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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

[X] QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended October 3, 1999

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number 0-1088

KELLY SERVICES, INC.

(Exact name of Registrant as specified in its charter)

DELAWARE	38-1510762
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

999 WEST BIG BEAVER ROAD, TROY, MICHIGAN 48084

(Address of principal executive offices)
(Zip Code)

(248) 362-4444

(Registrant's telephone number, including area code)

No Change

(Former name, former address and former fiscal year, if changed since last report.)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No ___

At November 5, 1999, 32,381,813 shares of Class A and 3,510,406 shares of Class B common stock of the Registrant were outstanding.

KELLY SERVICES, INC. AND SUBSIDIARIES

KELLY SERVICES, INC. and SUBSIDIARIES

STATEMENTS OF EARNINGS
(UNAUDITED)
(In thousands of dollars except per share data)

	13 Weeks Ended		39 Weeks Ended	
	Oct. 3, 1999	Sept. 27, 1998	Oct. 3, 1999	Sept. 27, 1998
Sales of services	$ 1,092,002	$ 1,032,875	$ 3,184,744	$ 2,993,543
Cost of services	893,900	846,094	2,617,537	2,461,108
Gross profit	198,102	186,781	567,207	532,435
Selling, general and administrative expenses	155,390	145,404	463,770	432,057
Earnings from operations	42,712	41,377	103,437	100,378
Interest (expense) income, net	(309)	841	(147)	2,327
Earnings before income taxes	42,403	42,218	103,290	102,705
Income taxes	17,385	17,315	42,350	42,115
Net earnings	$ 25,018	$ 24,903	$ 60,940	$ 60,590
Earnings per share:				
Basic	$ .70	$ .65	$ 1.70	$ 1.58
Diluted	.69	.65	1.69	1.58
Average shares outstanding (thousands):				
Basic	35,868	38,271	35,842	38,228
Diluted	36,060	38,419	36,000	38,446
Dividends per share	$ .24	$ .23	$ .71	$ .68

See accompanying Notes to Financial Statements.

KELLY SERVICES, INC. and SUBSIDIARIES

BALANCE SHEETS AS OF OCTOBER 3, 1999 AND JANUARY 3, 1999
(In thousands of dollars)

ASSETS	1999	1998
CURRENT ASSETS:	(UNAUDITED)	

Cash and equivalents	$ 54,671	$ 59,799
Short-term investments	5,999	12,069
Accounts receivable, less allowances of $14,265 and $13,035, respectively	620,643	584,653
Prepaid expenses and other current assets	19,248	15,012
Deferred taxes	47,583	48,343
Total current assets	748,144	719,876
PROPERTY AND EQUIPMENT:		
Land and buildings	48,890	44,135
Equipment, furniture and leasehold improvements	232,352	179,707
Accumulated depreciation	(97,966)	(77,491)
Total property and equipment	183,276	146,351
INTANGIBLES AND OTHER ASSETS	108,010	98,020
TOTAL ASSETS	$ 1,039,430	$ 964,247
LIABILITIES & STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Short-term borrowings	$ 49,150	$ 47,629
Accounts payable	57,055	79,089
Payroll and related taxes	246,839	195,670
Accrued insurance	69,484	66,830
Income and other taxes	45,983	37,265
Total current liabilities	468,511	426,483
STOCKHOLDERS' EQUITY:		
Capital stock, $1 par value		
Class A common stock, shares issued 36,559,993 in 1999 and 36,540,770 in 1998	36,560	36,541
Class B common stock, shares issued 3,555,873 in 1999 and 3,575,096 in 1998	3,556	3,575
Treasury stock, at cost		
Class A common stock, 4,223,840 shares in 1999 and 4,301,321 in 1998	(80,211)	(81,669)
Class B common stock, 7,767 shares in 1999 and 1998	(248)	(248)
Paid-in capital	15,665	14,844
Earnings invested in the business	608,008	572,517
Accumulated foreign currency adjustments	(12,411)	(7,796)
Total stockholders' equity	570,919	537,764
TOTAL LIABILITIES & STOCKHOLDERS' EQUITY	$ 1,039,430	$ 964,247

See accompanying Notes to Financial Statements.

KELLY SERVICES, INC. AND SUBSIDIARIES

STATEMENTS OF STOCKHOLDERS' EQUITY
(UNAUDITED)
(In thousands of dollars)

	13 Weeks Ended		39 Weeks Ended	
	Oct. 3, 1999	Sept. 27, 1998	Oct. 3, 1999	Sept. 27, 1998
Capital Stock				
Class A common stock				
Balance at beginning of period	$ 36,548	$ 36,541	$ 36,541	$ 36,538
Conversions from Class B	12	--	19	3
Balance at end of period	36,560	36,541	36,560	36,541
Class B common stock				
Balance at beginning of period	3,568	3,575	3,575	3,578

Conversions to Class A	(12)	--	(19)	(3)
Balance at end of period	3,556	3,575	3,556	3,575
Treasury Stock				
Class A common stock				
Balance at beginning of period	(80,635)	(5,958)	(81,669)	(6,029)
Exercise of stock options, restricted stock awards and other	278	10	1,312	81
Treasury stock issued for acquisition	146	102	146	102
Balance at end of period	(80,211)	(5,846)	(80,211)	(5,846)
Class B common stock				
Balance at beginning of period	(248)	(185)	(248)	(185)
Purchase of treasury stock	--	(64)	--	(64)
Balance at end of period	(248)	(249)	(248)	(249)
Paid-in Capital				
Balance at beginning of period	15,448	13,751	14,844	10,980
Exercise of stock options, restricted stock awards and other	151	79	755	2,850
Treasury stock issued for acquisition	66	828	66	828
Balance at end of period	15,665	14,658	15,665	14,658
Earnings Invested in the Business				
Balance at beginning of period	591,599	540,526	572,517	522,039
Net earnings	25,018	24,903	60,940	60,590
Dividends	(8,609)	(8,801)	(25,449)	(26,001)
Balance at end of period	608,008	556,628	608,008	556,628
Accumulated Foreign Currency Adjustments				
Balance at beginning of period	(17,129)	(10,958)	(7,796)	(7,092)
Equity adjustment for foreign currency	4,718	3,890	(4,615)	24
Balance at end of period	(12,411)	(7,068)	(12,411)	(7,068)
Stockholders' Equity at end of period	$ 570,919	$ 598,239	$ 570,919	$ 598,239
Comprehensive Income				
Net earnings	$ 25,018	$ 24,903	$ 60,940	$ 60,590
Other comprehensive income - Foreign currency adjustments	4,718	3,890	(4,615)	24
Comprehensive Income	$ 29,736	$ 28,793	$ 56,325	$ 60,614

See accompanying Notes to Financial Statements.

KELLY SERVICES, INC. AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS
(UNAUDITED)
FOR THE 39 WEEKS ENDED OCTOBER 3, 1999 AND SEPTEMBER 27, 1998
(In thousands of dollars)

	1999	1998
Cash flows from operating activities:		
Net earnings	$ 60,940	$ 60,590
Noncash adjustments:		
Depreciation and amortization	24,044	20,906
Changes in certain working capital components	13	18,817
Net cash from operating activities	84,997	100,313
Cash flows from investing activities:		
Capital expenditures	(60,621)	(39,309)
Proceeds from sales and maturities of short-term investments	671,510	1,312,378
Purchases of short-term investments	(665,440)	(1,292,178)
Increase in intangibles and other assets	(9,195)	(5,491)

Acquisition of companies, net of cash received	(4,189)	(4,642)
Net cash from investing activities	(67,935)	(29,242)
Cash flows from financing activities:		
Increase/(Decrease) in short-term borrowings	1,521	(13,015)
Dividend payments	(25,438)	(26,001)
Exercise of stock options, restricted stock awards and other	1,727	2,931
Purchase of treasury stock	--	(64)
Net cash from financing activities	(22,190)	(36,149)
Net change in cash and equivalents	(5,128)	34,922
Cash and equivalents at beginning of period	59,799	76,690
Cash and equivalents at end of period	$ 54,671	$ 111,612

See accompanying Notes to Financial Statements.

KELLY SERVICES, INC. AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS
(UNAUDITED)
(In thousands of dollars)

1. Basis of Presentation

The accompanying unaudited consolidated financial statements of the Company have been prepared in accordance with Rule 10-01 of Regulation S-X and do not include all the information and notes required by generally accepted accounting principles for complete financial statements. All adjustments, consisting only of normal recurring adjustments, have been made which, in the opinion of management, are necessary for a fair presentation of the results of the interim periods. The results of operations for such interim periods are not necessarily indicative of results of operations for a full year. The unaudited consolidated financial statements should be read in conjunction with the Company's consolidated financial statements and notes thereto for the fiscal year ended January 3, 1999 (the 1998 consolidated financial statements).

2. Segment Disclosures

The Company's reportable segments, which are based on the Company's method of internal reporting, are: (1) U.S. Commercial Staffing, (2) Professional, Technical and Staffing Alternatives (PTSA) and (3) International. The following table presents information about the reported sales and earnings from operations of the Company for the 13-week and 39-week periods ended October 3, 1999 and September 27, 1998. Segment data presented is net of intersegment revenues. Asset information by reportable segment is not presented, since the Company does not produce such information internally.

	13 Weeks Ended		39 Weeks Ended	
	1999	1998	1999	1998
Sales:				
U.S. Commercial Staffing	$ 571,441	$ 572,204	$ 1,685,781	$ 1,668,854
PTSA	236,285	215,179	700,662	635,466
International	284,276	245,492	798,301	689,223
Consolidated Total	$ 1,092,002	$ 1,032,875	$ 3,184,744	$ 2,993,543
Earnings from Operations:				
U.S. Commercial Staffing	$ 51,715	$ 52,250	$ 144,625	$ 144,480
PTSA	14,071	10,891	40,178	31,742
International	11,359	9,559	22,963	17,915
Corporate	(34,433)	(31,323)	(104,329)	(93,759)
Consolidated Total	$ 42,712	$ 41,377	$ 103,437	$ 100,378

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3. Contingencies

The Company is subject to various legal proceedings, claims and liabilities which arise in the ordinary course of its business. Litigation is subject to many uncertainties, the outcome of individual litigated matters is not predictable with assurance and it is reasonably possible that some of the foregoing matters could be decided unfavorably to the Company. Although the amount of the liability at October 3, 1999 with respect to these matters cannot be ascertained, the Company believes that any resulting liability will not be material to the financial statements of the Company at October 3, 1999.

4. Earnings Per Share

The reconciliations of earnings per share computations for the 13-week and 39-week periods ended October 3, 1999 and September 27, 1998, were as follows:

	13 Weeks Ended		39 Weeks Ended	
	1999	1998	1999	1998
Net earnings	$25,018	$24,903	$60,940	$60,590
Determination of shares (thousands):				
Weighted average common shares outstanding	35,868	38,271	35,842	38,228
Effect of dilutive securities:				
Stock options and other	109	67	89	122
Restricted and performance awards	83	81	69	96
Weighted average common shares outstanding - assuming dilution	36,060	38,419	36,000	38,446
Earnings per share - basic	$ .70	$ .65	$ 1.70	$ 1.58
Earnings per share - assuming dilution	$ .69	$ .65	$ 1.69	$ 1.58

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Results of Operations:

Third Quarter

Sales of services in the third quarter of 1999 were $1.092 billion, an increase of 5.7% from the same period in 1998. Sales in the U.S. Commercial Staffing segment were essentially flat. Continued tightness in the U.S. labor market is the principal constraint on growth in this segment. Professional, Technical and Staffing Alternatives (PTSA) sales grew by 9.8% while International sales grew by 15.8% as compared to the third quarter of 1998.

Cost of services, consisting of payroll and related tax and benefit costs of employees assigned to customers, increased 5.7% in the third quarter as compared to the same period in 1998. Direct wage costs have increased from 1998 at a rate somewhat higher than the general inflation rate, due to strong worldwide demand for labor.

Gross profit of $198.1 million was 6.1% higher than the third quarter of 1998, and gross profit as a percentage of sales was 18.1% in 1999 and 1998. Although the total company gross profit rate was consistent with last year, there was an increase in the gross profit rate of the Company's Professional, Technical and Staffing Alternatives businesses, which offset a small decrease in the Company's International segment.

Selling, general and administrative expenses were $155.4 million in the third quarter, an increase of 6.9% over the same period in 1998. Expenses averaged 14.2% of sales as compared to 14.1% in last year's third quarter. The rate of growth of these expenses is attributable primarily to increased depreciation associated with our 1998 and 1999 year-to-date information technology capital investments.

Earnings from operations of $42.7 million were 3.2% greater than the third quarter of 1998. Third quarter net interest expense was $309 thousand, which was a change of $1.2 million from last year's net interest income of $841 thousand. The decrease is attributable to lower cash and short-term investment balances than a year ago as a result of the $76 million utilized in the Company's share repurchase program during the fourth quarter of 1998, and a 54% increase in year-to-date capital expenditures compared to the same period in 1998.

Earnings before income taxes were $42.4 million, an increase of 0.4%, compared to pretax earnings of $42.2 million for the same period in 1998. The pretax margin was 3.9% as compared to 4.1% in last year's third quarter, due primarily to the effect of lower net interest (expense) income noted above. Income taxes were 41.0% of pretax income in the third quarters of 1999 and 1998.

Net earnings were $25.0 million in the third quarter of 1999, an increase of 0.5% over the third quarter of 1998. Diluted earnings per share were $.69 compared to $.65 in the same period last year, a 6.2% increase. The rate of growth of diluted earnings per share exceeded the rate of growth of net earnings as a result of the 2.5 million shares repurchased during the fourth quarter of 1998.

Year-to-Date

Sales of services totaled $3.185 billion during the first nine months of 1999, an increase of 6.4% over 1998. Sales in the U.S. Commercial Staffing segment grew by 1.0%, while Professional, Technical and Staffing Alternatives (PTSA) sales grew by 10.3% compared to last year. International sales grew by 15.8% as compared to the first nine months of 1998.

Cost of services of $2.618 billion was 6.4% higher than last year, reflecting volume growth and increases in payroll rates due to strong demand for labor worldwide.

Gross profit increased 6.5% in 1999 due to increased sales. The gross profit rate was 17.8% for the first nine months of 1999 and 1998. There was a small decrease in the gross profit rate within the International segment, but the overall impact was immaterial.

Selling, general and administrative expenses of $463.8 million were 7.3% higher than last year. The spending rate was 14.6% of sales, 0.2 percentage points above last year's rate. Increased information technology systems depreciation and year 2000 related conversion costs caused the year-to-date increase in the spending rate.

Earnings before taxes were $103.3 million, an increase of 0.6% over 1998. These earnings averaged a pretax margin of 3.2% in the first nine months of 1999 compared to 3.4% in 1998. Income taxes were 41.0% of pretax earnings in the first nine months of 1999 and 1998.

Net earnings were $60.9 million or 0.6% above the first nine months of 1998. Diluted earnings per share were $1.69, an increase of 7.0% as compared to $1.58 in the first nine months of 1998.

Financial Condition

Assets totaled $1.039 billion at October 3, 1999, an increase of 7.8% over the $964.2 million at January 3, 1999. Working capital decreased $13.8 million during the nine-month period. The current ratio was 1.6 at October 3, 1999, and 1.7 at January 3, 1999.

During the first nine months of 1999, net cash from operating activities was $85.0 million, a decrease of 15.3% from the comparable period in 1998. This decrease resulted principally from an increase in the accounts receivable balance. The Company's global days sales outstanding for the 39-week period were 53 days, as compared to 54 days for the same period last year.

Capital expenditures of $60.6 million in 1999 and $39.3 million in 1998 were principally for developing new information systems.

The quarterly dividend rate applicable to Class A and Class B shares outstanding was $.24 per share in the third quarter of 1999. This represents a 4.3% increase compared to a dividend rate of $.23 per share in the third quarter of 1998.

The Company's financial position continues to be strong. This strength will allow it to continue to aggressively pursue growth opportunities, while supporting current operations.

Year 2000 Systems Update

The Year 2000 problem is an issue regarding computer programs and non-information technology systems that use embedded computer chips such as microcontrollers. Many of these programs are unable to distinguish between a year that begins with "20" instead of the familiar "19" and therefore could fail or produce incorrect results.

In 1995, the Company embarked upon a global Year 2000 Project. The project scope includes hardware, software and embedded chip technology. A formal Project Office was established with complete executive sponsorship and funding in February 1997. This initiated a global business system strategy that included a wide-scale Oracle implementation of business and financial systems, plus major enhancements to branch automation systems. Included in these initiatives is the remediation of Year 2000 non-compliant systems.

The Company's State of Readiness

Remediation of Year 2000 non-compliant systems was divided into the following major initiatives: mainframe, client server, domestic and international subsidiaries. The common project phases consisted of: inventory all hardware, software and embedded systems; prioritize systems based on business criticality; complete a risk assessment based on interviews with business users and subject matter experts, analysis of date functionality, and vendor documentation; test and decide to upgrade, replace or retire, as appropriate; internal certification; a return to production and business contingency planning. Compuware Corporation was selected to assist in the inventory remediation and testing process.

The inventory and assessment phase is 100% complete. Remediation and testing is 100% complete for all business critical systems in all business areas. Overall, the project is 98% complete with final testing scheduled for only legally required changes associated with tax, benefit and payroll systems. A freeze on all non-essential systems changes has been put into effect and will remain in effect until after January 15, 2000.

External communications and readiness assessments have been distributed to all customers, landlords, vendors, suppliers and facilities for North America. International communications and assessments were 100% complete at year-end 1998. Ongoing analysis of responses will determine follow-up action including additional contingency plans.

To deal with any unforeseen issues, a Business Continuity Command Center has been established and will be operational at the Company's world headquarters from December 28, 1999 through January 9, 2000. This Command Center will function as a central point of contact to manage and bring resolution to Y2K-related issues. Regional Command Centers will be set up around the world to monitor and report current business conditions as well as invoke continuity plans if needed. Plans have been established to relocate critical business groups to a continuous power site in the event of a widespread power outage.

The Costs To Address The Company's Year 2000 Issues

The total cost of the Year 2000 project is expected to be at least somewhat offset by the benefits to be realized by the Company. These include: enhanced functionality at the branch level; a worldwide inventory of information technology and systems; a high-level documentation of business processes used by strategic business units; rationalization and standardization of diverse information systems; upgrades and standardization of desktop computing; upgrade of wide area network to remote business units; improved software quality assurance; and clean-up and documentation of older program code.

Total cost of the Year 2000 remediation project is estimated to be approximately $21 million. The total amount incurred to date is $18 million, of which $1 million was expended in 1997, $8 million in 1998 and $8 million in 1999. Approximately $8 million of the total cost has been incurred for remediation (code remediation, project management compliance and risk assessment), $7 million for testing, and the balance for contingency development.

The estimated future cost of completing the Year 2000 project is approximately $3 million to be incurred in the fourth quarter of 1999 and early 2000. Of these future costs the Company estimates approximately $1 million will relate to remediation, $2 million for testing and the balance for contingency activities. Funds for the project are budgeted separately from other Information Technology initiatives. These costs are being expensed as an element of Selling, General and Administrative expense and are funded from cash provided by operations.

The Risks Of The Company's Year 2000 Issues

The failure to correct a material Year 2000 problem could result in an interruption, or a failure of, certain normal business activities or operations. Such failures could materially and adversely affect the Company's results of operations, liquidity and financial condition. It is believed the most significant of risks concern the Year 2000 readiness of third party customers and suppliers. Due to the general uncertainty inherent in the Year 2000 problem, resulting in part from the uncertainty of the Year 2000 readiness of third-party suppliers and customers, the Company is unable to determine at this time whether the consequences of Year 2000 failures will have a material impact on the Company's results of operations, liquidity or financial condition. The Year 2000 Project is expected to significantly reduce the Company's level of uncertainty about the Year 2000 problem and through, in particular, the Year 2000 readiness of its internal systems and processes and its assessment of third-party preparedness.

In general, all reasonable steps have been taken or are in process to ensure operations will continue without disruption. Additionally, in the event of circumstances resulting from the failure of a third party, all reasonable steps will have been taken to ensure appropriate contingency plans exist or are being developed to minimize the impact of these failures.

Market Risk Sensitive Instruments and Positions

The market risk inherent in the Company's market risk sensitive instruments and positions is the potential loss arising from adverse changes in foreign currency exchange rates and interest rates. Foreign currency exchange risk is mitigated by the availability of the Company's multi-currency line of credit. This credit facility can be used to borrow in the local currencies that can effectively hedge the exchange rate risk resulting from foreign currencies weakening in relation to the U.S. dollar.

The Company's holdings and positions in market risk sensitive instruments do not subject the Company to material risk exposures.

Forward-Looking Statements

Except for the historical statements and discussions contained herein, statements contained in this report relate to future events that are subject to risks and uncertainties, such as: competition, changing market and economic conditions, currency fluctuations, changes in laws and regulations, the Company's ability to effectively implement and manage its information technology programs, including the Year 2000 project, and other factors discussed in the report and in the Company's filings with the Securities and Exchange Commission. Actual results may differ materially from any projections contained herein.

Companies for which this report is filed are:

Kelly Services, Inc. and its subsidiaries:

- Kelly Assisted Living Services, Inc.
- Kelly Properties, Inc.
- Kelly Professional and Technical Services, Inc.
- Kelly Services (Canada), Ltd.
- Kelly Services (UK), Ltd.
- Kelly Services (Ireland), Ltd.
- Kelly Services (Australia), Ltd.
- Kelly Services (New Zealand), Ltd.
- Kelly Services (Nederland), B.V.
- Kelly Services of Denmark, Inc.
- Kelly de Mexico, S.A. de C.V.
- Kelly Services Norge A.S.
- KSI Acquisition Corp.
- Kelly Staff Leasing, Inc.
- The Law Registry
- Kelly Services (Suisse) Holding S.A.
- Kelly Professional Services (France), Inc.
- Kelly Services France S.A.
- Kelly Formation S.A.R.L.
- Kelly Services Luxembourg S.A.R.L.
- Kelly Services Italia Srl
- Kelly Services Iberia Holding Company, S.L.
- Kelly Services Empleo Empresa de Trabajo Temporal, S.L.
- Kelly Services Seleccion y Formacion, S.L.
- Kelly Services CIS, Inc.
- ooo Kelly Services
- Kelly Services (societa di fornitura di lavaro temporaneo) SpA
- Kelly Services Interim, S.A.
- Kelly Services Deutchland GmbH
- Kelly Services Consulting GmbH
- Kelly Services Interim (Belgium) S.A., N.V.
- Kelly Services Select (Belgium) S.A., N.V.
- Kelly Services Sverige A.B.
- LabStaff Pty. Ltd.
- HTM Group
- Interim Job S.A.R.L.

PART II. OTHER INFORMATION

Item 2. Changes in Securities.

On November 5, 1999, Kelly Services, Inc. ("KSI"), through its wholly owned subsidiaries Kelly de Mexico, S.A. de C.V. and Kelly Properties, Inc., acquired all of the issued and outstanding shares of Manufactura de Alta Tecnologia S.A. de C.V. ("MAT"), Outsourcing de Servicios y Manufactura, S.A. de C.V. ("OSM") and QSM, S.A. de C.V. The companies are engaged in the business of providing employees on a temporary or permanent basis.

KSI delivered 5,188 shares of its Class A Common Stock from Treasury as part of the consideration for the shares. Subject to satisfaction of the conditions in the agreement and adjustment based on the future price of KSI Class A Common Stock and currency exchange rates, KSI will deliver up to approximately 11,000 additional shares over the next two years. The shares of KSI stock were and will be delivered pursuant to an agreement among certain KSI subsidiaries and the holders of the shares of MAT, OSM and QSM. The shares of KSI stock were issued pursuant to Section 4(2) of the Securities Act of 1933 and Rule 506 of Regulation D thereunder. The owners of the companies purchased represented that they, either alone or through their purchaser representative, have such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of an investment in KSI. There were no underwriters or other distributors.

Item 6. Exhibits and Reports on Form 8-K.

(a) See Index to Exhibits required by Item 601, Regulation S-K, set forth on page 16 of this filing.

(b) No reports on Form 8-K were filed during the quarter for which this report is filed.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

KELLY SERVICES, INC.

Date: November 16, 1999

/s/ William K. Gerber
William K. Gerber

Executive Vice President and
Chief Financial Officer
(Principal Financial Officer and
Principal Accounting Officer)

INDEX TO EXHIBITS
REQUIRED BY ITEM 601,

REGULATION S-K

Exhibit No.	Description	Document
4	Rights of security holders are defined in Articles Fourth, Fifth, Seventh, Eighth, Ninth, Tenth, Eleventh, Twelfth, Thirteenth, Fourteenth and Fifteenth of the Certificate of Incorporation. (Reference is made to Exhibit 3.2 to the Form 10-Q for the quarterly period ended June 30, 1996, filed with the Commission in August, 1996, which is incorporated herein by reference).	
27	Financial Data Schedule for nine months ended October 3, 1999.	2

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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE
BALANCE SHEET AND STATEMENT OF EARNINGS AND IS QUALIFIED IN ITS ENTIRETY
BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

1,000
9-MOS
JAN-02-2000
OCT-03-1999
54,671
5,999
634,908
14,265
0
748,144
281,242
97,966
1,039,430
468,511
0
0
0
40,116
530,803
1,039,430
0
3,184,744
0
2,617,537
0
0
0
103,290
42,350
60,940
0
0
0
60,940
1.70
1.69