

#### Frederick W. Brinkerhoff correspondence

Section 162, Pages 4831 - 4860

This is correspondence to and from newspaper editor and publisher Frederick W. Brinkerhoff. The bulk of letters date from the 1940s and 1950s, His first newspaper job was with the Ottawa Herald, after which he worked for the Fort Scott Republican, Chanute Sun, Chanute Tribune, Kansas City Star, Pittsburg Headlight, and the Pittsburg Sun. Brinkerhoff was also vice-president and a director of Stauffer Publications as well as director of Capper Publications Inc., the Topeka State Journal Company, and Newton Publishing Company. In addition, he was vice-president of the KSEK Broadcasting Company in Pittsburg. Brinkerhoff was well known as a journalist, serving as president of the Kansas Press Association in 1935 and as chairman of the Kansas Associated Press in 1946-1947. He also served as a member of the Pulitzer Prize jury for editorial writing in 1950 and 1951. In 1956, he received the William Allen White award to a Kansas editor for journalistic merit. Active in community affairs, Brinkerhoff was a member of the board of the Pittsburg Public Library, served as chairman of the Pittsburg Industrial Commission, and was on the board of directors and served a term as president of the Pittsburg Chamber of Commerce. He was also active in Republican party politics. Brinkerhoff was interested in the history of the state and served as president of the Kansas State Historical Society in 1944. The correspondence is arranged chronologically and grouped alphabetically by individuals with whom Brinkerhoff was in frequent contact, including Roy F. Bailey, Arthur Capper, Rolla Clymer, Harry W. Colmery, Harry Darby, Jess C. Denious, Myron George, Merl Huffman, Clyde M. Reed, Richard W. Robbins, Andrew Schoeppel, and Oscar Stauffer, among many others.

Date: 1909-1966

Callnumber: Frederick W. Brinkerhoff Coll. #97, Box 1 Folder 1 - Box 8 Folder 5

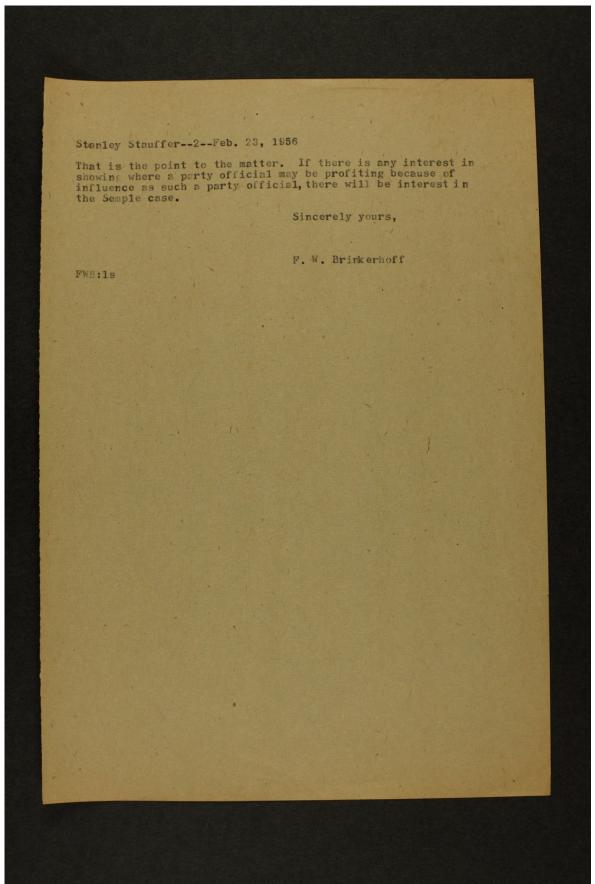
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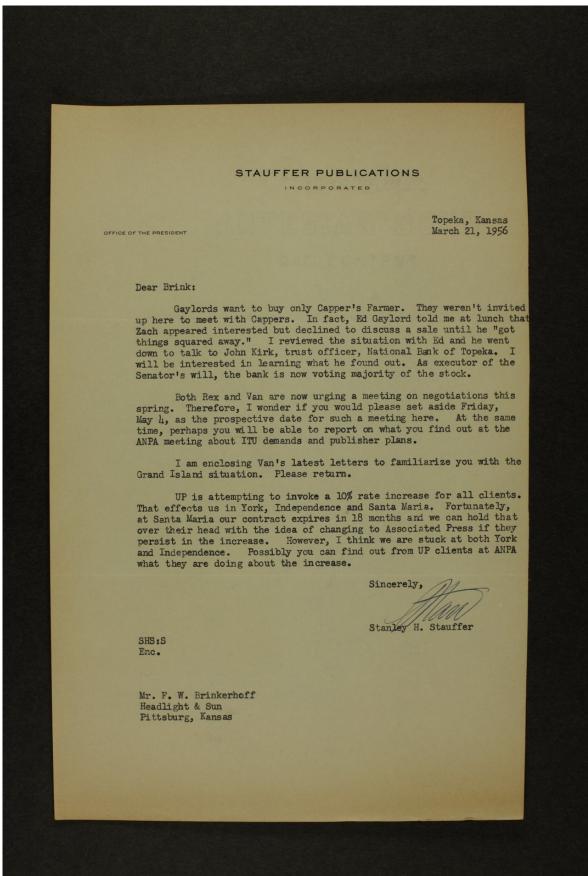
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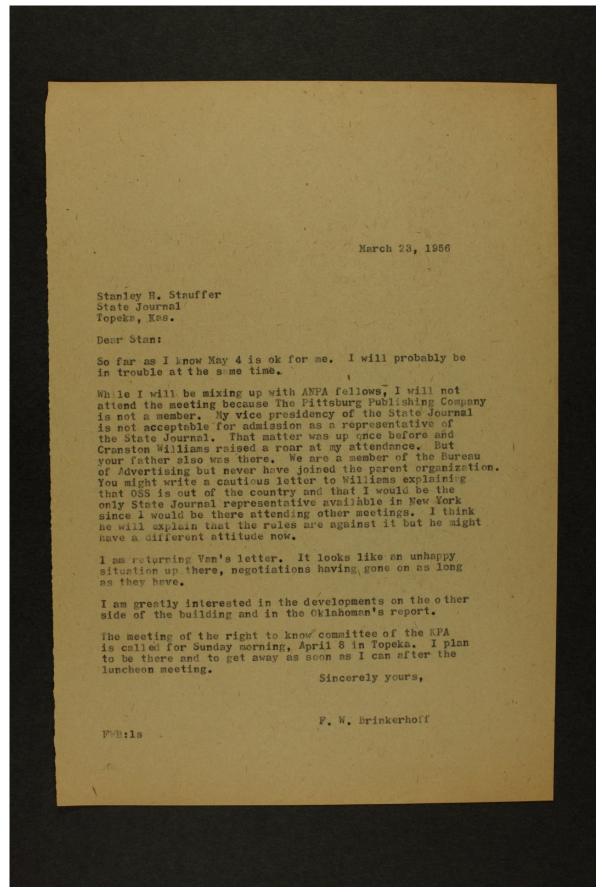




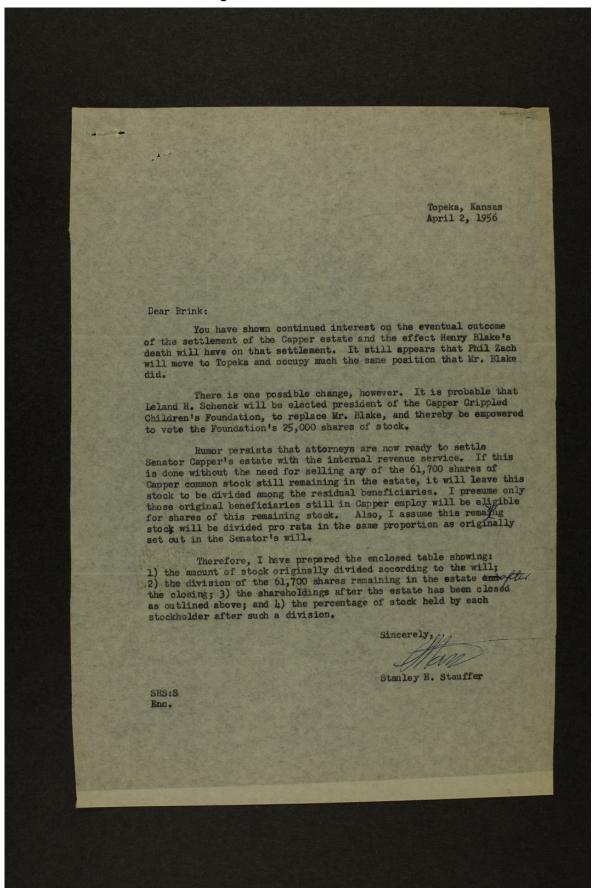








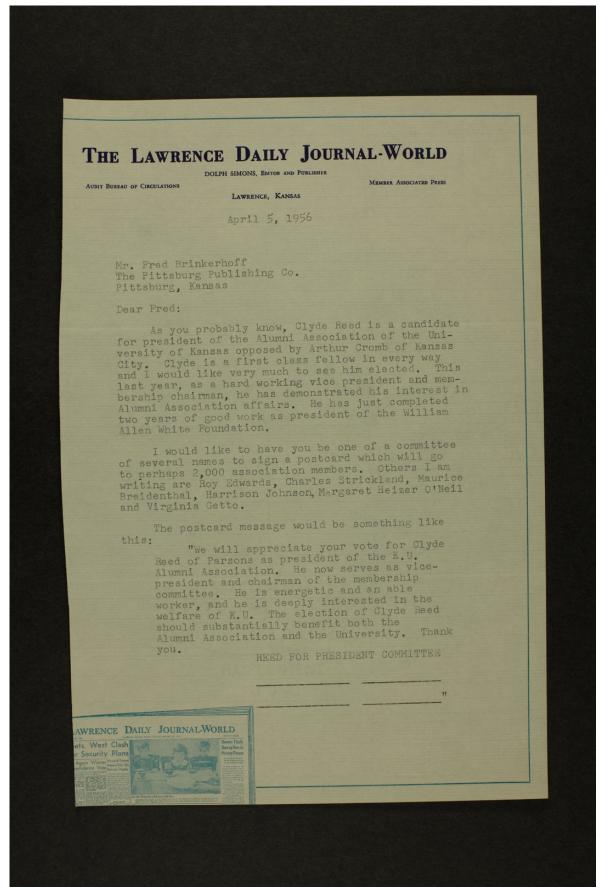




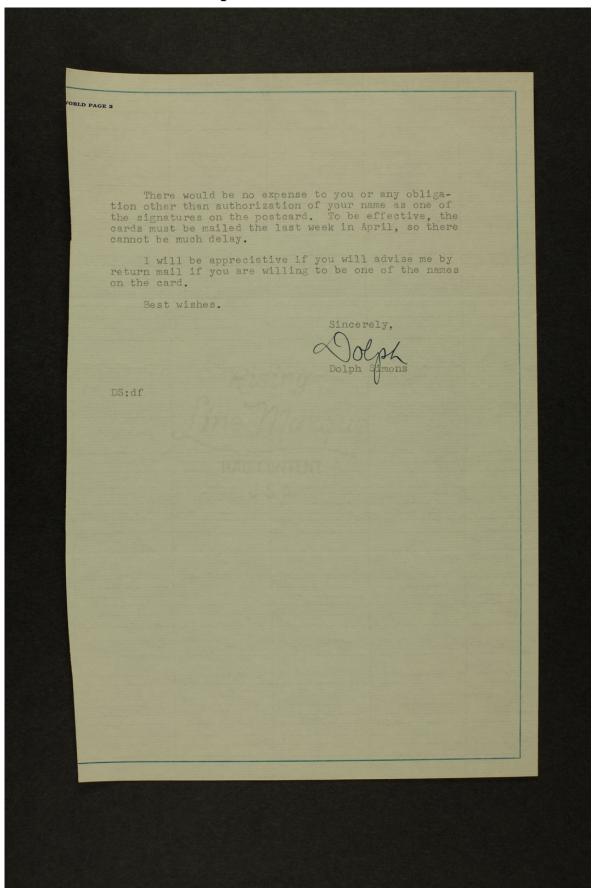


Stockholder	Original Legacy	Residual Legacy	Total Holdings	Percent Holding
1. Crippled Children's Foundation	25,000	222	25,000	25.0
2. Henry S. Blake (estate)#	4,000	_	4,000	4.0
3. Philip Zach	2,000	14,867	16,867	16.9
4. W. A. Bailey, Kansas City, Kan.	1,000	7,432	8,432	8.4
5. Marshall Crawford*	500	_	500	.5
6. Edith Capper Eustice (estate)#	500		500	•5
7. Clif Stratton	500	3,718	4,218	4.2
8. Ray Yarnell	500	3,718	4,218	4.2
9. Charles E. Sweet	500	3,718	4,218	4.2
10. Frank X. Gaughen, Chicago	500	3,718	ь 4,218	4.2
11. Julia McKee	500	3,718	h,218	4.2
12. L. H. Schenck	500	3,718	4,218	4.2
13. Brook Haines	500	3,718	4,218	4.2
ll. Roy Vogel	500	3,718	1,218	4.2
15. Ray H. Gilkeson	500	3,718	L 218	4.2
16. James M. Rankin	500	3,718	1,218	4.2
17. E. R. McKenzie	300	2,221	2,521	2.5
	38,300	61,700	100,000	100.0
. #Died since will probated.				
*Left employ since will probated.				THE STATE OF

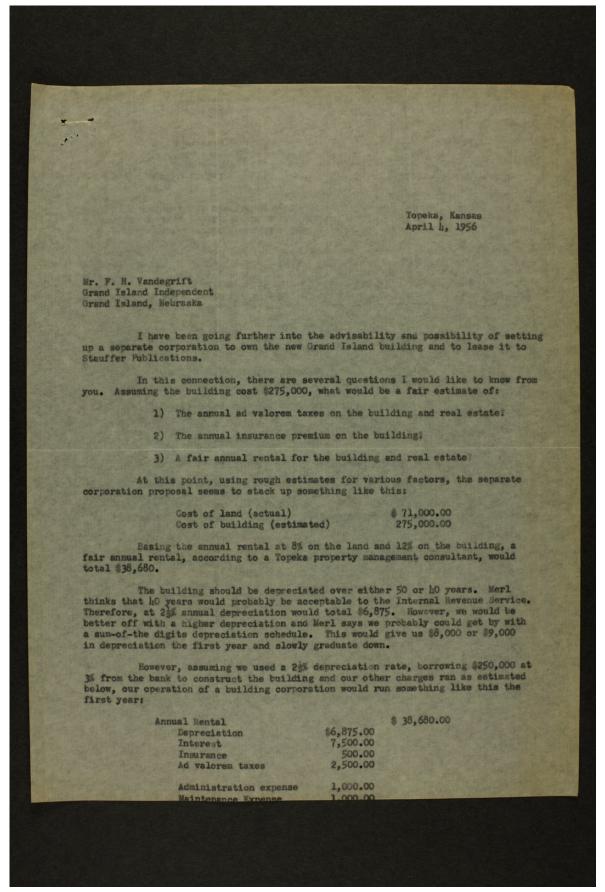














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Page 2

Total Expenses

\$19,375.00

Profit before Federal Taxes Federal Income Taxes \$19,305.00

Profit after taxes

\$13,514.00

This \$13,514 plus the \$6,875 charge for depreciation or a total of \$20,389 would be available for annual debt retirement. This would make it possible for the building company to pay off the \$250,000 loan in 12½ years. Keep in mind that the profit goes up slightly each year as the interest expense and depreciation expense decline. It is perfectly reasonable to assume that the maintenance expense might rise accordingly to offset these. However, it doesn't appear from the above that the profit of the Grand Island building corporation would ever exceed \$25,000 annually and thus put that corporation into the higher tax bracket, which shows signs now of remaining at 50% at least.

Using the above figures, Merl and I computed that having a separate corporation which is taxed at the 30% rate rather than Grand Island's present 52% rate will save 22% tax wise on the building corporation's profits until the building corporation starts paying dividends. Then, when the building corporation has amortized its debts and its profits start coming into Stauffer Publications, another 72% tax will have to be added to its profits to allow for bringing these dividends into Stauffer Publications. At that point the tax saving will be 11%.

I wish you would check these estimated expense items in the above projection and let me know if you think the figures are realistic for: 1) an annual rental figure; 2) an annual insurance premium; 3) an annual ad valorem tax.

Of course, if Dad and our board members decide we should go through with the setting up a separate building corporation, it will have to be cleared with the bank. However, since Dad made arrangements with Bud Wolbach, bank president, for the loan at 3%, I would want him to be the one to approach Bud on making the loan to the building corporation rather than to Stauffer Publications. Therefore, please don't say anything to Bud or other bank officials now.

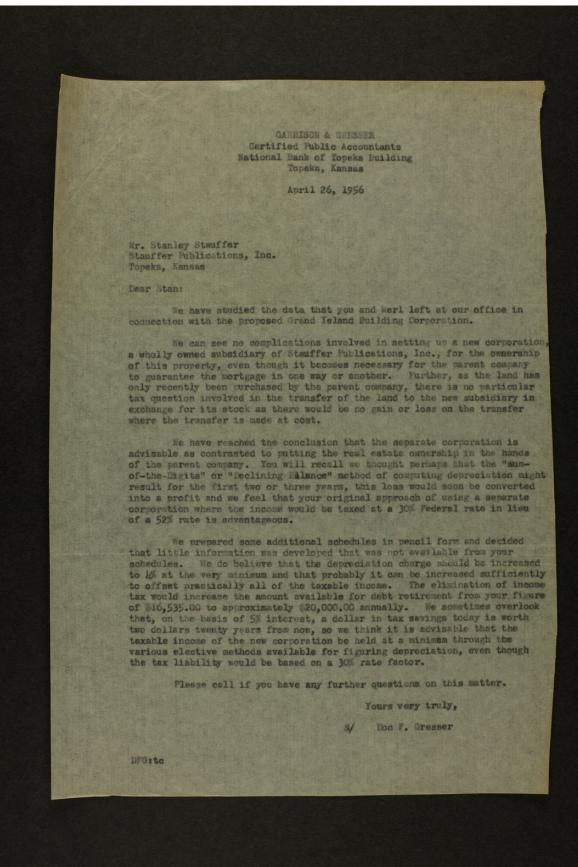
The property management consultant whom I approached here was surprised that the cost of the building would run anywhere near \$16 a foot. He cited some comparable buildings here that were erected for \$12 a foot. I have expressed myself similarly to you and Frank McNett on several occasions.

Sincerely,

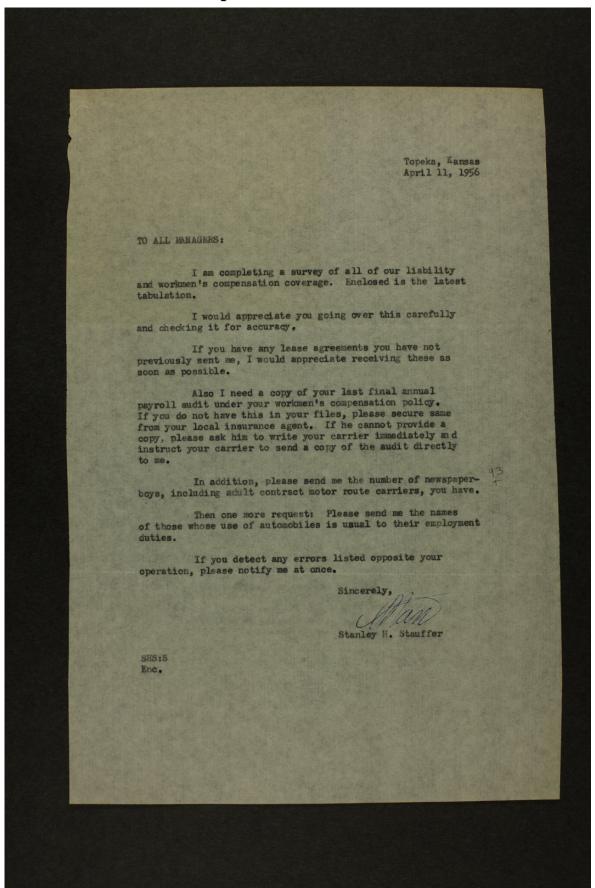
Stanley H. Stanffer

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#### Frederick W. Brinkerhoff correspondence

Topeka, Kansas April 10, 1956

To all directors:

We have scheduled here Friday, May & a meeting of Fred Brinkerhoff, Fred Vandegrift, beachy Musselman and New Woods, the four who negotiate ITU contracts. Also here for the session will be Marion and John Stauffer and Frank Terrell and Guy Magruder.

Since a majority of our directors will be on hand, I thought it advisable to use the opportunity to hold our annual directors meeting here.

Therefore, we have set the meeting for 10 a. m., Friday, May h, in Brink's suite in Hotel Kansan.

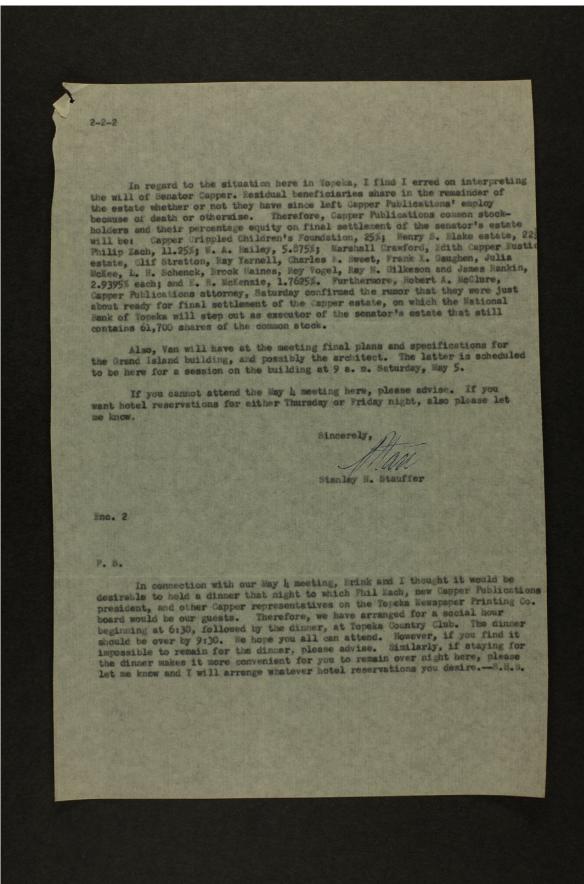
Besides regular business, I should like for board members to consider at the meeting two special matters:

- 1) formation of a separate Grand Island building corporation;
- purchase of company-wide workmen's compensation and liability insurance coverage.

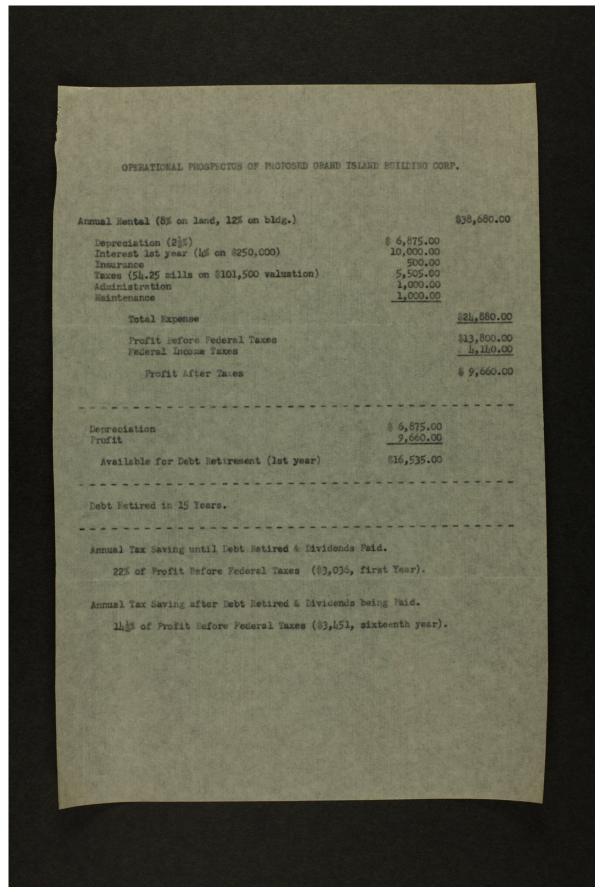
On the former, I am enclosing for your study a revised operational prospectus. It will interest you to learn, I'm sure, that tax consultant Joe Carrison advised the Internal Revenue Service would not challenge the formation of such a building company. Carrison said his firm had recently divided existing corporations into building corporations and operating corporations with no objection by the IRM. Carrison also verified that an annual rental figure of 6% on the land cost and 12% on the building cost was entirely in line. In fact, he said we could in all probability get by with 12% on the cost of both the land and the building. Depreciation is something that should be investigated more thoroughly. Although I have used a straight-line 2% depreciation figure, it is possible a sum-of-the-digits or declining-balance schedule would be more desirable. The effect of either of the latter would be to give more tax-free money in early years for debt-retirement, but subject the building corporation to higher taxes in later years. I was wrong on the interest rate with the Grand Island bank being 3%. The commitment Dad got before leaving last January was he on \$125,000. Insurance expense is still an estimate at \$500. However, it could be as low as \$h25, according to Fred Vandegrift. Similarly, ad valorem tax expense is only an approximation, although Van thinks it is nearly accurate.

Until Aetha completes its survey of our existing Workmen's Compensation and liability coverage, it cannot submit a proposal. But you'll note from the enclosure that jointly we are paying nearly \$7,000 annually for such coverage. I have hopes one-policy coverage can out this cost by perhaps how. Frank Terrell has this to say on the matter: "From the standpoint of efficiency of operation, adequacy of coverage and knowledge at all time of adequacy of coverage, master policies wherever possible would be advisable. In addition, while I am not too familiar with insurance rates, I believe you would find that there would be some saving. . ." At any rate, I think Paul Heinz of Aetha will be able to make a presentation at the meeting and we can determine at that time whether to proceed further with the master policy idea.

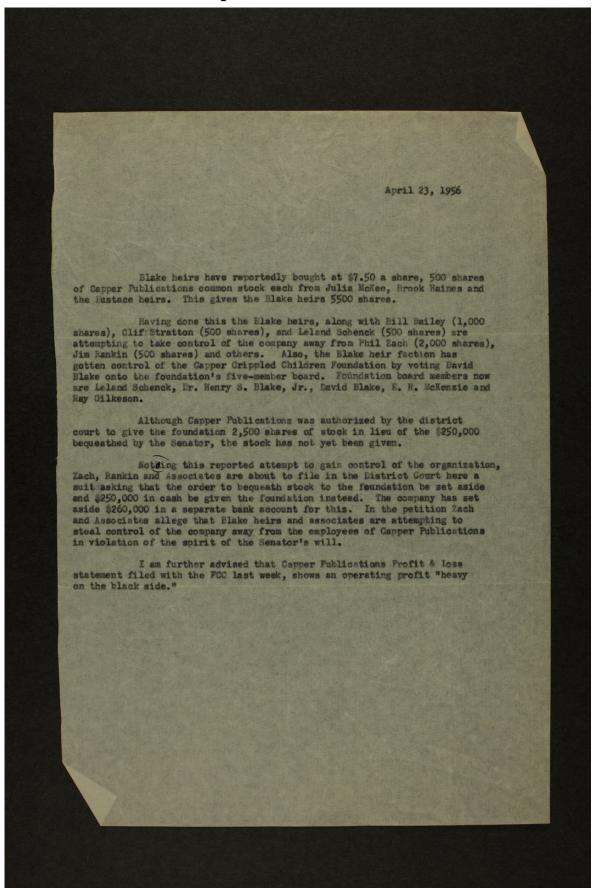




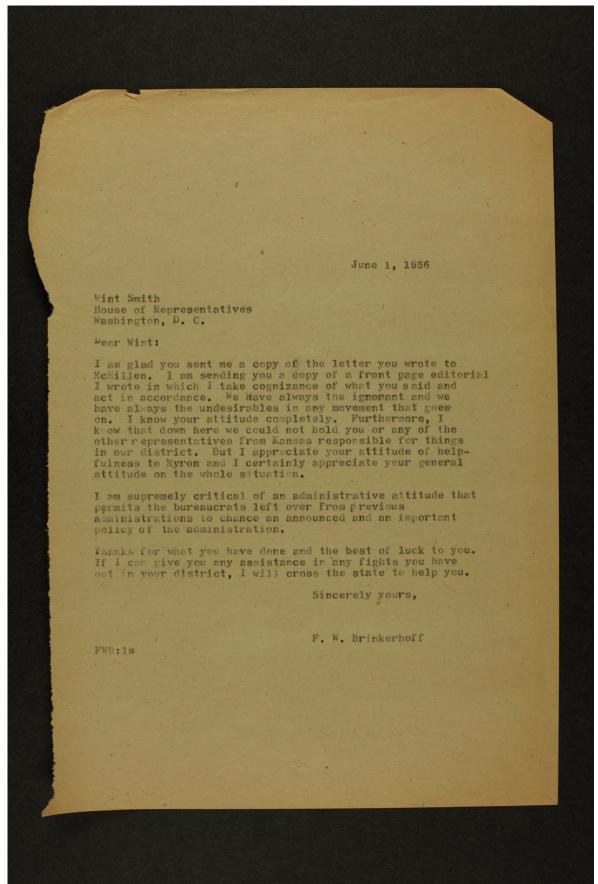




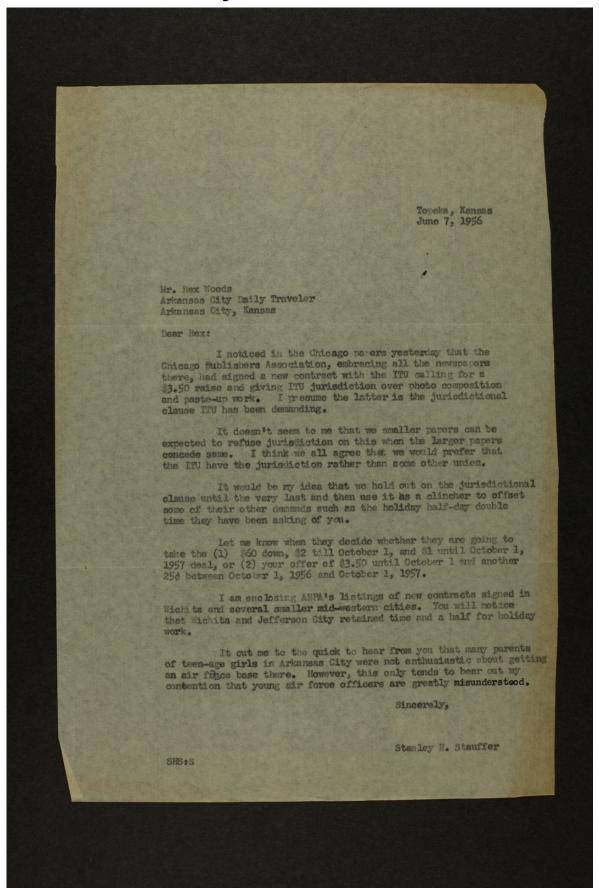




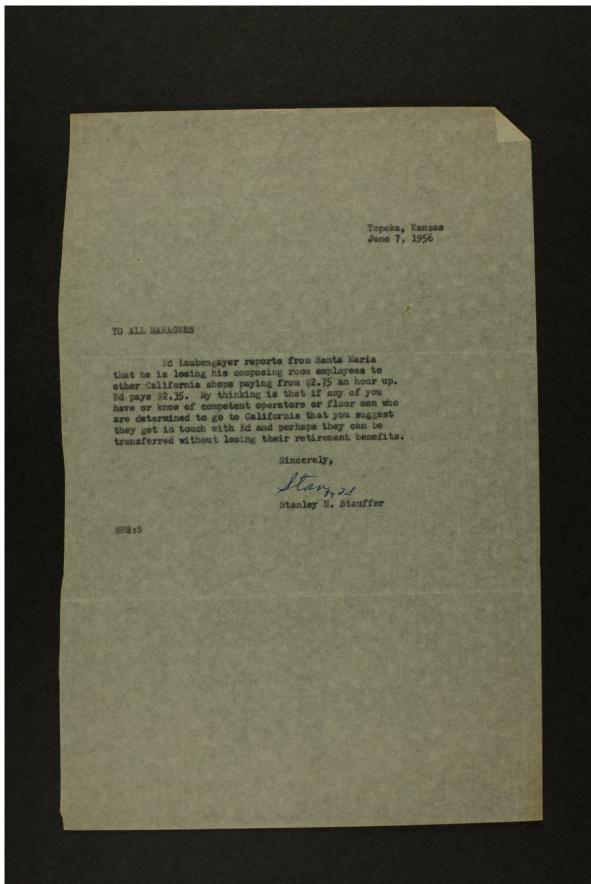






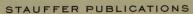








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INCORPORATED

OFFICE OF THE PRESIDENT

Topeka, Kansas June 14, 1956

Mr. F. H. Vandegrift Mr. N. B. Musselman Mr. F. W. Brinkerhoff

Mr. Rex Woods

Dear Brink:

Jim Arnold "Family Weekly" was here Wednesday to sell the supplement to OSS. Dad asked me to apprize you of the deal so you could advise us whether you would like to add "Family Weekly" to your weekend paper.

Starting October 1 the supplement can be had for \$1.95 a thousand, plus baggage. Then starting January 1, 1957, it can be had for nothing except for the shipping charges.

I am enclosing a sample issue.

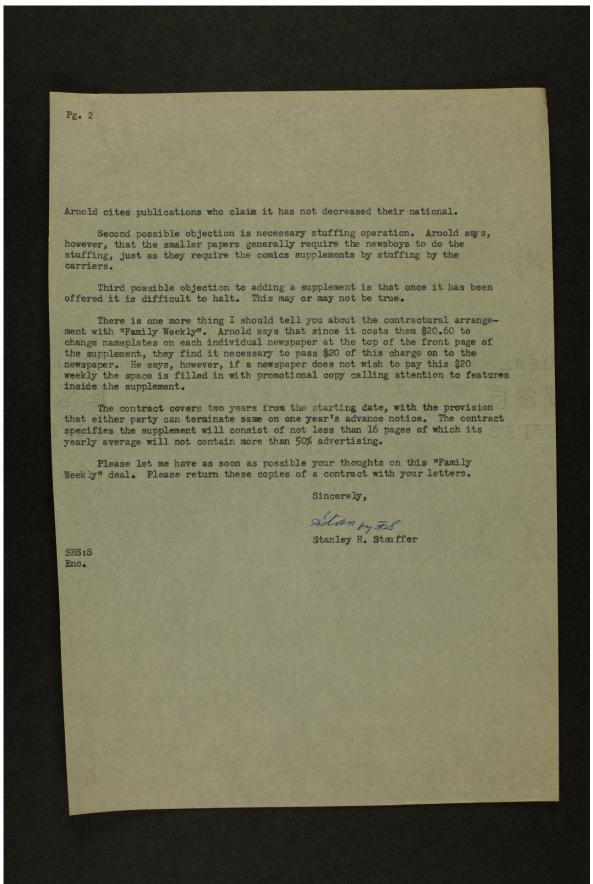
In my opinion it is a good supplement and can help smaller newspapers compete with the voluminous weekend mets. In addition to the supplement itself, "Family Weekly" sends out with the advanced copies about ten days prior to release a weekly group of advertising mats that can be used in local advertising copy. In addition, the merchandising package contains an institutional type mat that can be used on the first page of special sections in the newspaper for such promotions as barbequing, furniture, outdoor sports, boating, paint-up-fix-up, etc. The merchandising package also contains weekly a list of retail outlets in your city where products advertised in the supplement can be bought. Obviously, this list can help get tie-ins that can be run in conjunction with the ads appearing in "Family Weekly". One more item contained in the merchandising package is an index of editorial matter in the forthcoming supplement. This index can be used for advanced promotion or for a page one promotional piece calling attention to the accompanying supplement.

Arnold called attention to Paragraph 4 in the enclosed sample contracts. The paragraph cites how the newspapers may receive a pro rata share on 40% on all net advertising revenue carried in excess of weekly average of 7 pages of advertising during the year.

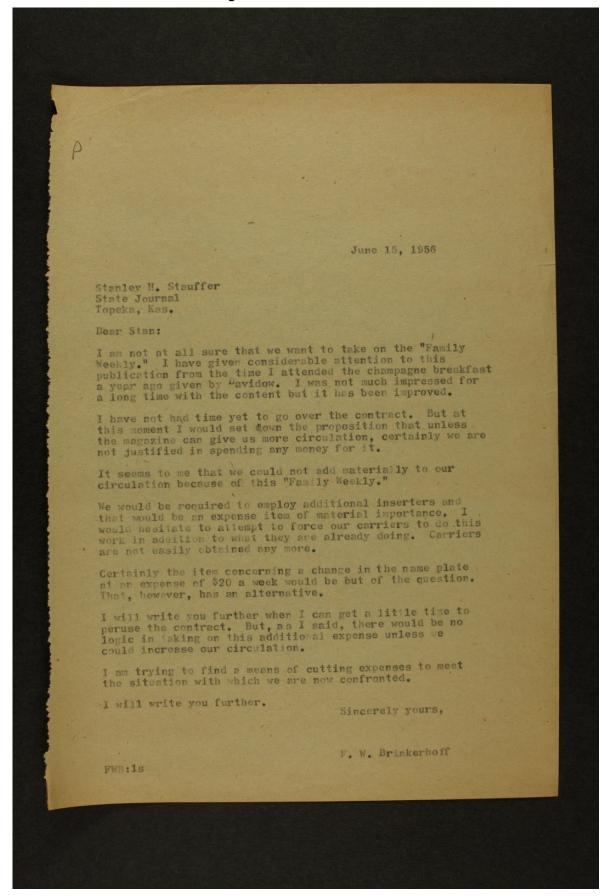
There seems to be only three possible liabilities connected with adding a supplement like "Family Weekly".

First is the possibility that iterobs subscribing papers of black and white national advertising. This can be argued. However, Arnold claims that if there is such loss it would be most apparent to larger papers of around 100,000 or more circulation who get in on more and larger national schedules.

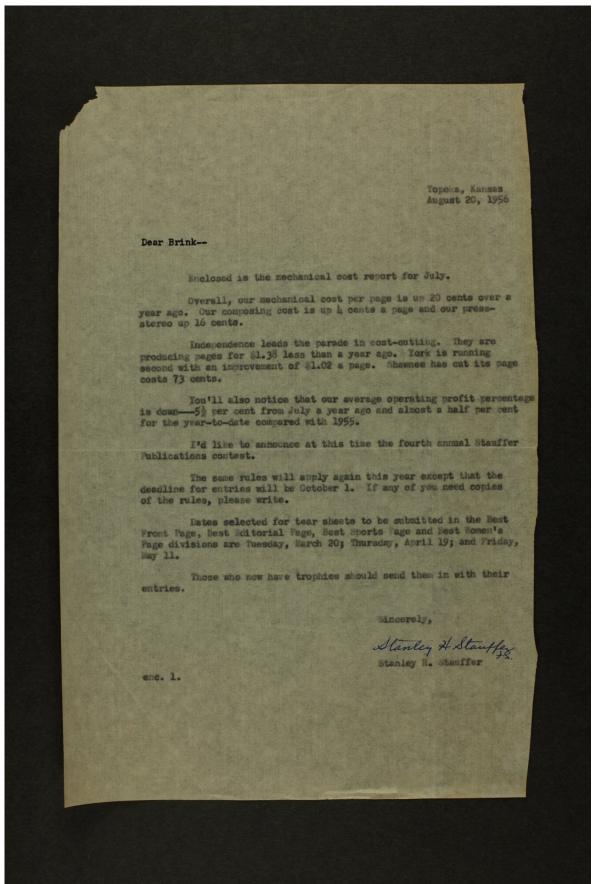




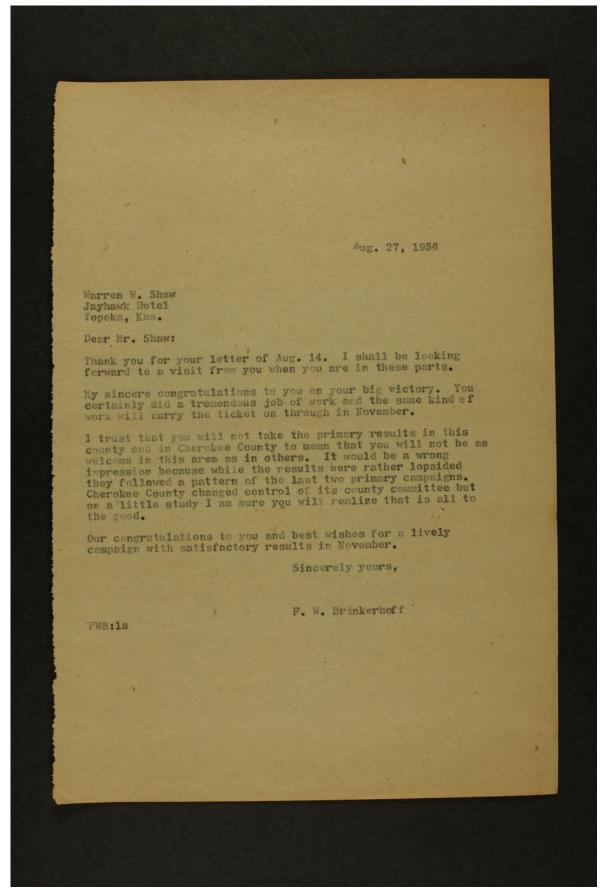




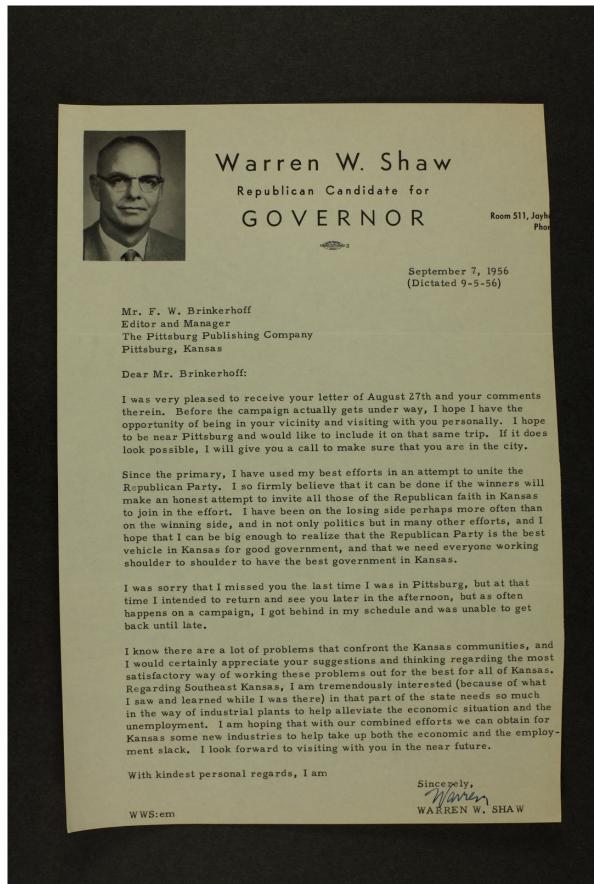




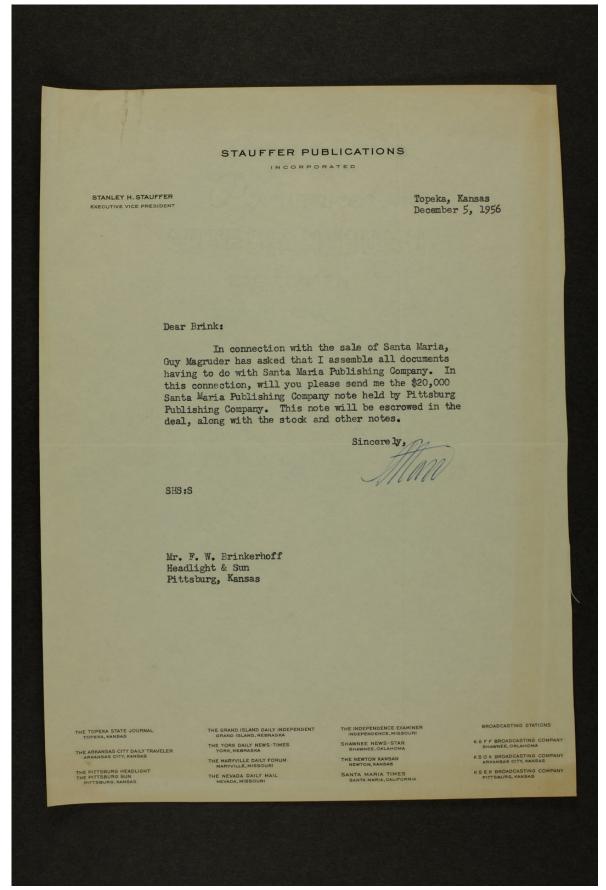




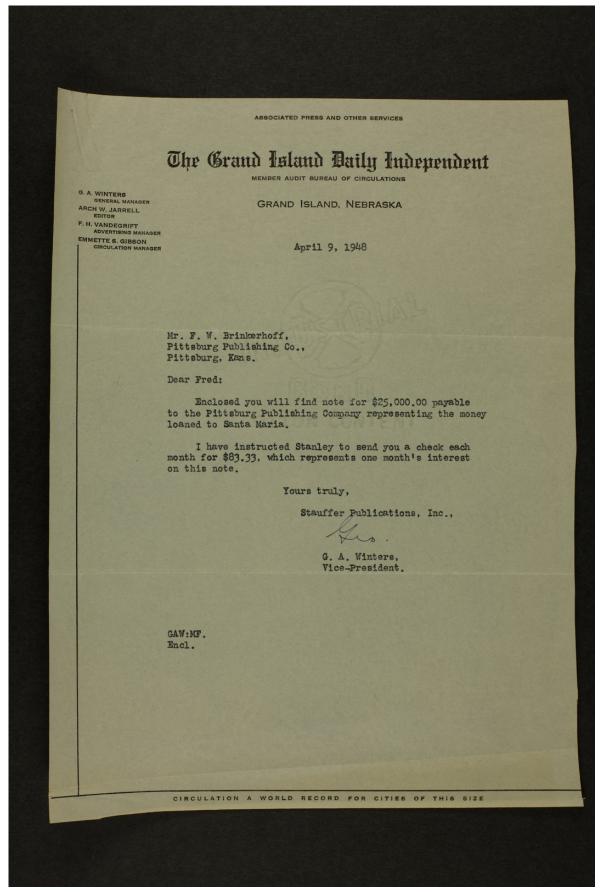




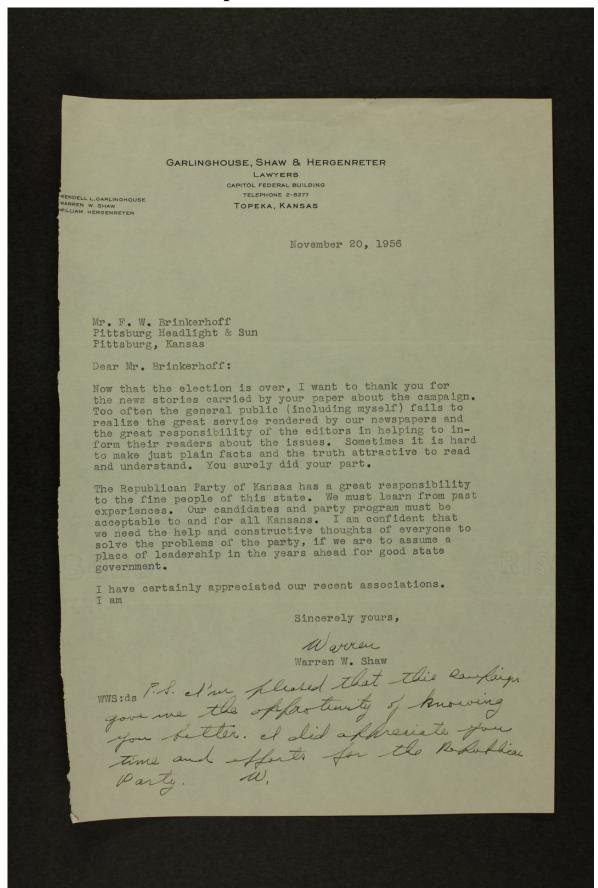














#### Frederick W. Brinkerhoff correspondence

ESTABLISHED IN 1916

JOHNSON-STEPHENS & SHINKLE SHOE CO.
SAINT LOUIS
U. S. A.

MGLEOD STEPHENS

December 10, 1956

Mrs. Pearl Brinkerhoff, 307 West Jefferson St., Pittsburg, Kansas.

Dear Mrs. Brinkerhoff:

Our records indicate that 1530 shares of Common Stock of the Johnson, Stephens & Shinkle Shoe Company are held in your name. For sometime now we have had a number of requests from some of the younger as well as new employees in our organization to purchase shoe company stock. The stock is rather closely held, and while it appears on the Midwest Stock Exchange, there is as you no doubt know, relatively little activity on it and consequently limited opportunities for our employees to acquire it. We approve of the principle of having our employees own the stock and it is with this purpose in mind, to help them obtain it, that we are taking the liberty of writing to you.

We want to tell you right at the start however, that our business is going along very well. This past year we will show a nice increase in volume and profits, however we plan to go into a costly modernization program of our factory facilities and I think it is only fair to tell you that at the moment we have no plans for increasing dividends as we feel we will need as much working capital as possible to finance this program. I am personally most optimistic about the future of our company. I tell you this in all honesty because I would not want to influence you in disposing of your stock and then later on have you feel that we were withholding information from you or trying to influence you against your better judgment.

However, there always remains the possibility that for some reason unknown to us, you might consider or be planning to dispose of your shoe company stock. If this should happen to be the case, the company would be interested in obtaining it so that we could give our own employees an opportunity to buy the stock for themselves.

If you have any questions at all in this regard we would be most happy to discuss them with you. I do hope you will give this some consideration, and would appreciate a note from you so that I will have some basis on which to discuss the situation with our employees who have been trying to obtain shoe company stock.

With kindest personal regards, I am,

Sincerely yours,

CLeod Stephen

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