

Industry Explains How To Reduce Insurance Costs

ATLANTA—Surprisingly, many families do not realize they can reduce the costs of their auto and home insurance and they continue to pay more in premiums than is necessary, the Insurance Information Institute reports.

Back a few years ago, when salaries and the costs of goods and services were lower than today, many people wanted insurance to pay for 100 per cent of a loss. But this may not be true today.

A key word in the insurance world in recent years has been "inflation." The typical insurance company finds itself in a financial squeeze caused by higher costs. The Institute notes that it simply costs more now to rebuild a fire damaged house or pay the medical bills of a person seriously injured in an auto accident.

However, unlike an insurance company, the typical insurance buyer can reduce his costs. The Institute says inflation should cause many families to investigate adding deductibles to their insurance programs.

The Institute notes that wide public acceptance is resulting in the introduction by insurance companies of a growing number of deductible options which reduce the total premium bill paid by the policyholder.

Basically, a \$50 deductible means that the policyholder pays for the loss up to \$50. If the loss is more than \$50, the insurance company pays for the balance up to the limits of the policy.

When the insurance buyer pays for his own losses up to a point that he can afford without

crippling the family budget or wiping out a lifetime's savings, it becomes possible for insurance companies to offer protection against the big losses at lower premium costs.

Having to pay the first \$50 for a loss may have nearly bankrupted many families a few years ago. However, with inflation and increased salaries in recent years, the same families today may not be very hard pressed to pay the first \$50 or more of a loss.

The Institute said a recent national study showed that about one-third of all losses for damage to homes and contents were for under \$50. While a large number of claims payments to policyholders for \$50 or under adds up to a large expense for the insurance companies, the paperwork and man-hours required to process the claims is often just as costly or more costly to the insurers.

Since deductibles make it possible for insurance companies to save money by not having to pay the lower claims and pay the costs of processing such claims, the insurers are able to pass the savings on in the form of lower premiums for those policy buyers who have deductible plans, the Institute said.

The higher the deductible—perhaps even \$250 or \$500—the greater the savings to the insurance company in operating expenses and claims payments, and therefore, the greater the savings to the policyholder.

With a greater number of options in deductibles, the insurance agent or broker can today help his customer select a protection plan best suited for his needs at a favorable price, according to the Institute.

THE TAR HEEL KITCHEN

By MISS YORK KIKER
Department of Agriculture—Marketing Home Economist

Recently many of our North Carolina food processing plants have been visited and a number of various food meetings have been attended. It is amazing the amount of work that goes on behind the scenes to supply us with the high quality and variety of foods that we often take for granted.

In a conversation with one person, the statement was made that she always bought "western beef" for she wanted the best. Perhaps many of us have said something similar. Actually, is there any meaning to the term "western beef"? Do we mean western North Carolina, west of where we live, or the western states? It would simplify matters greatly if we could have a magic or single word to say to our meat man when we shop.

The place of origin does not indicate the tenderness, taste, or quality of meat. Today systematic efforts are made to develop and maintain breeds of cattle especially suited to the production of more tender meat. Proper feeding of the cattle plays a tremendous role in the long journey from the cattle range or farm to the kitchen range. The teamwork of many people—the farmer, the meat packer, the grocer, and others—make it possible for the home-maker to buy wholesome, tasty, nutritious beef.

How do we know how to buy when meat is such a big part of our budget? There are tips that will be of help in beef selection.

In buying beef, an important factor to consider is that the retailer stakes his reputation on the beef he sells. Consistency in quality is essential in today's meat business, therefore, when you find a retailer who handles the brand grade or quality, of beef you want and who gives you the kind of service you desire, enlist his help.

It is necessary to consider not only the cut but the quality of the meat itself. Young beef (sometimes called baby beef) may not contain much fat but it probably will be tender because it is from a young animal. On the other hand, the presence of streaks, or specks, of fat in the meat is extremely important in judging mature beef. The lacy network of fat in the lean is called "marbling" and it is given top priority by government graders, packers, and retailers in determining the grade or brand name that is to appear on the carcass.

In shopping do look for the grade label and know what it means.

PRIME—Prime beef is the very highest grade available. It is produced from very young well-fed cattle, has a very high degree of finish, indicated by liberal "marbling" and considerable surface fat. Prime beef is extremely juicy, tender, and flavorful. The lean is uniform and bright in color, the bones are usually soft and red with white buttons or cartilages. Much of the prime grade goes to the hotel or restaurant trade.

CHOICE—Choice is the most popular beef grade, and is much more commonly seen on the market than prime. It is usually preferred by consumers because it is high enough quality to broil, but has less fat covering and not quite as much "marbling." Roasts and steaks from the loin are tender and juicy and may be broiler or cooked by other dry heat methods, such as pan broiling. The color of the meat ranges from light red to slightly dark and may be slightly two-toned in color.

GOOD—Good beef has little fat and lacks the juiciness and tenderness associated with higher grades but is very satisfactory for most purposes. Only the loin steaks should be cooked with dry heat.

There are terms applied by some retail stores to suit their particular merchandising practices. Therefore, when buying beef, you should learn to look for the indications of quality. These are:
1. A liberal amount of marbling or streaks of fat throughout the lean portion, probably the best indication of tenderness.
2. A covering of firm, creamy white fat.
3. A firm, fine-textured lean of generally uniform bright color.
4. A large amount of lean in proportion to bone and fat.

5. Red, porous bones.

In addition to checking the grade label, you will need to look for the cut to fit your need.

Suggestions for Beef Roasts—Most tender—rib roasts, ribeye roasts.

Moderately tender—rump roasts, sirloin tip roasts.

Less tender—eye-of-round, blade chuck, shoulder clod.

Least tender—heel of round, shoulder arm, brisket.

Suggestions for Beef Steaks—Most tender—rib steaks, tenderloin, porterhouse, T-bone, strip loin, club, sirloin steaks.

Moderately tender—blade chuck, round steaks.

Least tender—arm chuck, flank steaks.

WASHINGTON REPORT

WASHINGTON — The money issues-inflation, spiraling interest rates, government spending and taxes — foreshadowed the President's pledge for a tight federal budget for fiscal 1971.

As with any budget message, this one is predicted upon many assumptions about spending and revenues. It is based upon a multitude of estimates about the devaluation of the Vietnam War, and the need for hundreds of federal programs. These forecasts are seldom on the mark, because nearly eighteen months will elapse before prophesy becomes actuality.

It is commendable that the budget message emphasizes the need for economy in government. Accordingly, the new budget predicts that the Federal Government will spend \$200.8 billion during fiscal 1971, and that the Treasury will receive revenues of \$202.1 billion leaving a \$1.3 billion surplus. This thin balance is precarious, however, because it assumes that Congress will agree to raise postal rates, increase the maximum wage base for social security, approve a package of transportation user charges, ex-

tend current telephone and auto excises, and make substantial cuts in a number of programs, including defense.

At this stage, Congress has yet to review the priorities of spending, and if past experience is any guide, it will have its own ideas about funding education, health, crime control, and environmental programs.

It should be pointed out that the new budget is based upon the concept of "overall federal expenditures" which includes trust receipts for such special purposes as social security, medicare, and highway programs. Had the "administrative budget" concept of several years ago been used, trust fund collections would have been excluded, and the fiscal 1971 budget would show a deficit of about \$7.3 billion. The \$1.3 billion surplus predicted in the new budget is thus based upon the inclusion of \$8.6 billion in trust fund receipts for fiscal 1971.

This explains why the government will again be borrowing in fiscal 1971 even though it will have an estimated surplus. The national debt is divided into several categories. The surplus will

reduce the federal debt held by the public to \$277.3 billion for fiscal 1971 as compared with fiscal 1970's \$278.5 billion for such debt. On the other hand, because the Federal Government can borrow moneys allocated for special purposes and use those funds for other purposes by pledging its credit, the new budget predicts a rise in the gross federal debt (which includes the debt held by federal agencies and trust funds) of about \$7.8 billion during the same period. Thus the overall gross federal debt will jump from \$374.7 billion for fiscal 1970 to \$382.5 billion for fiscal 1971.

What all this means is that even a tight budget sent to Congress last week projects a better impression than the hard figures warrant. In my judgment, it will take a herculean effort to get our national financial house in order.

How well the President, the Congress, and the people measure up to the hard decisions ahead will determine whether we can stop the rapid decline in the value of the dollar.

BIRTHS

Mr. and Mrs. Ronnie Hawkins, Parkdale Circle, announce the birth of a daughter, Wednesday, February 4, Kings Mountain hospital.

Mr. and Mrs. Kenneth Lowery, Ridge Street, Stanley, announce the birth of a son, Friday, February 6, Kings Mountain hospital.

Mr. and Mrs. Charles L. Short, Elam street, announce the birth of a daughter, Friday, February 6, Kings Mountain hospital.

Mr. and Mrs. Edgar Moore, Castle Street, announce the birth of a son, Saturday, February 7, Kings Mountain hospital.

Mr. and Mrs. Billy G. Sanders, Church Street, announce the birth of a daughter, Saturday, February 7, Kings Mountain hospital.

Mr. and Mrs. Grady Meredith, Route 1, York, S. C., announce the birth of a son, Saturday, February 7, Kings Mountain hospital.

Mr. and Mrs. Jerome Stevens, Ridge Street, announce the birth of a son, Monday, February 9, Kings Mountain hospital.

Mr. and Mrs. Fred Towery, Deal Street, announce the birth of a daughter, Monday, February 9, Kings Mountain hospital.

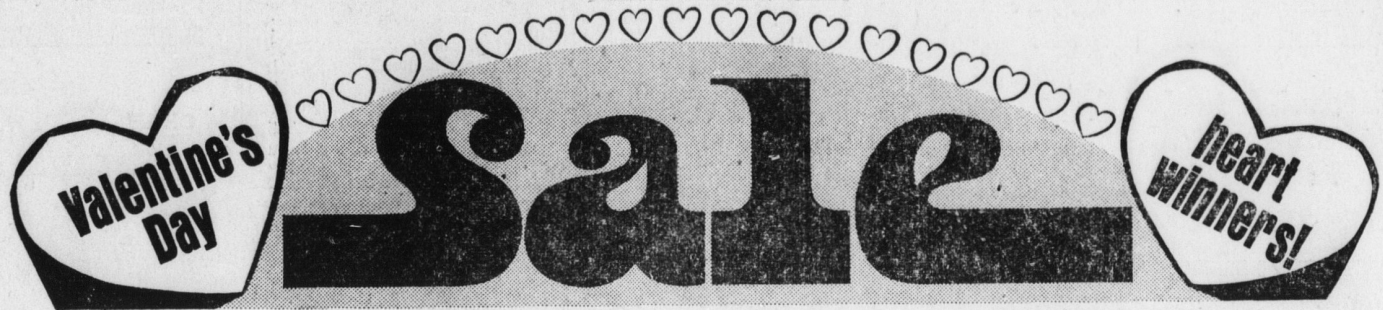
Licenses Granted To Fund Raisers

During the month of January, licenses were granted by the State Board of Social Services to eight organizations to conduct fund-raising campaigns through public solicitations for the support of their programs. It was announced by Clifton M. Craig, Commissioner.

All of the organizations have held licenses for previous solicitation periods. These organizations are: American - Korean Foundation, Inc.; Cooperative for American Relief Everywhere, Inc. (CARE); Grandfather-Home for Children, Inc.; Oxford Orphanage, Inc.; Pocket Testament League, Inc.; Radio Free Europe Fund, Inc.; Recording for the Blind, Inc.; and United Cerebral Palsy of North Carolina, Inc.

The total amount which these eight organizations will seek from the public during the year in North Carolina is approximately \$1,108,322.00.

Mr. and Mrs. Ronald A. Waterson, Chestnut Street, Grover, announce the birth of a son, Monday, February 9, Kings Mountain hospital.



Entire Stock

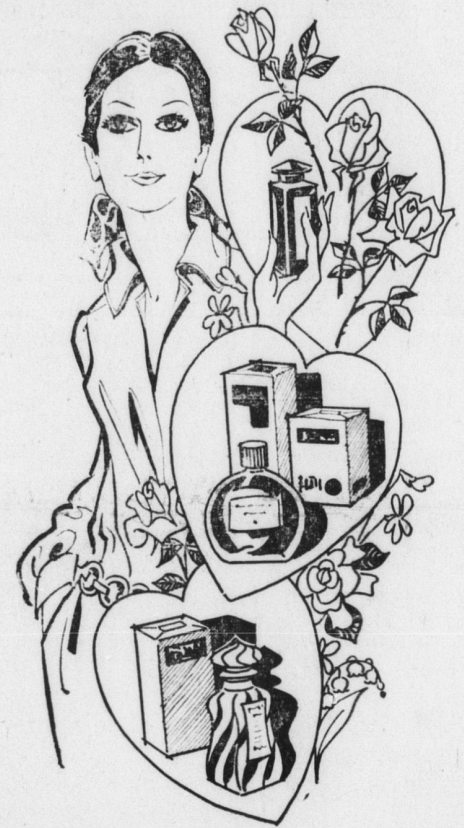
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RED FOIL HEARTS assorted chocolates 1 lb. \$2.45 chocolates and butter bars 1 1/4 lbs. \$4.15



RED FOIL HEARTS chocolates and butter bars 8 oz. \$1.45 5 1/2 oz. \$1.00



ASSORTED CHOCOLATES 1 lb. box \$1.95 2 lb. box \$3.85

VALENTINE'S DAY IS SATURDAY, FEB. 14TH
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10c to \$1

Stuffed ANIMALS from \$2.98	Timex WATCHES \$8.95 to \$15.95	Ladies & Men's BILLFOLDS By Buxton \$3.95 to \$15
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Hollingsworth Heart Boxed

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