

# Business

## Roosevelt, breeder of cattle, begins new venture

By Dan Gordon  
Journal staff writer

**POUGHKEEPSIE** The Clove Creek Farm is an idyllic spot in southern Dutchess County where owner Franklin D. Roosevelt Jr. breeds prize cattle and trains sleek horses.

The Clove Creek Farm has also become the unlikely setting for a new Roosevelt venture — a moped company called Transamerican Roosevelt Industries, Inc.

The assembly of the new Lazer Sport 50 Moped is just beginning. In the next week, the first mopeds (motorized bicycles) will be sent to distributors across the country.

Roosevelt, chairman of Transamerican Roosevelt, said he expects 8,000 of the mopeds to be assembled by the end of this year, and another 25,000 in 1978.

The moped has become the rage in the United States, but Roosevelt is not alone in trying to take advantage of the situation. About 25 companies have jumped into the moped market in recent years.

Tom Craven, sales manager for Transamerican Roosevelt, predicts that 40 per cent of these companies will fail in the next year because they do not have good organization or a good product.

Roosevelt and firm president Peter Schoonmaker said they believe the moped will not be a leading fancy for the American public.

"Mopeds are not going to be a fad, because they serve a purpose," Roosevelt said. "With gas prices being so high, the moped is well suited for America right now."

In Western Europe where gas has always been significantly more expensive than in America, there are now 18 million mopeds on the road, according to Roosevelt.

And now the moped's time has arrived as a primary means of transportation in America," he said.

Legislation in various states which has freed the moped from the motorcycle classification has been the principal factor behind the vehicle's meteoric popularity.

In many states, moped drivers no longer need a motorcycle license, insurance or have to wear a helmet.

However, the rules regulating the use of mopeds differ in each state which creates a great deal of confusion. In some states, the speed limit for the moped is 17 miles per hour, while in others it is 30 m.p.h. All this produces headaches for the moped manufacturers.

Earlier this month both the state Assembly and Senate approved a compromise moped bill which allows a person 16 or over to ride a moped without wearing a helmet or buying insurance, so long as the moped does not go faster than 20 miles an hour. Riders of faster mopeds will need helmets and insurance.

However, the legislation will require all operators of mopeds to register their vehicles and to have a driver's license.

Starting a moped company from scratch is a difficult undertaking. But Roosevelt's experience as an importer and distributor of Fiat and Jaguar automobiles has been a great aid, he said.

Roosevelt introduced Fiat cars to America on a large scale when he became the sole American distributor for the Italian company in the late '60's.

"Starting the moped company is like a baby Fiat operation," he said. "Everything is patterned after the way the Fiat organization was set up."

Roosevelt and Schoonmaker, who is married to one of Roosevelt's nieces, began looking into mopeds last year independently of each other.

"The price of gas was going to go sky high, and I thought that the time was right for mopeds," Roosevelt said.

Roosevelt and Schoonmaker started discussing the situation and decided to set up Transamerican Roosevelt this past winter.

They import the frame for the moped from Taiwan and the engine from Italy. The simple assembly has been performed in Poughkeepsie.

The assembly line is presently being installed in an unused barn on the Clove Creek Farm. About



Peter Schoonmaker, right, and Franklin D. Roosevelt Jr. ...in warehouse with boxes containing mopeds.

six to eight persons are employed for the assembly work.

Roosevelt said he expects that bigger facilities will be found as the business expands, but he intends to keep the assembly work in the Poughkeepsie area.

The company's main office is located in another building on the farm. From the outside, the building looks like just another farm structure, but the well-to-do carpeting and the rows of modern desks give the inside a

smooth corporate look.

Craven, who quit as a sales training manager for Xerox corporation to join Roosevelt's moped company, is currently lining up businessmen for the United States and Caribbean. He said he expects to have a sales force of about 20 persons.

There are plans to open warehouses in California and Florida, but Roosevelt said the headquarters will always remain in Dutchess County.

To start up the business, more than \$1 million in capital was needed, and more than \$2 million will be required if sales are healthy, according to Schoonmaker.

The Lazer Sport 50 will be the firm's quality model and it will retail at about \$215, according to Craven. Two more models, an intermediate-priced and lower-priced bike will be introduced next year he added.

Right now, the activity at the Poughkeepsie office is frantic as the operation gets off the ground with the hiring of salesmen and the receipt of business orders. Schoonmaker, who is the chief operating officer, says that 12 to 14-hour workdays are normal.

However, Schoonmaker and his boss, Roosevelt, show few jitters about the future of the moped company. With their product and with the present market in America, they view success as a sure thing.

## She runs odd shoe firm

By David Larnes  
Los Angeles Times writer

**SANTA MONICA, Calif.** — Mrs. Ruth Rubin Feldman is the biggest matchmaker since Cupid.

For 37 years now she has been bringing happy couples together. They exchange shoes with each other.

The reason is that they have one foot smaller than the other. If they didn't swap shoes with each other, then every time they wanted new ones they would have to buy two pairs.

"That is the way it was going up in St. Louis," Mrs. Feldman recalled. "Because I had polio, my left foot was smaller than my right by a size-and-a-half."

After constantly turning out money for two pairs of shoes, Mrs. Feldman called the local polo society and got a list of people with the same problem as hers.

So began the National Odd Shoe Exchange (NOSE).

"I soon discovered there are thousands of people with different size feet," Mrs. Feldman said. "It was just a matter of matching them up."

"I myself began trading shoes with a girl in Durban (Calif.) I still do."

Working out of a file cabinet, and then taking it with her when she moved to Southern California, she has saved countless friends countless dollars by finding them

— with opposite-size feet and similar tastes in styles.

"For instance, I got a Texas woman and a Virginia woman in touch with each other," she went on. "For 10 years they have been exchanging shoes — and they have never even met each other."

For a token fee of \$5 to cover the paperwork, a subscriber gets his application into the files and is sent names and addresses of other persons around the world with opposite mismates.

"Sometimes, after years, I'll hear from a subscriber seeking a new name from the files," Mrs. Feldman said. "I got a letter like: I need another mismatch. My foot grew."

Through the introductions of the National Odd Shoe Exchange, lifetime friendships have been formed. In one case a brother looked up his sister's mismatch and eventually married her.

But mostly the benefits of the service are financial. It may not thrill the shoe stores, but the people involved would rather pay through the NOSE.

## Your money

By Alexander Auerbach  
Washington Post writer

Q. Your Money has received questions concerning the value of the following coins and currency: a \$3 bill produced by the Republic of Texas, dated Sept. 1, 1841; Indian head penny, 1865; an 1861 dime; an 1865 quarter, and a 1974-D copper penny, laminated with a white metal core. And, asks one reader how do you find a honest coin dealer?

A. That \$3 bill was common before the Civil War. It was produced either by private banks or states and, depending on condition, has a value range of \$100. A coin's value is directly dependent on its condition. More-circulated coins

show wear and are worth less than noncirculated coins. The Indian head penny, 1865-99, isn't rare; it's worth between 75 cents and \$40. The 1861 dime is scarcer and could have a value of up to \$700. The 1865 quarter is common and carries a price tag of up to about \$2. The 1974-D (for Denver mint) copper penny sounds like someone was grinning the coin, says a local coin dealer. A honest dealer? Belonging to the Professional Numismatic Guild (PNG) is one criterion. And checking on dealers with fellow collectors is another way to determine whether you're dealing with a reputable house.



Ruth Rubin Feldman displays ...available shoes

## Copper becoming metal submerged in red ink

By Roger Smith  
Los Angeles Times writer

Copper, the red metal valued for decades for its durability and conductivity, is rapidly becoming a metal submerged in red ink.

"It's a disgrace," an executive of one Arizona copper mining company. "The industry is just going in the ditch."

The \$1.5 billion domestic industry, which supplies refined copper for everything from pennies to auto radiators, is beset by a series of calamities, including a strike which began last week at most of the nation's copper mines.

But more serious is a long-term depressed outlook for worldwide copper demand in the face of major new additions to capacity. "The supply-demand balance in the industry continues to deteriorate," says one New York-based industry analyst.

U.S. copper consumption, which closely follows the performance of the economy, has begun to develop long-run weaknesses. Cheaper alloys are replacing copper in formerly strong markets, such as coatings.

And new technologies threaten to encroach on other markets, such as communications. Satellites, for example, have made large coaxial cables unnecessary for long-distance communications.

The massive wiring needed for computers is being replaced by microprocessor silicon chips. Plastic can substitute for copper in more and more uses, from plumbing to housing.

Thousands of tiny beams of light smaller than copper wires are being used to meet federal fuel economy standards the need for copper diminishes.

Electric utilities a major customer of copper for use in transmission from power plants, are cutting back expected purchases as electrical demand growth rates slow.

In all, say copper industry analysts, the industry can look forward to only a slight increase in demand over the next three to five years as the domestic economy expands.

But massive increases in supply are wiping out profits at most mines. Mosaic International Ltd. of Newport Beach, Calif., estimates that world refined copper inventories will stand at 23 billion tons by year's end roughly a three-month supply at current world consumption levels, and will rise to 4 billion tons by 1980.

"We've gone from an industry ruled by supply and demand to an industry ruled by social, political

and balance of payments considerations," says Richard L. Knight, a group vice president at The Atlantic Richfield Co.

By that Knight means that the traditional domination of copper production by Western nations has ended. New less-developed nations such as Zaire, Zambia, Peru and Chile dominate world output, and they are less concerned with profit and loss than keeping employment up and using copper to balance imports of oil and industrial goods.

After Chile nationalized U.S.-run mines in that nation, for example, the work force at the mines grew from 8,000 to 12,000, with no major increase in output. Zambia depends on copper for 90 per cent of its foreign exchange.

"U.S. copper companies, which produce almost 2 million tons a year of refined metal, now find

world prices well below cost of production. U.S. producer prices based on return on investment are near 70 cents a pound, but prices on the London Metal Exchange are below 60 cents.

So most mining companies were willing to sit out a long strike by unions of the United Steelworkers this summer in hopes that inventories would decline and the miners' wage demands would soften. But Kennecott Copper Co. and Newmont Mining Corp. agreed to a quick and surprisingly generous settlement, boosting wages roughly 12 per cent over three years. Kennecott, with \$1.1 billion in cash from the sale of Peabody Coal Co. and Newmont, with the diversification acquired in the purchase of Peabody, are probably the two copper companies best able to survive a shakeout in the industry.

Copper has gone through violent swings in price and supply before. "This industry can operate for quite a time below cost," says one executive who declined to be identified. But unlike the past, there is no foreseeable end to the downhill slide.

Analysts are reluctant to name vulnerable U.S. copper companies. But the traditional customers of U.S. mines are clearly slipping away to cheaper foreign suppliers.

Simon D. Strauss, vice chairman of Anaconda Inc., formerly American Smelting and Refining Co., maintains that foreign production will eventually start to drop.

"These countries are not only experiencing serious transport problems, but they have difficulty in recruiting the skilled technicians they need," he says. But other executives bitterly

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