higher with the prime to reach 11½% or 12% after next spring. Home mortgages are expected to be slightly lower, to around 13%.

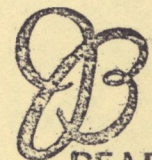
Intense competition amongst computer makers...will see more hardware manufacturers dropping out of the competitive race. Most parts are standard and can be replaced or serviced even though computer is discontinued.

Small business has once again been redefined...new standards proposed by Small Business Administration would let as many as 40,000 more firms qualify as small businesses for purposes of SBA loans. Currently "small" at \$2 million or less - new guidelines would increase to \$3.5 million.

Principles for hiring the right employee...as outlined by retired Dupont executive C. R. Reagan: (1) Don't rush-consider each potential employee as a 30-year investment; (2) Decision to hire should be made by personnel and intended supervisor of employee; (3) Validated aptitude tests can offer input beyond interviews and applications; (4) Don't hire someone because you feel sorry that the person's unemployed; (5) Relatives don't necessarily make good employees; (6) Present employees are good source of recommendations; (7) Study school record over other aspects of application-it's the best indicator of work performance, attendance and personality; (8) Keep a good backlog of top candidates; (9) Select employees, don't reject applicants-maintains good public image; (10) Explain job requirements thoroughly during interview stages.

Housing starts look good...according to the latest reports from an analysis of study of future markets. Construction for next spring is optimistic which in turns bodes well for the sod industry. Marketing is going to be important and direct sales contact to secure sod jobs needs to be organized and carried out during the winter months.

Note: This monthly newsletter is compiled and published under the auspices of the ASPA Business Management Committee to serve as a helpful business update for all ASPA members. We invite your comments and recommendations. AL GARDNER, Chairman



**BEARD
COLLECTION**
American Sod Producers Association
Assn. Bldg., 9th & Minnesota
Hastings, Nebraska 68901
Phone (402) 463-4683