

business

WWZU rocks to a new beat

By JUDY FISHER
Collegian Business Writer

Listeners of rock music and advertisers alike have a new choice in State College now that a Lock Haven radio station has switched its format from country and western to a hybrid of popular hits and album rock.

WWZU — 200-92 FM — changed its format Jan. 1, General Manager John Lipetz said.

The 3,000-watt station in Lock Haven is now targeting its programming to listeners from State College and Williamsport, Lipetz said.

Program Director Mark Williams said the change was controversial for the station's board of directors, but, "we believe there is a need for such a radio station."

"I've never seen phone calls like we're getting now," he said. "I know there's a lot of talk about us."

Part of the incredible response included calls from advertisers wanting to do business with them, Lipetz said.

"We did some market research and found that people were tired of repetitious music."

—John Lipetz, WWZU general manager

They are judging the public's reaction now by logging the number of telephone calls and letters they receive, Williams said.

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Duke Gastiger, owner of The All-American Rathskeller, 108 S. Pugh St., said some of his employees were listening to the new station and tipped his interest in advertising to the new ZOO-92.

Gastiger said the mix of rock music is what listeners like about the station, adding that he thinks the music will appeal to the 21 and older crowd.

"I think it will become a popular radio station," Gastiger said.

He said he has spoken to people at ZOO-92 and they are more flexible with advertising than other stations have been.

Bill Landis, program director for WXLN, 421 E. Beaver Ave., said he has not yet felt any competition in advertising from ZOO-92, and does not think X-103 will be affected much.

"They're going after a different target audience," Landis said. "We appeal to a wider age range — 18-49." The general manager of WYWK Clearview Ave., was not available for comment.

Although some State College residents may have trouble receiving ZOO-92's signal, the FCC regulations do not allow the radio station to increase their wattage. But, Williams said the station will make the sound cleaner and punchier.

Schnapps profits flourish as new flavors enter market

By W.T. HOLLAND
Collegian Staff Writer

Profits in flavored schnapps were indeed "fruitful" in 1985, sending bartenders in a frenzy to create new concoctions and consumers to the liquor stores in record numbers, said experts from the distilled spirits industry.

Schnapps, the alcohol cordial that traditionally left American palates smacking only peppermint, spearmint and cinnamon, has undergone a flavor explosion in the last three years.

Not since Bailey's Irish Cream came into the markets has the distilled spirits industry seen such a sales phenomenon, said Emil Pavone, spokesman for National Distillers of New York.

His company holds the claim in this country to Original Peachtree Schnapps. Made by John DeKyper and Sons of Holland, National Distillers placed DeKyper Original Apple Barrel schnapps on the market in October 1983, and sold 5 million bottles during the first year, he said.

"(Peachtree Schnapps) took our heads off," Pavone said in comparison. "You wouldn't believe it. In one year we sold 12 million bottles — before any consumer advertising began."

That translates to over 1 million cases of Peachtree produced in the first year and marks the first time in 50 years — since the repeal of Prohibition — that a million cases of a spirit beverage was sold by a single distiller, Pavone said. He said the sales were remarkable for a product that relied on word-of-mouth for its promotion.

The industry is barred from using electronic advertising media, Pavone said.

Although figures for 1986 have not been tallied, Peachtree is expected to be the forerunner in the schnapps market for last year.

Louisville-based competitor, Mr. Boston Distillers, entered the market in Fall 1982 by introducing the first break from traditional peppermint, cinnamon, and spearmint flavors. Mr. Boston spokeswoman Donna Anne Hayden said their Apple Schnapps was the first fruit-flavor to hit the industry.

Since then, Mr. Boston has expanded the market with its best-selling Original Strawberry, Choco-Mint, Rootbeer (it froths, just add Club Soda), and the new Nut-Cracker, which goes after the taste buds of the "Amaretto-lovers," Hayden said.

"These are some figures that are just going to blow you away," Hayden said of industry schnapps sales since 1982.

"Sales since that time have increased 500 percent. That's the biggest increase the industry has seen in a long time."

Other distillers have tried to get a piece of the action. According to Market Search, a distilled spirits and wine trade journal, Hiram Walker Distillers introduced Cider Mill apple-flavored and Orchard Orange schnapps last year, and is also expected to make a good market showing this year. They also introduced Hazelnut, Wild Strawberry, and Apricot, according to the trade journal.

Overall schnapps sales statewide edged to 135,000 cases last year, according to reports supplied by the Pennsylvania Liquor Control Board. Of those sales, 111,455 were of DeKyper Peachtree schnapps. PLCB spokesman Robert Pleasa see SCHNAPPS, Page 3.

Gramm-Rudman:

Reduce the deficit, but at what cost to the nation?

It's that time of the year again. The time of the year when the members of Congress converge on Capitol Hill to begin preparing the 1987 fiscal budget that will take effect on Oct. 1.



Paul D. Fero

What's the big deal this year you may be asking?

Well, the big deal is the federal deficit. The federal deficit has skyrocketed to an astronomical amount of \$144 billion. To illustrate how much the government owes, imagine this hypothetical situation.

For a person to earn \$144 billion, he or she would have to draw a salary of at least \$100,000 a day for almost 3,945 years!

Just how did the federal deficit climb to be \$144 billion? Looking at the past, particularly President Reagan's past, may give the answer.

Remember David Stockman, the conservative budget director, who said years ago that the federal deficit should be reduced immediately. At that time the deficit was around \$30 billion. Congress was concerned, but seemed to be preoccupied and did absolutely nothing — ignoring Stockman. Makes you wonder why he left?

Consistent overspending has endangered our economy and now has put the federal government into a desperate situation. As a result the Gramm-Rudman law was passed. The law reflects a sense of desperation and imposes new rules, raising the stakes, and uncertainties in the coming year. Only now the administration is realizing the complex rules of the Gramm-Rudman law which envisions a balanced budget by 1991.

It is currently projected that the federal deficit would rise to \$220 billion at the conclusion of this fiscal year. However, one of the new rules, which takes effect March 1 — before the next fiscal year — will make initial reductions of \$11.7 billion.

Due to the large amounts of cuts being taken, some Congressmen have proposed ways to increase revenues. Such increases would come from raising income taxes, introducing a national sales tax, or compiling a value-added tax — the VAT would come from taxing products during their production.

All of these are interesting ideas especially to voters. As a result of the Gramm-Rudman law many Republican politicians in Washington may find themselves replaced by Democrats this November.

With all of the rules and regulations contained in the Gramm-Rudman law, one would think that a translator is needed to interpret this complex garbage. Simply translated, the people that are currently suffering are going to suffer even more.

Farmers, students, and the middle-class are going to be the ones caught in the middle of this budget cutting war. For example, some cuts to

be made by the Gramm-Rudman law, compiled from The Wall Street Journal and The Centre Daily Times, include:

- The Agricultural Service, which handles most of the farm programs — \$4.36 billion. The Commodity Credit Corp. which finances the programs — \$824.6 million.
- The Department of Education — \$170.9 million.
- The Farmers Home Administration — \$154.3 million.
- Forest Services — \$71.9 million.
- Foreign Assistance Programs, including Food for Peace — \$65.7 million.
- Soil Conservation Service — \$24.2 million.
- Food Safety and Inspection Service — \$16.3 million.
- Medicare — subject to a limited cut of 2 percent.

Although these are only domestic programs, the defense budget will also be hit with a \$5.85 billion reduction. The interesting point to this is that the hardest hit will be the Coast Guard and the Customs Service.

The constitutionality of the deficit-reducing law is currently being challenged by several Congressmen. If the law is ruled unconstitutional by the U.S. Supreme Court, a fall-back procedure will take effect, decreasing the deficit. But the fall-back procedure probably will not have such a drastic impact on the economy.

So far now, all we can do is wait and see what lies in the future.

Paul G. Fero is a Junior majoring in finance and a business columnist for The Daily Collegian. His column appears every other Thursday.

SCNAPPS

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Ford said the state market last year only offered five flavors. Now over 40 varieties, including butterscotch, licorice, blackberry and cola flavors, are offered.

Ford said the state liquor control board is now beginning shipments of an imported brand of schnapps under the Bols' label, which boasts an abundance of 23-karat gold flakes in every bottle.

"You just drink (the gold flakes) right down," Ford said. "I suppose they consider it as good for you as iron or the other minerals."

Spokesmen from both National and Mr. Boston credit a number of American trends with the schnapps success. Taste has become increasingly important in the American lifestyle, Hayden said.

Hayden said schnapps targets a young generation used to consuming large quantities of sweet, carbonated beverages.

"This generation, Coke... the Pepsi generation, whatever you want to call them, is really interested in flavor."

Pavone claimed that National's DeKyper line now holds the flavor edge, due to "a real technological breakthrough in extracting fresh fruit flavors at low temperatures," he said. He added that since National's schnapps contains only 48 proof alcohol content — or half the alcohol in comparable amounts of whiskey, vodka, or gin — the new products appeal to calorie- and alcohol-conscious Americans.

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January 30, 31 and February 1

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SAVE UP TO 60%

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Thurs. 9:30-8:30
Fri. 9:30-5:30
Sat. 9:30-5:30
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- Suits
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Extra Special: Rummage Table of Shirts & Trousers Values to '42 99¢ Selection of Dexter, Puma and Walk-Over Shoes 1/2 OFF

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ALL BOOTS AND HANDBAGS 30% to 50% OFF!

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