

## The Chicago Tribune Produces 53% of This Bank's Trust Business

During a recent period a Chicago bank—one of the largest and most important financial institutions in the United States—kept a careful record of the origin of all new trust business. The results were as follows:

The advertising which produced the above extraordinary results appeared in The Chicago Daily Tribune, which has the largest circulation of any daily morning newspaper in the United States. Included in its enormous volume are all the desirable classes of people in The Chicago Territory. Their ready response to advertising in The Tribune is due to the splendid prestige which The Tribune has built up by generations of faithful public service.

The Chicago Tribune MTHE WORLD'S CREATEST NEWSPAPER



times each day by Purchasing Agents, Foremen, Superintendents and others having to do with ordering or specifying.

#### Circulation 80% Domestic-20% Foreign. Its Circulation is 99% paid

 $\mathbf{I}$  is used by them for locating sources of supply as instinctively as the clock is consulted for the time of day. Descriptive and other advertising matter therein automatically comes to the attention of buyers at the important moment when they are interested.

### Costs for one issue—Lasts a year or more

Numerous tests with "Keyed" addresses, etc., have demonstrated beyond question that APPROPRIATE advertising matter in one issue of Thomas' Register averages throughout the year as great and as continuous returns as the same space run every issue for a year in weekly or monthly publications.

## 5980 Advertisements-2315 Advertisers

### THOMAS PUBLISHING COMPANY 129 LAFAYETTE STREET, NEW YORK CITY

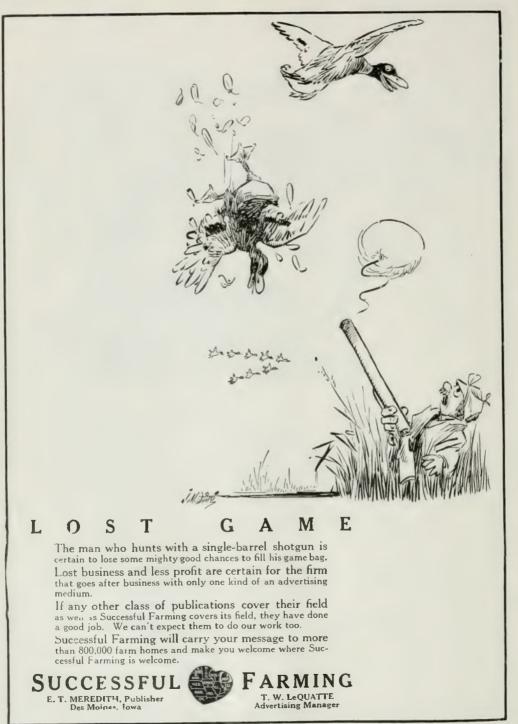
CHICAGO-20 W. Jackson Blvd. BOSTON-Allston Square SAN FRANCISCO-433 California St. TORONTO-91 Constance St.

OVERSEAS OFFICES AND AGENCIES: London, Paris, Amsterdam, Kristiania, Madrid, Genoa, Calcutta, Sydney, Soerabaia, Singapore, Manila, Johannesburg, Cape Town, Durban, Honolulu, Saigon, Shanghai, Kobe, Rio de Janeiro, Buenos Aires, Havana, San Juan, Mexico City.



Holding fast to the high journalistic ideals which have given place and power to the national magazine, the Metropolitan serves the largest magazine-reading group of forward-looking The dominant mark of the Metropolitan is the will Americans. to face the realities of life and the urge of true progressiveness which is the life-giving quality of a magazine as of a nation. A sense of humor and a fine appreciation of balance saves the Metropolitan from the pedantry of the highbrow. So in the pages of the same magazine which told the truth in 1919 about Russia, is found the joyous William Sylvanus Baxter of "Seventeen" fame. And the Metropolitan, which ripped the flub dub and red herring out of the Steel Strike controversy, gives the American public the fresh, charming love stories of Larry Evans.

> Advertising Forms for the Holiday Number **Close November 13th** METROPOLITAN, 432 FOURTH AVENUE, NEW YORK, N. Y.





30th Year

#### OCTOBER 30, 1920

Number 19

## "Efficiency" and the Salesman's Pay

Leading Sales Executives Tell How Their Compensation Policies Succeed—or Fail—in Stimulating Better Selling

WHEN THE Taylor Society, the organization designed to promote interest in and to carry on the work of the "father of scientific management," recently announced that it

intended to make a study of scientific management as applied to selling it aroused in some quarters into which I penetrate what can best be described as a "horse laugh."

"Do they mean to say," scoffed one salesman acquaintance of mine, "that they are going to put the stop watch on us; or are going to examine our bumps to see if we can get the signature on the dotted line in six motions?"

NEED FOR EFFICIENCY

If I were a sales manager and had this particular salesman on my staff I should certainly consider using the

stop watch on him—for I know him as a malingerer. But that is neither here nor there. His comment is typical of what I have heard among wiser, bigger salesmen than he. Even among sales managers with a clear understanding of what the Taylor Society hopes to accomplish there is much honest doubt whether "stop watches, laboratory tests, character analyses and the other tools of the Taylorites," as a trade paper recently put it, can contribute much to the solution of our distribution problem.

On the other hand, however shy of the word "efficiency" the world may have become since the confusion of Wilhelmstrasse, the home of a brand of efficiency that obtained wide pub-

#### By GILBERT EVANS

licity between 1914 and 1918, the world of the sales manager is just as shy of the word "inefficiency"—or is going to be as soon as it realizes that real selling is, perforce, once more

### Paying the Salesman

A questionnaire sent out by ADVERTISING & SELLING on the prompting of an inquirer to one hundred leading sales executives reveals that there is a great divergence of opinion as to the kind of compensation to which salesmen respond most resultfully.

Without venturing any conclusions as to who is right and who is wrong, Mr. Evans discusses the replies in a way which should be helpful to all who are trying to link efficiency with salesmanship.

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in fashion in this buyers' market.

The economic wind, blowing from a new direction this fall, has smashed to smithereens the hothouse roof over the salesman's head. It has put him out in the open where he has got to grow and bear fruit in the shape of orders in despite of a competition and a chilliness of atmosphere to which he has long been a stranger. It has placed the sales manager back on his job as a plain and fancy gardener dealing in hardy outdoor perennials and has put him on his mettle as a producer.

Now one of the best incentives to growth and fructification among sales-

Table of Contents of this issue on page 32 men that I know of is a satisfactory compensation policy, and, certainly, when the Taylor Society convenes its sales conference in New York next month it must take up the question

of making the salesman's compensation plan a more efficient producer of results. As a matter of fact, a committee on sales quotas, headed by Charles P. Staubach, of the Burroughs Adding Machine Company, and M. S. Eylar, of the Elliott-Fisher Company, has already been appointed to that end.

HOW PAY SALESMEN?

How should salesmen be paid? How are salesmen paid? What do sales managers think of their own policies of salesmen's compensation?

Recently ADVERTISING & SELLING Sent out a question-

naire to 100 leading sales executives throughout the country with the aim of obtaining data to satisfy an inquirer who had posed these three questions. One of the replies received stands out clearly in wy mind.

Answering the question: "Why, referring to the incentive it furnishes the salesmen and the economies it effects in selling costs, do you favor your method of compensation?" a sales manager for a big clothing house wrote tersely, "Do not favor it; but have never broken away from old trade custom. The incentive to sell merchandise is too great under our plan. It does not take care of the need of institutional selling."

Yet the policy under which he was

working embraced a straight commission scheme with expenses paid, which has been widely accepted as a satisfactory method of developing and compensating salesmen in many lines of manufacture.

ADVERTISING & SELLING'S QUEStionnaire revealed more than one sales manager thoroughly unsold on his salesmen's compensation policy. It showed some others fairly well satisfied with the effectiveness of their policy as applied to their own lines of manufacture, but hesitant about recommending it to the new manufacturer initiating a sale policy. It found others ready to back their program as a standard practice to be laid down as satisfactory for adoption by all lines not deviating too far in the conditions of selling-from the general run of those producers who approach jobber or dealer or consumer through the medium of the "traveling salesman."

#### CHANGES PROVOKE INQUIRY

Now when the market begins to wobble, as it has been wobbling in the last couple of months, it is high time for the sales manager to sit down and take stock of the relations existing between the salesman and the firm and then to get up and look around for hints as to how they might be improved to the better contentment of the salesman and to the better service of the firm. When the market begins to contract as it has been contracting of late commissions begin to shrink and new and unfamiliar factors enter into the establishment of the quota. When sellingvis et armis-comes into style again. after a long enervating period of order taking certain readjustments are essential and they are not always easily made. As far as the salesman's compensation policy is concerned, these may merely comprehend the fixing of new commission rates or of a fresh bonus percentage basis, or of a different relation between salary and commission or bonus. On the other hand, they may provoke such a reconsideration of the compensation policy as may result in a complete shift in that policy

Thirty-five per cent of the replies received to ADVERTISING & SELLING's inquiry tell me that the sales executives for leading manufacturers and national advertisers who wrote them are working under a salary and bonus policy. A typical instance is that of the Salada Tea Company, of Boston, which, selling to jobbers and dealers, pays the members of its force a salary plus a bonus based on the minimum of ten per cent over the previous year's sales, and increasing so much for each per cent over the minimum. Writing of his experience with this policy, Edgar Pinto, sales manager of the Salada Company, says:

"This bonus stimulates an increase that is essential to the further success of the business. The excellence of a salesman is usually corroborated by his compensation increase and almost in the same proportion."

#### FIFTY YEARS' EXPERIENCE

Another manufacturer who has warehouses all over the country and maintains an enormous sales force wrote:

"We favor the salary and bonus plan as a result of fifty years' experience, during which time the commission basis, salary and commission basis and other plans were tried.

"At the beginning of every year we place an estimate or quota on every salesman, based upon his past year's record and the potentialities of his territory, business conditions, etc. Quotas are established not only on total sales but on the sales of several important products, and bonuses are paid at the end of the year to sales men who have reached their quotas."

The Cleveland Tractor Company, selling to jobbers, pays a monthly bonus based on a sliding scale and increasing as the volume of business increases, extending over a period of one year. The Sturtevant Company adds to its salesmen's salaries bonuses based on volume above a set figure and adds extra compensation for "clean contracts." A great food products company in figuring bonuses takes into consideration the cost of securing the business done through the salesman. The dissatisfied sales manager quoted earlier stated flaty that he favored a salary policy with a bonus system to encourage territorial development. E. C. Atkins & Company, manufacturers of saws, tools, machines and knives, sold to jobber and dealer, works on a fixed quota for the salary and bases the bonus on the kinds of goods sold and the class of trade called upon.

#### CLASSIFYING THE SALES

Incidentally, it is interesting to note at this point a suggestion made in a recent "Business Progress Bulletin" issued by the Alexander Hamilton Institute. Says the writer:

Almost every salesman connected with a specialty house handling more than one line knows that there are certain goods which show more profit and give the house more standling than other lines. Salesmen get bulletins urging them to sell certain lines, but at the end of the month, they are expected to show a certain volume.

Every sales manager can tell how much salary a salesman has been paid, how much his expenses have been, and what his gro s volume for the year was. Very few can tell what kind of goods the salesman sold.

It would be a good plan for sales managers of specialty houses to divide up their merchandise into various classes, pay the salesman a nominal salary, plus a bonus covering the amount of business he turns in, in the various classes. For instance, class 1 would be the class on which the house made the most money. It would be possible for them to pay the salesmen say a bonus of two per cent on all businees turned in on this class; class 2 pays one per cent; class 3 pays one-half per cent and on all other classes pay no homs. In other words, the house makes more profits on the first three classes and it will share with the salesmen on these classes.

By this means the firm's interest and the salesman's interest are put on the same basis and the house and the man go down the line together.

For obvious reasons, the salesman is going to see that his volume climbs along the lines that are wanted developed. Any time the house wants to see the other lines develop, or high bonus lines retarded, simply change the classification, and by so doing sales effort is automatically given direction.

There seems to be a general inclination to regard the salary paid in connection with the favored bonus system as a salary and not as a drawing account merely. One sales manager writes:

"We believe that our men should get a fixed salary large enough to relieve their minds of petty financial worries that might reduce the value of their service to us. Naturally, the man has got to earn that salary or he isn't worth keeping. The kind of man we hire will give his salary's worth of service in the dullest times."

Only ten per cent of the replies to ADVERTISING & SELLING'S inquiry show sales executives favoring the straight salary basis of payment. One writer, representing one of the country's foremost automobile accessory manufacturers, qualifies his approval in this way:

#### WHY SALARIES ARE PAID

"We pay our salesmen salaries only because we feel that this method insurces to a greater extent than any other the strict adherence to our sales policy—so vital to the successful conduct of our business.

"In the case of a line of mediumpriced products for which there is a consistently heavy demand, such as soap, kitchen ware, packaged cereals, etc. (answering another inquiry on the questionnaire), we would recommend a salary and commission basis. These lines are older, much older, than ours and therefore on a more stabilized basis. They could count on reasonably strict adherence to their sales policies while, at the same time, their sales would be kept at a high point through the incentive of commission."

The Pyrene Manufacturing Com-(Continued on page 30)

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## How Advertising Good Will Helps Financing

### National City Company's Ultra-Modern Publicity Merges With That of Advertisers to Move Security Issues

By E. WALTER OSBORNE

From Information Obtained in an Interview With W. M. SAWYER In Charge of Advertising, The National City Company

THE financing of a big business, with its manufacturing and distributing organization, offers probleus that are of keen interest to every reader of ADVERTISING & SELLING, as they link up with the

ever-engrossing subjects that come under the general heading of marketing.

Some time ago we noticed the full-page advertisement of the Firestone Tire and Rubber Company announcing that The National City Company had purchased \$10.000,000 of its preferred stock; in the same paper, a large advertisement by The National City Company offered the stock to the public. The novelty of this treatment furcished an interesting lead, for we found The National City Company one of the most consistent and progressive National Advertisers in America. It employs nearly 200 mediums and serves as a place where many of the well-known industrial corporations go to secure the funds necessary

to meet expanding business needs, due, let us suppose, to equally consistent and aggressive advertising and selling policies. Some prominent advertisers whose issues of preferred stock, bonds or notes have been bought by The National City Company are: Protet & Gamble, Swift & Company, Armour & Company, Groton & Knight, Timken Detroit Axle Company, and the Firestone Tire and Rubber Company, already mentioned, all of whom are among the leaders in national advertising.

#### WHERE ADVERTISING SCORES

And here we have an interesting insight into the value of national advertising to a growing business which requires additional capital to meet the demands of expansion.

The Assistant to the President of The National City Company, Lee Olwell, is one who, from experience, believes that a manufacturer employing consistent national advertising builds up the identity of his company in such a manner and to such an extent that the process of

### THE PUBLIC KNOWS

NOW and again a business man will have recourse to his banker for financial assistance. The extent to which he receives this help depends upon his personal and his firm's standing with the banker, due to his past efforts and record.

In the accompanying article we see another phase of financing—that of huge corporations needing funds for expansion or other purposes —going to the public for such aid through a securities organization.

An interesting point in this subject is the importance attached to the value of past advertising of a firm so desiring public support. It is worth any manufacturer's serious consideration.

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refinancing for greater things is vastly simplified. To quote him:

"The good will and prestige gained through advertising in the normal conduct of a manufacturer's business not only promotes sales but, when the time comes for expansion, through the issuance of bonds, materially assists also in that endeavor, for then, generally, the prospective investors in such securities are familiar in advance with the identity and personnel of the corporation back of the issue and have confidence in it, through familiarity and contidence created for the products previously advertised and marketed.

"When the accumulated effects of the advertising previously done by such interests are combined with the forceful advertising and prestige of the securities house the result is that the "selling load" upon the organization selected to float the issue of securities is considerably lightened and the desired results are obtained with proportionately less effort."

An investment house can well afford, when examining into the history and assets of a corporation de-

siring assistance in selling its securities, to give careful attention to the advertising record of the concern. Advertising, particularly upon a large plane, puts upon the advertiser the obligation to deliver a definite character of goods and service. It is not unreasonable to assume that a concern which has advertised truthfully (and nowadays it is difficult to get by with any other kind of advertising) over a period of years has created something more than mere so-called intangible assets upon which logically to proceed with plans for expan-

A concern doing national advertising on extensive scale for an honest product naturally is bound to experience prosperity and it is with such

prosperous concerns at d not with those which are not earning a marked degree of success, that a reputable investment company must do business for the protection of its clients who to a large extent depend upon the soundness of its judgment in accepting issues of securities for sale.

cepting issues of securities for sale. In a little book, "Men and Bonds," published by this company,\* there appears a brief story of how a company is financed, and we reprint it in full:

"A manufacturing concern in Detroit, let us say, receives orders for its product considerably beyond the capacity of its equipment. It has to provide new credit arrangements. Its Detroit bank suggests new financing, and recommends The National City Company. The subject is broached to the Detroit office of

<sup>\* &</sup>quot;Ment and Bonds" took the only prize given to a book in the one of "The best single prece book in the second of the Financial Advertisers". Association at the 1920 Convention in Indiana; olis of The Advertising Clubs of the World.

ADVERTISING & SELLING



Forward-into the wonderful future!		
The National Vav Company		

One of the "Forward" Series in National

the company, which notifies the buying department in New York. Within a few hours, its experts are inspecting the concern's plant, its carnings, state-ments, and plans for extensions. If the company's decision is favorable, the form company's decision is favorable, the form of security best suited is decided upon and the price fixed to meet the condi-tion of the investment market. The manufacturing concern is provided with new capital, and its bonds, short-term notes, or preferred stock are sold in more than half the states in the Union. "Few people have any idea of the amount of work which precedes public announcement of a new offering. Sev-eral weeks of the most intensive kind of study may result in the rejection of a piece of financing which at first promised to fill a public want."

#### SHAPING UP THE ISSUE AND THE SELLING CAMPAIGN

When an agreement to purchase an issue of securities has been reached, the results of the investigation and study are boiled down it to a statement which forms the basis for advertising the issue. The advertising is not limited to the usual form of a financial offering. Oftentimes the merits of a particular issue are saliently presented in o her ways, as in the advertisement of the Two Rector Street Building Loan, or in the offering of Consumers' Power Company Bonds where points peculiar to those particular issues were made the basis of the advertising

Naturally the first interest of such a company is to create securities which will measure up under the most rigid investigation and to make available to investors everywhere securities which will, insofar as it is humanly possible, aid in the conservation of funds invested; in this way protecting the public from buying into wild-cat enterprises which are so glowingly offered.

Not long ago, the American Magazinc published a story called "The Well Frog" by Ellis Parker Butler. The company secured permission to reprint this, and the result is a neat little brochure carrying on its title page a quotation from the story running as follows

"What we need is a song that would

"Father, dear father, quit buying bum stocks

"Or our whole caboodle will go on the rocks.

This little booklet is sent as an enclosure when the character of an inquiry is such as to suggest its use, and some of the correspondents said there "was plenty of opportunity to use the book.

Newspapers in some lifty dif-



### careful investor studies the security underlying the issues in which he invests.

The services of our experts aid in determining the strength of the issues we offer to you

#### ASK FOR OUR LATEST LIST

Newest Series of Window Cards

ferent cities where offices are located are used regularly once or twice a week. Practically all of these advertisements carry the cut of the seal of the company, which is also used on the office windows and ground floor office doors. The ground floor offices display window posters designed and executed under the supervision of the home office. The originals, by well-known artists, are displayed in the Fifth Avenue office windows, and life-sized photographic copies, colored by hand, are sent to the different offices. The pictures on these posters are also reproduced on bus cards and on stuffers used for mailing.

#### GREAT ATTENTION TO ART WORK

In order to emphasize the policy of the company to constantly change

the art work in its advertising, these pictures are arranged in series runeach. One series is of poster-like effect, another consists of striking silhouettes or highly pictorial drawings, and others in pen or pencil technique or illustrated by photographs.

Some of the best known artists and designers have been responsible for the pictorial effects; these include Leo Melzinger, Fred L. Stoddard, Gordon Conway, Seddie B. Aspel, E. McGraw Jackson, Vernon Howe Bailey, Elizabeth Buehrmann and others. The text prepared in the advertising department of The National City Company has a broad appeal. One of the posters with an unusually striking punch to it portrays a simple tablet bearing the inscription :

### In Memory of "IOHN MENTWELL"

For thirty years he intended to put aside part of his next week's salary check for an investment fund. He rests in peace-

But his aged widow is now looking for a job.

The magazine advertising of this company dates back, in a way, more than twenty years, for when it absorbed N. W. Halsev & Company, it took over the contracts of that long-established bond distributing house. The company also absorbed the bond distributing business of The National City Bank of New York, and added to the advertising which the bond department of the bank had been doing, the regular the Halsey company. This space has been greatly enlarged in both newspapers and magazines.

#### A STIRRING CAMPAIGN

A most notable step was taken



The Striking Cover of "Men and Bonds"

at the time of the appearance of the "Forward" series of full-page and double spread copy in large circulation mediums. This series of advertisements appeared shortly after the armistice and was intended to clearly set forth the value to the individual and to the community as a whole of making investments in the securities of sound American cities and industries, and to divert the savings of the people from wild extravagant expenditures to sound and productive enterprises.

These advertisements were headed by carefully drawn "institutional" and "inspirational" illustrations in which godlike figures typified the various groups of industries.

This series was followed by advertisements tending to show the value of a strong foundation based upon ownership of securities as a protection to the home, while the series now running brings out the advantages offered by a particular feature of service the company is prepared to render. All of these advertisements have appeared in many of the large circulation magazines. In addition to this, local banking magazines are used throughout the country, where special copy of interest to bankers is run.

The effect of this advertising has been broadly constructive to the investment business as a whole. At the time of the first war loan it was estimated that there were about 300,000 to 350,000 individual buyers of investment securities in the United States, and a campaign of persistent educational work, such as has been outlined, makes it easier for every dealer in this class of securities to find customers for his wares. Selling real investment securities is merchandising in its truesense. The product sold is not a commodity for consumption, but a credit obligation purchased because of the income or its yield if held to maturity.

The National City Company keeps its entire force of executives and salespeople immediately and fully in touch with its advertising program.

### Arnsfield Heads Engineering Adver-

Arnsfield, advertising manager of Fairbanks, Morse & Co., at a recent meet-ing of the board of directors, was elected ing of the board of directors, was elected president of the Engineering Advertisers' Association of Chicago to hil the vacancy made by the resignation of A. H. Hop-kins. Mr. Hopkins has severed his con-nection with the C. F. Pease Company to take charge of the domestic advertising division of the J. Roland Kay Company. Keith J. Evans, advertising manager of Jos. T. Ryerson & Son, was elected vice-president, and Julius Holl, advertising manager of Link-Belt Company, was



In This Newspaper Advertisement Copy and Illustration Have Been Tied Tight to the Subject

Every one of these workers is sold on the company's publicity and able to resell it if occasion requires. The inspirational force of the advertis-

elected to the board of directors to fill the vacancy made by Mr. Hopkins' retirement

Philip K. Mindil Dead Philip Kearny Mindil, well known newspaper and publicity man who was dramatic editor of the New York Tribunc, died late last week at his home in New York after a long illness. He had been on practically all the New York newspapers and at one time was the owner and editor of Vanity Fair.

#### Portland Editor Dies

George W. Norton, managing editor of

ing copy employed, especially in the "Forward" series, has had a very stimulating effect upon the company personnel.

the Portland *Express-Advertiser*, a mem-ber of Governor Milliken's Executive Council and treasurer of the Republican State Committee, died in Portland last week.

#### New Daily in Norfolk, Va.

A third daily newspaper, the Evening A turd daily newspaper, the Evening Tribune, is now being published in Nor-folk, Va., by J. Peter Holland, who pur-chased the equipment of the Richmond Virginian when that paper suspended more than a year ago Nat T. Green is editor and Harry Tucker managing aduct

## Building a Complete National Business

### The Hoover Suction Sweeper Co. Advertising and the Part Direct-Mail Plays in It

#### By MARTIN L. PIERCE,

Merchandising Manager, the Hoover Suction Sweeper Co., Detroit, Mich.

THE Hoover Suction Sweeper Company, as all business concerns striving to do a national business, has in its advertising made an attempt to establish three lines of publicity. First, institutional advertising to carry forward the trademark. Second, advertising for future business that will attract new

dealers and new consumers five or ten years hence; and, third, a direct drive by advertising for sales today and tomorrow.

The fundamental sales problem of the company is to build up a complete sales organization, to properly train and educate them, to establish reliable dealers in every community, and to cooperate with these dealers in the selling of our product to the ultimate consumer.

The Direct by Mail advertising of the company is now and has been during the last years seeking to locate the largest possible number of prospects with the smallest possible expenditure of time and effort.

#### EVERY LETTER SHOULD SELL

Today every salesman and correspondent should be a sales engineer. Every letter going out from the order or credit departments should be a sales letter and should carry sufficient sales material so that it will materially assist in solving the fundamental sales problem of the representative organization. The justification of the salary and position of every man here is his trusteeship to the public that his company is seeking to serve. Direct by Mail salesmanship offers the biggest possible opportunity for the expression of this trusteeship.

The Hoover Company sells its product only to authorized dealers. These dealers must be doing a regular, legitimate retail business. The first national advertising done by the Hoover Company was to secure leads. Through Direct by Mail advertising these leads were consistently converted into prospects. When

the prospect had been sold the idea and the time had come to make shipment of the machine, arrangements were made again through Direct by Mail advertising to have the machine shipped through her own local dealer. Again through Direct by Mail advertising the dealer was sold on the idea of stocking the product as

### Three Aims

 $F_{\rm DR}^{\rm OR}$  several years prior to June, every seller had stood face to face with two buyers. Today each buyer stands face to face with two sellers.

Such is the business situation with which the writer of this article, which is, in substance, his address before the Direct Adverfisers' Convention Conference at Detroit, is dealing in his capacity of Merchandising Manager of the Hoover Suction Sweeper Co.

The three fundamentals of the Hoover advertising here are taken up and a big, vital one, that of Direct Mail, is discussed of itself and in its relation to the others.

THE EDITOR.

a part of his regular merchandise.

At this time the Hoover Company is using twenty-eight page booklets that will tell the entire story, eightpage folders, six-page folders, twopage and four-page inserts, a folder for the development of the farm lighting business and to be sent out by the farm lighting trade; form letters to be sent out on the dealer's stationery to prospects; testimonial letters from rug manufacturers and users of Hoover Sweepers; small broadsides sent out as penny mailers, and stickers that are attached to invoices and electric light bills.

#### ASSISTING RETAIL SALES

According to the sales policy of the Hoover Suction Sweeper Company, the sales organization has not completed its responsibility when our product has been unloaded in front of the dealer's place of business. The company through its sales school and through its sales managers and district managers is developing and instructing resale men to sell the product for the dealer to the user, also the dealer and his salesman are instructed in methods of merchandising Hoover Sweepers through personal conference with members of the sales organizations and through Direct by Mail advertising and house

organs that are sent out.

A folio of letters is sent out to our district managers. They go over these with the dealer and decide the type of letter that is to go out. If the letters which we show in this folder do not cover the case, a statement of the situation is made and paragraphs that they want used in the letter are marked. Our Editorial Department at the factory revamps the letter according to the wishes of the dealer. Approximately 100,000 of these letters go out each month.

One of our resale men working in a town of 20,000 recently made up a list of possible users in his town and sent out his letters at three different intervals.

Later these same prospects were given a personal canvass and thirtycight per cent of them were sold. Results were about double what would ordinarily be experienced when making canvasses of this kind without the educational work being done with Direct by Mail material.

One of our managers in a large city during the closing months of the war made a proposition to the Red Cross Society that he would keep their carpets in their workrooms clean, providing they would give him a list of their members. This was done and letters were sent to them and a piece of literature enclosed. Cards were also attached for those who would ask for a demonstration. From the entire list there was a return of twenty-two per cent. More than half of those making inquiry were sold.

In our sales school the salesmen are encouraged to analyze the actual sales that they have made so they

# **The Print Paper Situation**

Speculators in print paper for the anticipated October rise are now unloading at heavy sacrifice as banks call upon them to liquidate their indebtedness.

Manufacturers who a few months ago were confident that through combination they could secure a minimum for their contract tonnage for 1921 now see no reason for further advances.

Domestic spot tonnage is dropping a fraction of a cent a pound from day to day. Reports of heavy imports around  $6\frac{1}{2}$  to  $7\frac{1}{2}$  c. i. f. New York are helping the downward tendency.

One broker told me of talk regarding as low a price as  $41/_2$  cents a pound c. i. f. New York which he was trying to run down.

There is no shortage of print paper and no reason for hoarding supply. Continued conservation and reduced volume of advertising produced by higher rates will bring the spot market lower than contract basis in a few months.

Warehouses are full of paper which finally will have to be sold at a loss or used when other supply can be bought at lower prices.

Publishers will do well to buy as little as they can. Even as prices go down, don't buy because it looks cheap. 4 and 5 cent paper would not be cheap paper. Even at that price effective mills would be taking war-time profits.

I am going forward with plans for new mill construction and developing other broad plans to insure fair prices for the future.

### JASON ROGERS

Publisher New York Globe

New York, Oct. 27, 1920

may be able to send out in their letters the kind of appeal that will definitely fit into the situation of the prospects. Recently one of our men analyzed the hundred sales that he had just made. He found that fiftyeight of the hundred were sold to business and professional men, twenty-two were sold to families of skilled laborers and twenty to shop hands and common laborers.

Of the fifty-eight professional mentwenty-nine paid cash and twentynine bought on the divided payment plan, making exactly fifty per cent which paid cash. Of the twenty-two skilled laborers seven, or approximately thirty-three and one-third per cent, paid cash. Of the twenty common laborers, four, or twenty per cent, paid cash. With such information at hand the various appeals put in the letters can be made almost personal in their application. Several months ago I spent a

week with one of our district managers. During this trip we visited a town of 30,000. About threefourths of the homes were electrified. The new business manager of the Central Station told me that he was just completing his fourth distribution of Direct by Mail material into all electric lighted homes in the town. As a result of the three former distributions sales during the month following the distribution had doubled the regular monthly sales. Twentyfive machines per month had been their usual sales, but each month after the distribution of the literature the sales had been approximately fifty machines without any unusual sales effort.

In Virginia one of our dealers has a store which he calls the "Lightening Parlors." His explanation in Direct by Mail literature he sends out is that he lightens the labor of the housewives and housekeepers of his town. As a result of the distribution of this literature and the follow-up he makes, entire streets have been sold. Apartment houses with six and eight families in them are completely Hooverized. He states in his correspondence that this work could not possibly have been done without the educational work before his arrival by the Direct by Mail literature.

#### SELLING ON THE ADVERTISING

One of our resale men by the name of Wynn completed the work of the resale school and went into his territory, but unfortunately the dealer's stock had not been delivered. He wasted no time, however. He distributed literature and after doing this for two or three days, he commenced to follow up with personal calls. By the use of the literature and without a machine to demonstrate, he sold thirty-two machines before the arrival of the stock.

One of our salesmen selling in a town on the Ohio River states that he has been sending out booklets on Wednesday to a select list of prospects and calling at the beginning of the following week to make arrangements for demonstrations. He states that as a result of using this method he has been able to arrange, in many cases, for eight demonstrations out of ten places where he has sent the Direct by Mail material. People frequently mention the fact that they have received the book and were waiting for the salesman to call. He states that when he makes canvasses for leads without having first sent the Direct by Mail mate-rial it takes him more than twice as long to get the same results.

One Monday morning recently in a Southern town a lady was passing by a display of Hoover's that had been arranged with draperies. The display had been worked out so as to show that draperies would last longer if the floor coverings were Hoovered. She stopped at the display. The resale man who had charge of the demonstrating was out. One of the salesmen nearby handed the customer a booklet and asked her for her name, stating that arrangements would be made for the resale man to call and give her a home demonstration. About a week later the demonstration was arranged for over the telephone. When the resale man began to explain the cleaning principles of the Hoover the lady told him she had read the booklet and liked the way the Hoover cleaned. When he began to push the machine over the floor the little girl of the home asked if she might have a ride. The mother explained the statement by saving that the little girl had seen the picture in the booklet of another little girl riding on the sweeper.

The effectiveness of the Direct by Mail material used by the Hoover Company has been intensified because the management has insisted that only literal statements should be made and that in every case the statement should be the absolute truth. They know that men do not act in line with their absolute interest, but rather in line with what they believe to be their interests. Motive and belief depend upon information to set them going. To their way of thinking only "pure fact" will se-cure the right sort of response in advertising and they insist upon these pure facts in the same way that you and I insist upon pure food and pure drinking water.

Again the effectiveness of this advertising used by the Hoover Company is definitely set forth because of its universal appeal. It has been used with equal effectiveness by Central Stations, Furniture Stores, Hardware Stores, Department Stores and Electric Stores. Sales are being built up as a result of its use in every state in the Union, in Canada and in England. All types of prospects have been secured in approximately the same percentage in cities, towns and open countries, from all classes.

Once more this effectiveness has been secured because the material is a result of evolution extending over a period of ten or more years. Throughout these years there has been a constant process of refinement going on. From year to year the material has gone out with better mechanical appearance. The arguments have been restated in clearer English. The proper distribution of the various pieces has been determined.

#### TRUTHFUL AND UNIVERSAL

But through it all the same appeal to economy, because it prolongs the life of rugs and floor coverings, saves servants' hire, saves the expense of having them cleaned, saves time and prevents the destructiveness of backyard methods, has been stated. It is the same sanitary appeal because it removes disease germs, makes the floor coverings a safe playground for the children, provides pure air for the home, prevents sickness, and prevents a rug from becoming a natural storehouse for the dirt being carried in on the shoes of the various members of the household.

It is the same appeal because it gives the housewife a mechanical aid when she cannot get servants. It conforms to the modern standard of cleanliness. It takes the work out of housework. It makes the farm home as attractive as the city home. It assists in making home work as attractive as any other type of employment.

The same ethical appeal has been used from the beginning. It revives the color in the rugs. It makes the carpets look clean and inasmuch as floor coverings are the basis of the aesthetic beauty of the home, it naturally aids in developing the satisfaction to be secured from the home.

Finally, the effectiveness of Hoover Direct by Mail advertising is attained because whether the piece be of one page or several pages the text is always the same. The reader is made to understand that—really "It beats—as it sweeps—as it cleans."



## Elements of Direct Mail Selling

### How the Holmes & Edwards Silver Company Employs This Factor in Merchandising

#### By WILLIAM B. GRIFFIN

Advertising Manager, The Holmes & Edwards Silver Company, Bridgeport, Conn.\*

**I** F IT were possible to sum up into one sentence all of the points that are necessary to make a direct mail campaign a success, what would be your reply?

This is a question that has been put up to all direct mail advertisers at some time or another, and has been answered in many different ways.

Direct mail advertising must, first of all, have all the principles of good advertising, but the most important point of successful direct mail advertising is to know your prospect.

Advertising by mail is one form of salesmanship where one does not come in contact directly with his prospect.

A salesman can go to a dealer and by coming in personal contact with him is able to size him up and so direct his selling talk.

Some call this "psychology of selling," others have termed it "character reading," but ask any salesman and he will tell you it is "plain horse sense."

#### STICKING TO COMMON SENSE

Plain common sense is what is needed in every direct mail campaign and because it is impossible for the direct mail advertiser to come in personal contact with each of his prospects, he must draw a composite picture of his trade and aim at that composite individual.

It is impossible to build such a picture of the trade you are appealing to without knowing their habits, their methods of buying and, if possible, coming in personal contact with them as often as possible, and in building your literature, build it to this prospect as you know him, using plain common sense in the construction of your material.

It is an acknowledged fact that direct mail advertising often accomplishes that which it is impossible to do with a salesman. Just let me give you a little example. If any of you have ever been on the road selling and have tried to sell a department store a new line of merchandise, you understand the difficulty that faces any salesman in getting the buyer's attention. It is an old problem. After many hours are wasted in an out-of-the-way ante-room the salesman will learn that Mr. Buyer is not seeing any salesmen today, and perhaps after five or six fruitless efforts the salesman, if lucky, is able to see the buyer, to learn that the buyer is not interested in such a proposition.

It requires expensive and intelligent salesmen to sell the department store and the man who is selling other classes of trade is rather reluctant about giving up the amount of time necessary to break into a department store and is more willing to turn his attention to channels where he is sure of being compensated with orders for all of the time he puts in.

An advertiser was interested in reaching the department store buyers with a line of special merchandise that was fitted for their use and, rather than take the valuable time of salesmen who were not calling on department store trade and to supplement the efforts of those men who were, a direct mail campaign was built to sell the department store.

After a thorough investigation of the methods used by the salesmen to reach the department store buyer, and the methods used in the majority of cases by the department store buyer for taking on a new line, our campaign was built. Although the point to be emphasized here is the success of the direct mail effort, as such, it should be stated in fairness that fully 50 per cent of the results can be attributed to the construction of the offer itself. It consisted of merchandise priced right, built to fill a certain channel of sales in the department store. It was put up at-tractively in combination units so that the department store could sell the merchandise with minimum effort

It consisted of four mailings, and where possible it was addressed to the department store buyer personally.

The results from this campaign were that 5 per cent of the mailing list replied with orders and 1 per cent without orders. The net cost of the campaign compared with the total business received showed a selling expense of less than 4 per cent. Incidentally many new accounts were opened on the strength of this campaign. It was made easier for salesmen to gain admittance to the department store buyer and resulted in the selling of considerable additional merchandise which could have only been sold by a salesman using valuable time and considerable effort in reaching the buyer.

This condition exists in many lines and I have used the department store only as one example of hard selling, and to show an actual case where direct mail advertising helped the salesmen get under the skin of the department store buyer and sell their line, for the success of this campaign was largely up to direct mail advertising.

#### THE RETAIL PROSPECT

Other classes of trade must be reached differently, but direct mail advertising will supplement any good salesman, and if your territory is covered only a few times a year these in-between-time calls by direct mail assist the salesman in many ways.

It keeps his house continually before his customer and is working for him while he is in another part of his territory.

The retail jeweler has not been an easy prospect. He is the natural evolution of the highly skilled mechanic, as the majority of jewelers until a few years ago were in the first place watch repairers and carried a small stock of jewelry and silverware. Naturally it is hard to sell this class of trade by direct mail, but today, through co-operation of retail jewelers' associations and the intelligent reading of trade papers, retail jewelers are rapidly becoming the best merchants in their community.

With their attitude changing greatly and their becoming more progressive, the manufacturer or jobber can now better aim his appeal, for it is falling into a more receptive group, for now the retail jeweler, being a better merchant, is more readily able to differentiate between a good proposition and a poor one.

Your mailing list is of great importance and requires close watching of the changes in the business and new dealers starting out, in order to

<sup>\*</sup>Portion of an address before the Direct Mail Advertising Convention at Detroit.

keep your list alive. Check up often, for it not alone saves postage but saves mailing of expensive material. By doing this constantly it is seldom that with a mailing of 10.000 pieces we receive more than five or ten back from the post office marked unknown.

Aside from shaping your appeal to your prospect and knowing your prospect thoroughly some of the methods of attacking need testing. For instance, the postage rate covering the class of material sent must be settled.

#### FOR ONE-CENT POSTAGE

Mimeographed letters that are obviously circular letters receive as much attention when not filled in with an address or salutation as letters that are, for it is impossible in these days to fool the average prospect with a mimeographed or multigraphed letter, making him think that it is a personal letter to him. Such letters can go out under onecent postage, for I doubt very much it many one-cent letters reach the waste basket unopened.

If your envelope is opened the letter and enclosure must tell your story to make the sale and there are very few men who do not open every envelope received. The reason that so many direct mail pieces go into the waste basket is that they are not attractive enough to gain the reader's attention immediately and hold him until he is sold.

Direct mail literature should be simply instructive—tell your prospect in as few words as possible, use plenty of pictures, draw diagrams if necessary. Pictures tell an idea, copy tells a thought. When you are selling by direct mail you are appealing to the eye and you must make your proposition plain so that it can be grasped at a glance.

There is no chance for your prospect to ask questions, when a letter lies before him, and there is no salesman to answer his questions. You must ask all questions about your proposition and answer them in your literature.

As direct mail advertisers' problems differ, it is best to experiment along these lines with test mailings, in order to determine the best method of approaching your trade.

There is only one way to put across a personal letter and that is to write each one individually, and this is important on all follow-up letters.

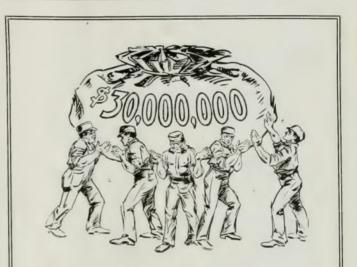
Circular letters sent out broadcast bring in replies asking for certain specific information, but when you follow up these prospects, follow

them up with actual individually typewritten letters. Then you get attention and hold it.

My experience has proven that the relative value of letters versus broadsides is that a circular letter sent broadcast under third-class postage is just as effective as a broadside.

Either method will bring back inquiries in a proportion that we have considered fair, but when your inquiry comes back, follow him up. You have then a real, live, red hot trail. Pursue him until he either places his order or tells you why he cannot. Never fail to enclose in any sort of a letter or broadside some sort of order blank or return post card, not aloue for keeping a check on returns, but because these are your business getters. Every opportunity I get I enclose, in form letter, circular or dictated letter, an order blank keyed for that letter. I have known order blanks to come back with good orders after being in a prospect's desk for twelve or eighteen months.

When using letters keep them short and paragraph often. Short sentences and short paragraphs are



### There's a Thirty Million Dollar Annual Pay Roll in Muncie

Muncie, the Magic City, the metropolis of Eastern Indiana, has an annual pay roll of \$30,000,000.00. Half of this sum is paid to 9,000 factory workers, who are earning an average of \$35.00 weekly.

New industrial plants now under construction give promise that the number of high grade workers now employed in Muncie will be greatly increased, perhaps doubled, within the year.

Write for the analysis of the Muncie market to the paper that thoroughly covers this section, The Muncie Star.

The Muncie Star, The Terre Haute Star and The Indianapolis Star offer to discriminating advertisers the least expensive and most effective method of covering Indiana. They compose

## The Star League of Indiana

The Greatest Combination of Quality Circulation in Indiana

Eastern Representative : Kelly-Smith Co., Marbridge Bldg., New York Western Representative : John Glass, Peoples Gas Bldg., Chicago

ONE OF THE SHAFFER GROUP OF NEWSPAPERS

read more often than long and intricate phrasing, longer sentences and long paragraphs. Use simple words with heavy meaning. Picture words are best. Remember the eye is what you are appealing to, so that aside from your letter looking neat and being clearly typed, it must be easy to read.

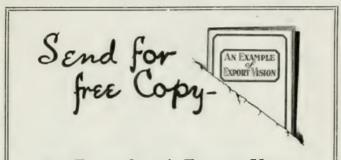
There is no second sight about getting results. It is knowing your trade, knowing your product, knowing your plan and telling it simply, clearly and with the punch that sells.

Chandler Heads Purchasing Agents

W. L. Chandler, of the Dodge Sales and Engineering Company, Mishawaka, Ind., was chosen to head the National Association of Purchasing Agents, at the recent convention of that organization in Chicago. Mr. Chandler inaugurated the movement for the standardization of catalogs and was instrumental in designing the universal danger emblem adopted by National Safety Council several years ago.

#### Associated Raisin Co. Appoints Sales and Advertising Head

The directors of the Associated Raisin Company, of Fresno, California, have appointed Stanley Q. Brady sales and advertising manager of the company to succeed Holgate Thomas, resigned. Mr. Brady was formerly western sales manager of the Thomas II. Lipton Tea Comnany.



## An Example of Export Vision

tells how a manufacturer who faced domestic indifference turned to export trade.

The result today is a business running up into several million dollars a year of which 75% is export.

The Wichita Motors Company of Wichita Falls, Texas, first started their advertising campaign in the AMERICAN EXPORTER in 1913. In three years' time thirty foreign countries were buying Wichita trucks. Today the Company sells in 83 foreign countries.

This world-wide business has been built up entirely through advertising. No factory salesmen were ever sent abroad. The orders were secured through the intelligent handling of inquiries received from the advertisements.

The story of this Texas company is an object lesson to American manufacturers. It points the way to unlimited opportunities awaiting them through export advertising.

Better write today for free copy of this really interesting booklet.



**17 Battery Place** 

New York City

### Advertising to Settle LaLor Questions Urged at Direct Mail Convention

President Alexander M. Candee, opening the third annual convention of the Direct Mail Advertising Association in Detroit this week, urged the many hundred ailvertisers assembled to start a propaganda for the use of advertising in settling labor questions.

questions. "It is necessary." Mr. Candee said, "to ind some method of arriving at conclusions to settle a dispute that is not a wrong method, for wrong can never make a right. Strikes are wrong. They cannot accomplish that which would be accomplished by right methods. Right is power and right can only prevail. Then it is necessary to seek right ways, to build along constructive lines and not along destructive lines. Advertising is such upbuilding and we can, as an association, foster the spirit of using this advertising. I should like to see labor organizations use advertising to create public sentiment. We would be perfectly safe in that, because if they do the public will very soon know whether or not their appeal will prevail. Some employers may object on the ground that it will overturn business Such, however, cannot happen, for if employers thenselves are wrong they cannot so continue."

Mr. Candee spoke of the great opportunities which await the house organ editor and publisher as an influence in modern civilization; and also advocated the establishment of a central bureau by the Association to carry on research and investigation.

Mirtin L. Pierce, merchandising manager, Hoover Suction Sweeper Company, North Canton. Ohio; D. H. Nelson, agency supervisor, Massachusetts Bonding & Insurance Company, Saginaw, Mich, and W. S. Aslby, advertising manager, Western Clock Company, La Salle, III, followed Mr. Candee with addresses at the Wednesday morning session. The afterpoon was devoted to talks by G. Lynn Summer, president, Woman's Institute of Domestic Arts and Sciences, Scranton, Pa.: O. A. Brock, sales and advertising manager, Keystone Steel & Wire Company, Peoria, III.; J. R. Shultz, managing editor, Du Pont Company, Wilmington, Del.; Prof. Edward Hall Garner, University of Wisconsin, Madison, Wis.; W. B Griffin, advertising manager, Holmes & Edwards Division, International Silver Company, Bridgeport, Conn., and Paul Sauer, advertising manager, Columbian Steel Tank Company, Kausas City, Mo. The addresses of Mr. Pierce and Mr. Griffin appear elsewhere in this issue. The Annual Swap Fest was held on Thursday, followed by a banquet in the evening, and the convention came to a close Friday afternoon.

New Advertising Firm in New York Moore, McCord, Gilchriese and Associates, advertising, recently incorporated in the state of Delaware, has located at 24 West Thirty-ninth street, New York. H. L. Gilchriese, W. R. McCord and L. P. Moore, the principals, have also organized the National Mat Service in New York.

Floing Company in Detroit A Detroit office, in charge of C. J. Watts, has been opened by the Wilfred O. Floing Company, advertising artists of Chicago.

### Evans & Barnhill Have 111 Cigarette

Account Evans & Barnhill, New York, have se-cured the advertising account of the 111 cigarette recently introduced by the American Tobacco Co

#### Conklin Pen Advertising Now With Richards

The Conklin Pen Manufacturing Com-The Conkin Pen Manufacturing Com-pany, Toledo, Ohio, has placed its adver-tising in the hands of the Joseph Rich-ards Company, Inc., New York. The plans include the use of national and farm mag-azines, newspapers and trade papers. There will also be considerable direct mail and during a constituent work. dealer co-operative work

### Rauh Gets Tire, Tooth Paste and Cigar Account

Account The following accounts have been placed with The Richard S. Rauh Company, Pittsburgh, Pa.: Keystone Pipe & Sup-ply Co., Butler, Pa., oil well supplies; Preventol Laboratories, Pittsburgh, Pa., makers of F. E. I. tooth paste; Cord Tire Corporation, Chester, W. Va., Superior cord tires; and A. Ruben Co., Pittsburgh, Pa., Arco special stogies.

#### Two New Accounts with James Agency

The advertising accounts of the Amer-ican Grocers' Society, Inc., and Youell's Exterminating Company have been placed in the hands of the James Advertising Agency, Inc., New York.

Chambers to Advertise New Syrup Chambers Agency, Inc., New Orleans, is preparing a newspaper schedule for "Honey Gold" Syrup, a new product of Langhoff Bros. Co., New Orleans.

#### Royal Campaign in Newspapers

Resides advertising in sixteen maga-zines, the Royal Typewriter Company, New York, has started a campaign in newspapers. Advertisements will appear at weekly intervals in newspapers throughout the United States.

#### Kobbe Has Moth Bag Account

Philip Kobhe Company is now handling the advertising of Manahan Moth Paper Company, Inc., manufacturers of moth bags. Newspapers are being used.

Handles Hotel Show Advertising E. F. Korbel, of Rowland Advertising Agency, New York, is handling the ad-vertising for the Fifth National Hotel Men's Exposition, to be held at Grand Central Palace, November 8-13.

### Cutlery Account With Gunnison Edward Week & Son, Inc., maker of cutlery, has appointed Stanley E. Gunni-son, Inc., New York, as its advertising agent

### Five Accounts for Wood, Putnam & Wood

The Boston office of the Wood, Putnam The Boston office of the Wood, Putnam and Wood Company announces the follow-ing new accounts: Davis Lynn Storage Battery Company, Lynn, Mass., manufac-turers of storage batteries, to be nationally advertised; L. C. Page Publishing Com-pany, Boston, Mass., book publishers; Na-tional Chain Motors Corporation, chain garages on principal truck routes in the United States; H. M. Reynolds Company, Boston, Mass., manufacturers of Colonial Six. Plans for national campaigns for the above Plans for national campaigns for the above concerns are now under way

#### Hosiery Account With McCutcheon-Gerson

The McCutcheon-Gerson Service will handle the account of A. Keency Clarke, bosiery manufacturer and manufacturers agent of New York. Newspapers will carry this campaign, directed to cover New York, Pennsylvania and Middle Western States

#### McCann Has Tractor Account

The H. K. McCann Company has se-cured the account of the Sprywheel Tractor of Boston.

#### Gundlach Has Mail Order Account

Consumers Stores Company, mail order groceries, has placed its account in the hands of the Gundlach Advertising Agency of Chicago.

#### Square D Account With Brooke, Smith & French

The Square D Company of Detroit, manufacturer of safety electric switches, has placed its advertising with Brooks, agency. The Square D Company will conduct a campaign in nationally circulated and industrial magazines as well as newspapers

#### Silberstein Secures Shoe Advertising Account

The advertising agency of Alfred J. Silberstein, New York, has secured the ac-count of the Diamond Shoe Company, Brockton, Mass. M. Martin Stollmack, sales promotion manager at the New York offices of the company, will direct the advertising.

# The Carrier Test!

Follow a Star carrier anywhere in Kansas City. See if he misses throwing The Star to a single home.

Every detached house will receive at least one Star and every family hotel or flat will receive at least as many Stars as the number of families it contains.

That is what happens twice a day everywhere in Kansas City.

There are more Star subscribers. served by The Star's exclusive carriers, in Greater Kansas City than there are families.

## THE KANSAS CITY STAR

Average Net Paid Circulation during September: MORNING EVENING 214,111

Chicago Office 1418 Century Building

210,019

**SUNDAY** 213,748

New York Office **2** Rector Street

#### PAGE 16

#### South Africa to Advertise

The Government of the Union of South Africa has appropriated the sum of £35,000 (\$170,300) for the purpose of advertising South Africa in foreign coun-tries, particularly Europe, the United States and South America. In addition to this amount, various public associations have promised to contribute  $\pounds 10,000$  (\$48,700). Arrangements have been made for the organization of a permanent staff in London, and representatives of the Railway Publicity Department have al-ready opened an office in that city. The object of this organization will be to disseminate accurate information concerning the Union of South Africa and the South west Africa protectorate and to attract to these countries suitable immigration and capital

South African trade is increasing considerably. Figures sont to Advertising & Selling by Cecil J. Sibbett, managing director of the South African Advertising Contractors, Ltd., show that imports for Contractors, Etd., show that imports for the five months ending May 31 last amount to  $\pm 40,378,704$  as against  $\pm 25,-$ 853,538 for the same period of 1919. Ex-ports during the same periods were  $\pm 51,109,245$  and  $\pm 25,529,247$ , respectively

#### Shuman Gets Carburetor Account

Shuman Advertising Company, Chicago, has obtained the accounts of the Thermo Carburetor Company, Chicago, and of the Wausau Abrasives Company, also of that city.

#### Brandt to Advertise Berry Candy

The Brandt Advertising Agency, Chicago, is now handling the account of the Berry Candy Company of that city.

### Case Threshing Machine Advertising With Western Agency in Racine

With Western Agency in Racine George A. Dechant, advertising mana-ger of the J. I. Case Threshing Machine Company, Racine, Wis., announces that hereafter all advertising for the company will go through the Western Advertising Agency, Baker Block, Racine, Wis. Harold Smith, secretary and treasurer of the Western Advertising Agency, and other members of the agency, were for-merly connected with the Case organiza-tion, but the Case company is not finan-

tion, but the Case company is not financially interested in any way, Mr. Dechant asserts

#### Guenther-Bradford Will Advertise Cough Syrup

Guenther-Bradford, Chicago, is plan-ning a campaign for Pine Needle Balm Cough Syrup, made by the George Mayer Company, Chicago, a new client.

#### Porter Places New Advertising

Harry Porter Company, New York, is placing advertising for the Bonat Prod-ucts Company, makers of hair nets, and the Binney & Smith Company, Crayola crayons.

#### Clough Adds Account and Artist to Staff

The John L. Clough Advertising Agency, Inc. of Indianapolis, is handling the advertising account of Schlosser Brothers, manufacturers of Oak Grove Butter. A campaign using a list of In-diana newspapers is planned. Miller V. Warner, commercial artist, for the past few years engaged in business for himself, has joined the staff of the Clouch

himself, has joined the staff of the Clough agency.

### Briggs & Stratton Advertising With

Briggs & Stratton Advertising With Ayer Briggs & Stratton Company, Milwau-kee, Wis, has placed its advertising with N. W. Ayer & Son, Philadelphia. W. P. Bottofson has resigned as adver-tising manager, and J. A. Steen has suc-ceeded Z. Godin as sales manager. An appropriation of \$135,000 has been made for advertising. for advertising.

#### New Account for Doremus Agency

Doremus & Co., New York, has ob-tained the account of Adrian Van Sinderen & Co., management supervision and investigation.

National Advertisers Meet Dec. 6-8 The Association of National Advertisers will hold its annual meeting at Lakewood, N. J., on December 6, 7 and 8.

#### T. H. McClure Handles Navy Advertising

In accordance with the intensive sales and advertising policies which have been adopted by the Navy Department in the sale of Surplus Stocks, a New York office has been opened on the sixth floor of the Grand Central Palace. This office will handle all advertising and will also originate sales promotion plans. T. H. McClure has been retained by the

 If McCure has been retained by the Navy Department as advertising and sales counselor and will have his headquarters in this office. Miss Shieley Virgina Car-ter, formerly in the promotion department of the McGraw-Hill Company, will act as Mr. McClure's assistant.

A national newspaper campaign for vessels and a trade paper and newspaper campaign on textiles were the first to be directed from the new office.



## Che ALL FICTION FIELD

Adventure Ainslee's Argosy-All Story

COMPRISING Detective Story People's Short Stories

Smith's The Popular Top-Notch OCTOBER 30, 1920

#### Brooke, Smith & French Get Belt Lacer Account

The advertising of the Clipper Belt Lacer Company of Grand Rapids is now being handled by Brooke, Smith & French, Inc., Detroit advertising agency. The Clipper Belt Lacer campaign will be conducted through national and industrial publications.

#### Foley Agency Adds Sims John Clark Sims, who has been active

John Clark Suns, who has been active in financial advertising, has been added to the staff of the Richard A. Foley Advertising Agency, Philadelphia.

#### Michaels Makes Crimmin Contract Manager

David J. Crimmin, formerly with Mc-Graw-Hill Company, and later with the contract department of the Erickson Company, will join the staff of Harry C. Michaels Company on November 1, as contract manager.

#### O. H. Chain Directs Royal Easy Chair Sales

The Royal Easy Chair Company, Sturgis, Mich, announces the appointment of O. H. Chain to succeed Raymond Spencer as sales manager. Mr. Chain for the past ten years was a representative for the G. I. Sellers & Sons Company, Elwood, Ind.

### Gilkey, Acason Truck Advertising and Sales Head

Dan Gilkey, Pacific Coast representative of the Acason Motor Truck Company, Detroit, has been promoted to the position of vice-president in charge of sales and advertising.

The desire for quality underwear is a sure sign of real discrimination. And so, Oppenheim, Oberndorf & Company explain the merits of Sealpax to the million and a half readers of the magazines comprising the All Fiction Field.

# FIELD OF GREATEST YIELD

PUBLISHED BY

Doubleday, Page & Co. The Frank A. Munsey Co.

The Ridgway Company o. Street & Smith Corporation MEMBERS A. B. C.

#### New Officers for Associated Business Papers

At the final session of its fifteenth annual convention last week in New York, the Associated Business Papers, Inc., elected the following officers and directors for the ensuing year: M. C. Robbins, Gas Age, New York, president; James H. McGraw, McGraw-Hill Company, New York, vice-president, and V. H. Power, Manufacturers' Record, Baltimore, treasurer. The executive committee is composed of the following: A. C. Pearson, Dry Goods Economist, New York; R. Marshall, Concrete, Detroit; F. D. Porter, Buildings and Building Management, Chicago; Samuel O, Dum, Railewy Age, Chicago; A. O. Backert, Fenton Publishing Company, Cleveland, and Roger W. Allen, Allen-Nugent Company, New York.

#### Business Paper Editors Elect

The National Conference of Business Paper Editors at its closing session last week elected the following officers: Clay C. Cooper, Mill Supplies, Chicago, president; Charles J. Stark, Iron Trade Review, Cleveland, vice-president; Ray W. Sherman, Motor II'orld, New York, secretarytreasurer. The new executive committee is composed of: A. I. Findley, Iron Age, New York; H. C. Parmalee, Chemical & Metallangical Engineering, New York; E. T. Howson, Railway Mechanical Engineer, Chicago; A. R. Kennedy, Canadian Machinery, Toronto, and J. H. Stone, Shoe Retailer, Boston.

#### S. C. Dobbs, Coca-Cola President, Resigns

The resignation of Samuel C. Dobbs as president of the Coca-Cola Company was made known this week at a meeting of the Board of Directors. Charles H. Chandler of Atlanta was named to succeed hum, W. C. Bradley was elected chairman of the board, and Harrison Jones and E. S. McCash, both of Atlanta, were elected vice-president. The story of Mr. Dobbs' rise from drug clerk to president of the company through the sales and advertising end of the business was told in Anventising & SELLINC of March 20

#### Paul Block Host to Advertising Men Paul Block, of Paul Block, Inc., New York, was host to about seventy advertising men at a dinner given last week at Copley-Plaza Hotel, Boston. Entertainment by the Ziegfeld Follies at the Co-Ionial Theatre followed.

#### Harley-Davidson Makes Kleimenhagen Advertising Head

General Manager Arthur Davidson, of the Harley-Davidson Motor Company, Milwaukee, Wis, has announced the appointment of W. E. Kleimenhagen as advertising manager to succeed Lacy Crolius, who has severed his connection with the company. Mr. Kleimenhagen has been identified with the concern in a sales capacity for more than ten years.

#### "McClure's" 15c. in 1921

*McClure's Magazine* in 1921 will reduce its price per copy from 25c. to 15c. Advertising in each issue will be limited to 23 pages at \$2,500 a page.

### Scott, Tracy-Parry Vice-President

William P. Scott has been elected a vicepresident of the Tracy-Parry Co. of Philadelphia, Pa.

#### PAGE 17



### The Tribes of the Himalaya Mountains Never Destroy a Picture

This requires paper of great strength because your illustrations will be folded many times.

#### White is the mourning color of China

and yet some colors arouse resentment in the Oriental mind. Do you know these things—are you choosing your paper so as to overcome superstition and tradition and to create the good will of the Foreign buyer?

#### Let us make an analysis of your Foreign Advertising from a paper standpoint

Our research work has covered the buying habits of all types of men. When paper is a factor our sugges tions will increase the returns from your catalogues, handlets, house organs, mailing cards, enclosures, cirenhars and letterbaads.

> Send samples of your Direct Advertising for analysis- give your sales message added power

#### **Research** Laboratories

Seaman Paper Company 1162-208 South La Salle St. Chicago, Illinois

## FOREIGN TRADE

## Team Work to Insure Rapid Turnover

### Merchandise That Remains in the Retailer's Store Doesn't Do the Consumer Any Good

THE National Lamp Works of the General Electric Company manufactures and sells National Mazda lamps through its jobbers and retail agents on a consignment basis. It realizes that every form of co-operation must be extended to the retailer who sells these lamps. Advertising is a powerful force in mer-

chandising any commodity. But advertising alone is more or less helpless. No advertising campaign will sell many National lamps unless the consuming public has a chance to buy these lamps. In other words, some plan must be worked out and put into effect whereby the retailer of lamps can cash in on our national advertising. If this is done and the dealer is made to see the path he should follow in connecting up his store with national publicity he will sell lamps. National advertising may be flung from coast to coast and every street car from Boston's subways to Frisco's scenic surface lines may carry the story of the "way to better light" and their efforts may be backed up by big appropriations for outdoor advertisements and circulars in a dozen colors.

That is just what the Na-

tional Lamp Works has done. And the plan has worked in every state in the Union. When the retailers enthusiastically co-operate in pushing Mazda lamps, they profit from all the publicity and sales effort. For several years the National's Publicity Department has been connecting the dealer's store with national advertising, using direct mail when anything big was in the air. Last year the work was enlarged and the window trim tie-ups for the last half of the year were prepared in advance to keep step with the national advertising campaigns and sent to every National lamp retailer. The results justified the effort and the attempt was repeated for the first six months of this year. And it is being repeated for the last half of this year on a more extensive scale than ever. The company's "What's New"

book was sent to every National dis-

tributor, from sales division to country village retailer, during the last week in July. This catalog of selling helps contained all the Saturday Evening Post advertising for the remainder of 1920 and pictures in colors of the window trims prepared for the retailer to connect his store with the manufacturer's publicity

### **TURNOVER**

MERCHANDISE that isn't turned occasionally isn't making much money for the manufacturer, the dealer or the consignment agent. This is an even more important fact if the merchandise be small articles of a low price.

Goods that remain in showcases, on the counters and shelves or under the shelves do no one very much good, neither the manufacturer nor the retailer and certainly not the consumer. But they tie up capital, and with the inflated prices and tight money that business generally has to contend with today this was never more important a consideration than right now.

This article tells how the right kind of sales co-operation will make dealers happy and their customers satisfied as the result of on-time turnover.

THE EDITOR.

campaign, for direct benefits.

The first page of "What's New" was captioned in red ink "Let's Do the Job Together." A little talk on co-operation followed. The advance program was explained and the best method of adapting the retailer's business to the manufacturer's national advertising described. The dealer was urged to plan his selling campaign to keep step with the National's campaign. The retailer was made a partner in the work.

"What's New" also contained the available literature for a factory lighting drive. Local advertising that the retailer may use was shown; motion picture slides were illustrat-And the right thing for the ed. retailer to do to capture farm trade was described. Store lighting litcrature was treated much the same as factory lighting.

Window trims in colors were

shown and the dates given when they should be installed to best take advantage of the National advertising. In other words, the National advertising and the retailers tie-ups were timed to support each other. They were aligned so that the "zero hour saw everything in readiness. The barrage of National advertising pre-

pared the way for the local clean-up. No wasted effort could result from this co-ordinated selling campaign.

But this co-operation has been forced on the retail lamp merchant. He was sold on the proposition first. He now looks forward for the arrival of "What's New" and its selling helps. The National's house organ, the Stimulator, informs him of the expected arrival of "What's New." And the salesman works with the retailer to get him to use the service, to get him to push National Mazda lamps in his selling efforts.

In the meantime the salesman has been instructed through confidential literature sent to him.

However, the local advertising is not thrust on the agent that he may toss it in the waste basket. "What's New" contains a series of

printed post cards on which the agent can order window trims, lantern slides and newspaper cuts. The material and service cost him nothing. but the fact that he has to write for it impresses him with its value. In this way no expensive material is wasted, for advertising matter costs money these days

If the success that its forerunners have enjoyed continues, "What's New" will keep National Mazda lamps moving off the retailers' shelves. It will complete the last step in the chain of distribution and get more lamps into the hands of consumers.

Sales departments and advertising departments must co-operate with the retailer and work hand in hand if the product is to go to the con-sumer as it should. By so doing all the agencies of manufacturing and distribution profit.

## **Business Press and the New Selling Demand**

### Manufacturers Must Resell Their Prices and Educate Dealers on Profits Through Turnover

#### By H. A. LEWIS

Advertising Director, Electrical World and Electrical Merchandising

A S SELLERS of business paper that the manufacturer knew his market and knew trade and general business conditions. We have assumed that he was a merchant as well as a manufacturer.

The American manufacturer never has known the details, nor has had a feeling of his market in the same way that the business paper has had an understanding of the field it served. Every strong advertising solicitor knows this is a fact and has made the most of the situation, consciously or unconsciously.

If criticisms are in order, as business paper publishers we have been satisfied with results and have not studied fundamental causes. We have noticed how open-minded the average manufacturer is for suggestions on how to cut manufacturing costs and we have observed how diligently he has pursued investiga-tions regarding the best production methods, but we have ignored the fact that the same manufacturer has generalized on marketing conditions and we have failed to see that the very positiveness of opinion of most American manufacturers regarding marketing conditions was the result not only of ignorance and narrowmindedness, but primarily the result of a complete lack of any merchan-dising sense. The exceptions to this statement, of course, include all our dear personal friends and near relatives who are in the manufacturing business.

#### PLEA FOR ADEQUATE RATES

Let me list some of the problems which are by-products of the war that confront the sales department of the average manufacturer which cannot be coped with single-handed. The consumer's boycott of existing price schedules; the competitive effect of imported merchandise; the 20 per cent increase in railroad fares and the 50 per cent increase in Pullman fares; the shortage of investment capital and the tightness of bank credit—these are all practical problems which must be met.

Every manufacturer's sales department must have the benefit of an outside viewpoint and that help should come logically and systematically from the business papers, which should give this help fully conscious of the service they render—consciousness being measured in terms of adequate rates.

First, let us consider the consumer's boycott of existing price schedules. We have been through a period of high prices; a direct result of the war, of credit inflation and of profiteering-the last always being a by-product of the disarrangement of the laws of supply and demand. The 50c dollar bred extravagance. The time payment method of financing consumers' purchases accentuated emotional spending. Action followed reaction and the day of reckoning came. Credit deflation-an international issue on the part of all governments and bankers -put the brakes on. The public took an inventory and was dissatisfied with the show-

There are two things which must be done. First, sharpen the pencil and prove that present costs are cut to the minimum and that the profit made is fair. If costs can be cut and the profit is profiteering, price reductions are in order. Second, every business house must resell its present price schedule, whether it be revised or not, to every one of its customers. Whether we like it or not, we are all on the defensive regarding the prices we charge today and the prices we will be charging for the next six or twelve months.

How many American manufacturers are taking these facts into consideration in working out their price schedules? In fact, how many American manufacturers have even sensed the fact that, assuming they have cut their prices, business is not assured until they have proven the equity and permanency of their new price level? There are certain manufacturers in different trades who appreciate this condition and have even gone so far as to guarantee the permanency of their prices for a definite period. What an opportunity for business papers! A general boycott of all price schedules is the advertising man's opportunity.

Second, in practice, if not in theory, America will be for some time to come a free trade country. Foreign exchange rates, as we have all observed, know not the voice of political parties, but measure inexorably the international debit and credit balances for money or goods and for services rendered.

We are today a creditor nation. Dr. Vissering, of the Netherlands Bank at the World Financial Conference at Brussels on September 29 of this year, stated that the American government had claims upon other countries reaching \$10,000,000,000, and that individuals in America had additional claims for supplies furnished to Europe amounting to \$4,000,000,000. He stated further that the United States possessed four-ninth of the world's gold stock. This is only a part of our picture. As the boys say "we do not know the half of it."

#### OUR REMEDY

We have got to export both money and credit and to import the finished product of foreign factories. Exporting credit gives but temporary relief to foreign exchange balances, and furthermore, much of our credit is needed at home. Importing merchandise is the economic answer. This is not a theoretical point of view, these are facts.

Take the case of a motor manufacturer with a maximum prospect list of 100,000 customers. Is his advertising campaign in popular magazines at a cost of from \$100 to \$200,-000 a luxury to be charged to a personal vanity account or is a hazy knowledge in the minds of 100,000.-000 American people about his product a valuable thing that will reduce his marketing costs and place him in a stronger position to meet competition? As I see it, it does not matter whether this particular manufacturer actually faces foreign competition or not, the point is we now have a new vard stick for measuring American efficiency. Can we meet foreign

competition? If not, why not? The war put all manufacturing methods to the acid test and inefficiency went by the board. This aftermath of the war puts American marketing methods, including advertising, to the test and inefficiencies Spades must be called must go. spades and every manufacturer must study his marketing methods intensively and have a real knowledge of trade and general business conditions. I personally know a small motor manufacturer who is a real merchant. He studies trade and general business conditions and always checks his conclusions with the sales staff of Electrical World. He discovered the other day that there was a shortage of motors in a particular part of this country and that general business conditions there were very good. As a result he reconsigned a quantity of motors and stands to make not only a trading clean-up, but to establish his line in a section of the country where his large competitors have heretofore dominated the field. This man took advantage of information that would not be available to foreign competitors-if he had anyand there is nothing in the transaction in any way chargeable to a vanity account.

The day of the real merchandising man in our manufacturing industries has arrived and the part that business papers can play in this marketing renaissance is obvious.

#### PERMANENT SELLING COSTS

An increase in all direct selling costs is here as a permanent and a definite fact. The American manufacturers have maintained an army of salesmen and the motto of the average sales manager has been when in doubt put on another man. I personally have great admiration for these traveling representatives of American commerce. Their coual can be found in no other country, but when I see the appalling duplication of effort between manufacturers' salesmen and the representatives of wholesale houses, and the lack of planning and system in the routing of these men, I am tempted to compare this economic waste via the expense account sheet with our yearly national loss from forest fires.

With this 20 per cent and 50 per cent increase added, the immediate result must be a more critical analysis of the services which the wholesale and jobbing trades offer and a more detailed study of the possibilities of all kinds of local selling agencies.

Each trade has its already established machinery of distribution, and regardless of relationships and customs that may have existed for many years between each manufacturer and the trade, a period of mutual readjustment is at hand. Mr. Manufacturer has got to quit looking out at the world through his factory windows and stop accepting second-hand opinions from prejudiced observers regarding marketing conditions. He must at first-hand see himself as others see him, if he is to find the offset to increased direct selling expenses.

We business paper men have already been cast for the role of guide, philosopher and trained observer. The question is, are we letter perfect and are we prepared to suit the gesture to the word?

#### Elmer L. Clifford Dead

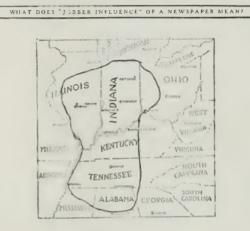
Elmer L. Clifford, who until illness forced him to give up work was business

manager of the New York American, died last week in a Minneapolis hospital. He was forty-six years old.

Jay Rial, Circus Advertising Man, Dies Jay Rial, for twenty years publicity agent for the Ringling Brothers and Barnum & Bailey circuses, died last week in Winston-Salein, N. C., in his sixty-ciphth year. He had closed up his work for the season when he became ill with pneumonia.

#### Sweater and Knit Goods Men to Invest \$200,000 in Advertising

The National Association of the Sweater and Knitted Textile Industry at its meeting at Mitwaukee recently determined to invest \$200,000 in a campaign to popularize knitted wearing apparel. Pledges to the amount of \$75,000 have already been made.



### Indianapolis Electrical Jobbers do Business Regularly in Eight States

It would surprise the average advertising man to find how many retailers of electrical supplies in Kentucky, Tennessee and Alabama buy from Indianapolis jobbers. The five electrical jobbers of Indianapolis travel fiftynine salesmen in eight states. These jobbers did approximately S6,000,000 business in 1919. This is an index to the dominance of Indianapolis in this jobbing line. Of course the advertising medium which the heads of these Indianapolis houses know best is The News. A "News advertised" product is something they know about. Through its jobber influence, The News produces sales results far beyond its circulation radius.

Send for booklet-"Seven Studies in Distribution"



PAGE 21

USE NEWSPAPERS ON A THREE-YEAR DASIS

## Stop Talking Ruin, Urges L. K. Liggett

### New England Advertisers, at Boston Reorganization Session, Are Told of Business Outlook

By WALTER SAMMIS

Editor of Associated Advertising

Diffficult indeed it is to pick the most important from among the outstanding features of the first an.ual New England Advertising Conference, held in the Copley Plaza Hotel, Boston, under the auspices of the New England Association of Advertising Clubs, October 21 and 22.

From the standpoint of organized advertising, however, doubtless the action that will result in the disbanding of the New England Association and the replacing of that body by another organization, knit closely into the fabric of the Associated Advertising Clubs of the World, will be the post far-reaching.

As it stood, the New England Association was made up of six clubs: Pilgrim Publicity Association, Boston; Town Criers, Providence; Advertising Club, Worcester; Advertising Women's Club, Boston; Old Colony Club, Brockton; Advertising Club, Portland. To membership in the new organization nearly a score of other clubs are eligible, and more than 5,000 men and women connected with various departments of advertising in New England besides.

The first session of the Conference was of the officers of the clubs members of the New England Association. It was their unanimous decision that closer affiliation with the A. A. C. of W. was advisable and necessary, and that, therefore, the New England Association should give place to a body which should be practically a part of the national or-ganization of the A. A. C. of W., presided over by the latter's vicepresident for the New England District, having committees on vigilance, education, publication, extension, etc., -modeled, in short, exactly along the lines of the national body, under the government of an executive committee consisting of two members of

This decision was ratified at a later meeting and a committee was appointed by Frank A. Black, A. A. C. of W. vice-president, to take the necessary steps to reorganization. The committee is made up of H. W. Curtis, chairman of the Executive Committee of the New England Association; Gordon Schonfarber, president of the Town Criers, Providence; Rae M. Spencer, president of the Worcester Club; Miss A. Frances Hanson, president of the Women's Advertising Club of Boston; Charles T. Cahill, president of the Old Colony Club, Brockton; George C. Frolich, president of the Pilgrim Publicity Association of Boston, and Oliver N. Randall, president of the Portland, Me., Advertising Club.

#### A STIMULATING MESSAGE

Louis K. Liggett, president of the United Drug Company, took the first general session by storm when he told in no uncertain language what must be done to uphold the standard of business and continue the progress, industrial and commercial, of the country.

"This country is not going to the bow-wows," he declared. "All this talk about business depression and masses of people being thrown out of work, with a panic coming, financial as well as industrial, is damn nonsense.

"If everybody would stop talking like that and devote to his business the time he gives to crying and howling, we'd all do more business and all make more money.

"Lack of confidence is what is causing all the trouble. Many times since the War of the Revolution this country has been menaced; many times weak-kneed people have said there was nothing ahead of it but failure; but every time the United States has risen finally and proved the calamity howlers wrong, and worse than wrong. It will be so again.

"What we need is more general confidence in business. Confidence makes credit and credit is the very life of business. In 1904 every dollar in cash meant S60 of credit; by 1906 the credit had dwindled to \$22, and it is now up to \$40. A little more confidence will restore the dollar to its old position. And I am glad to say that confidence is on the increase."

Mr. Liggett, prefacing his talk by saying that his company had no business secrets, told some of the intimate details of its earlier days.

"We were broke in 1903," he said. "Then we got forty stores in as many big cities to put in \$4,000 each to establish a chain system. That gave us \$160,000. We set aside \$40,000 of this for advertising, and added to it as we went along and more advertising became necessary. That has been our advertising policy ever since."

Responding to a question at the close of his talk, Mr. Liggett said:

"Are we going to 'step on it' in advertising next year? The question of curtailing our advertising for 1921 came up at our directors' meeting this morning. I said: 'Let the advertising appropriation alone. Our program is laid out and we are going to curtail, but if business begins to fall off our advertising will speed up'."

Preceding Mr. Liggett dp. Preceding Mr. Liggett, Rowe Stewart, president of the A. A. C. of W., gave a very clear explanation of how the national organization functions. There were many advertising women in the audience and Mr. Stewart, commenting upon their work in advertising, prefigured a time not very far in the future when a women may occupy the position that is now his.

E. Frederick Cullen, president of the Johnson Educator Food Company, discussing the place of advertising in business, said:

#### ADVERTISING AN ESSENTIAL

"We know that to produce our commodity we need certain ingredients. We know, also, that to do business we need certain ingredients —merchandise, freight, credit, etc., and advertising is one of the 'and so forths.' Our concern would not think of trying to do business without advertising. We consider it an essential."

Describing the early days of his concern, Mr. Cullen told of the difficulties of meeting competition.

"We were driven," he said, "to create dealers without advertising. That meant we had to buy our distribution. One day we woke up to the fact that, after all, we were establishing nothing; that anybody at any time could come along and buy the dealers all over again and get them away from us. We had created no demand. Then, the way having been opened which had been closed before, we went to advertising, created a popular demand, and so placed our business upon a safe foundation. Advertising educates people to want a product, and that's sure business.

"As to hard times coming and a panic being imminent, this country can take care of itself no matter which candidate is elected. For my own concern, we are not afraid. We are now crecting a building to take care of \$1.000.000 more business a year; and advertising is going to help us to get it. The timid man is the one who will lose.

"Here's a steep hill. How are you going to drive your car up it? Watch some of them. They'll drop into first speed as they get to the foot of the hill and crawl up. Perhaps they'll stall. Others will go on second. They also may stall. But we believe we will have a better chance to make it by speeding up, so we're going up that business hill on high. I believe we'll make it, and have a lot of fun while we're doing it."

#### LARGE BANQUET ATTENDANCE

The banquet was set in the evening for the entire registration, and every chair was occupied. All were guests of the Advertising Women's Club, the Lantern Club and the Pilgrim Publicity Association. George C, Frohlich, president of the Pilgrims, was toastmaster. Rowe Stewart and Richard H. Lee, director and counsel for the National Vigilance Committee of the A. A. C. of W., were the only set speakers.

Mr. Lee held the audience for nobody knew how long with his vivid descriptions of how business crooks "got away with it" for a time and by what means they were caught finally. He illustrated by a number of specific cases, giving his audience, or many of them, their first knowledge of the machinations of advertising crooks and the methods pursued in running them to earth.

One of the pleasantest features of the general sessions, which continued during the whole of the twentysecond, was the questioning from the floor after each speech. Hardly a speaker escaped; and none showed even the slightest desire to escape. This was as true of the speakers whose subjects called for technical treatment as of those who spoke on more general subjects.

Prof. Daniel Starch, who spoke at the morning session on the second day, wakened many thoughts in the minds of his auditors by his original exposition of psychology in advertising, and they did not hesitate to express them and to ask enlightenment upon different parts of his talk. Ben Nash, advertising counsel of Displays Company, brought a number of charts to illustrate his subject: "Creating the Advertising Message."

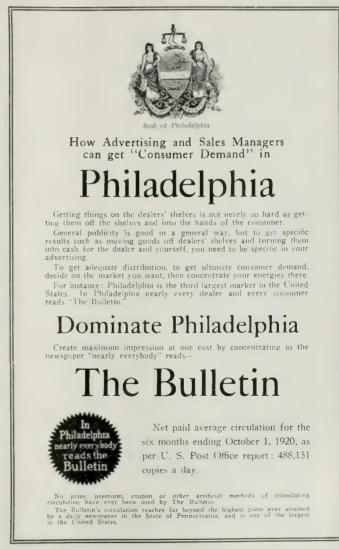
"Never put out a piece of copy just because you 'feel' it will pull. Find out why you feel that way and why you prepare that copy that way, and then you will cease to merely feel that it will pull, and will know."

#### WOMEN TAKE PART

Miss Dorothy R. Entwistle, advertiser to women, Filene's, Boston, told the men more about the reasons why women buy this, that or the other thing than they ever knew before, but it would be hardly fair to say that she gave them a practical scheme on how to advertise to women. Indeed, she left them thoroughly convinced that if you want to reach women through advertising, you'd better get some smart advertising woman to write the copy.

A woman conducted the afternoon session—Miss A. Frances Hanson, president of the Advertising Women's Club of Boston. Her practical handling of the meeting carried every part of it through without a hitch.

Analyzing the people of the United States who can be reached through



advertising, S. R. Latshaw, publicity director of the Butterick Publishing Company, said there were but 8,000,-000 who can read and write and who have incomes of \$1,000 a year and over.

Mr. Latshaw characterized as "bunk" much that is heard about select circulation:

"We sell our product to every man, woman or child who has the money to pay for it and who subscribes. We never ask about their race, color, creed or previous condition of servitude. What, then, is and ought to be the only criterion of the advertising value of a publication? The quality it shows in its pages, of course. If you find in a magazine the quality of editorial matter that, in your opinion, appeals to the kind of people you want to reach, that is the medium for you to use, because it is read by them."

The last speaker of the conference, Harry Levy, president of Harry Levy, Inc., New York, described in interesting detail the use of industrial films for advertising purposes and told of the expanding use that is being made of this medium. At the close of his address he showed the motion picture, "Heads Win."

There was considerable rivalry be-

## Names That Count

 $\mathbf{N}_{so}^{O}$  other magazine has behind it the genuine interest of so many men of prominence as BOYS' LIFE, the official magazine of the Boy Scouts of America. These men see in the publication the opportunity of getting before the younger generation of America the subjects they are most interested in, knowing full well that in this way they can train the boy to think in the right direction. Men who will contribute special articles or departments for

### BOYS' LIFE in 1920

are

Dan Beard John Burroughs Dr. Wm. T. Hornaday J. Alden Loring (Roosevelt Naturalist) Bellmore Browne (Explorer) Arthur F. Rice (Secretary of the Campfire Club of America) Charles L. "Grizzley" Smith (Naturalist) Ida M. Tarbell Frederick K. Vreeland (Camping Expert) E. K. Jones (Radio Expert) Francis A. Collins (Aiplanes and Popular Science) James A. Wilder (Chief Sea Scout)

The list includes a number of others equally as prominent. They will write on subjects ranging from Natural History to Popular Science and Scouting. BOYS' LIFE will carry their instructions to the boys of America, in conservative citizenship, handicraft, campcraft, woodcraft, natural history, scouting, travel, exploration, wireless telegraphy, aviation, vocational training, athletic sports, and a host of other special subjects.



THE BOY SCOUTS' MAGAZINE The Quality Magazine for Boys

Member A. B. C.

200 Fifth Ave. New York City 203 So. Dearborn St. Chicago tween Worcester and Springfield for the conference next year. Since this meeting was general in its nature, and because of the imminence of the reorganization of the New England Association, the choice of the next convention city was left to the new executive committee that will be created when reorganization has been effected.

### Advertising As a Marketing Device By PAUL T. CHERINGTON\*

DVERTISING men find it diffi-A cult to realize how widespread is the attitude of actual hostility toward advertising. In Congress, in state legislatures, in schools and colleges and in public and private discussions advertising is on the defen-sive. Why should it be? Two reasons appear on the surface. One is that, as practiced in this country, advertising looks prosperous, and, hence, is regarded as a promising source of revenue; another is that it appears to be influential, and, hence, is a shining mark for inquiry and for attempts at regulation. And yet, these facts alone do not wholly account for the bitterness and persistence of the attacks.

Attacks upon advertising are inevitable. They are to be expected in any line of effort which touches the public at large, and of which it is not easy for the public to have more than a superficial knowledge. Moreover, when the contact is as direct and the knowledge as extremely superficial as in this case, the attacks may be expected to be numerous and hard to answer clearly. The one convincing defense which advertising can make against such attacks is its record of achievement.

But while the record of achievement is being written some of the misconceptions of advertising ought to be corrected as far as this is possible. It sometimes comes as a shock to anyone who knows what advertising actually is accomplishing to realize that many people have an idea that advertising is mere bragging, resulting in an insidious temptation of an unwary public to buy freely and unwisely.

Advertising, as now chiefly employed in this country, is not mere bragging about wares, it is a marketing device. Its main use is in the economizing of effort in the distribution of merchandise. In this respect

(Continued on page 32)

<sup>\*</sup> Part of a talk before the New England Advertising Conference, at Boston.

## Secretary's Report Reflects Great Activity in the A. B. P.

### Value of Advisory Service, Circulation Promotion and Advertising Progress Shown at Convention

A N interesting feature of the conven-tion of the Associated Business Pa-pers, Inc., in New York last week was the annual report of Jesse H. Neal, the execu-tive secretary. Mr. Neal gave the details of the association's activities during what he characterized as the most successful year in the experience of the organization. The report showed 117 publications in

good standing, there having been but one resignation during the year and a net gain of nine. The publicity of record, for the twelve months, amounted to 41,000 lines; twenty pages of space were used in the advertising trade papers, and ninety-seven pages in member publications.

The Advisory Service Bureau of the A. B. P. counseled with many agencies and advertisers without charge or obligaand auternstrist without outry of outry tion for the purpose of promoting the success of advertising in Business Papers, and Mr. Neal stated that the demand for this service was increasing monthly. The this service was increasing monthly. The subscriptions placed by the A. B. P. Head-quarters. Office numbered one thousand.

The work of the association in co-oper-ating with the War Department in the sale of surplus property was especially commented upon and the important fact was brought out that the Government is selling its army surplus through business paper advertising for a cost of one-half of one per cent of the appraised valua-

tion of the goods. Mr. Neal reported also that the association had been working with British manufacturers in developing an American market with a view of reducing the balance of trade which now hinders exports. Special attention was called to the com-

plete unity and harmony of the organization in endorsing the recent increase in membership dues, and the program of increased activities involved.

RELATIONS WITH AGENCIES

The relations with advertising agencies The relations with advertising agencies under the new plan of co-operation adopted a year ago was reported as pro-gressing satisfactorily. Standards of agency service have been established cov-ering their ability to render service to advertisers in business papers, and ques-tion entry.

advertisers in business papers, and ques-tionnaires have been sent out to agencies, which are now being reviewed by the Committee on Agency Relations. Mention was made of the many con-ventions and exhibits participated in by the association, including Executive Secre-tary Neal's work as chairman of the gen-eral convention committee of the A. C eral convention committee of the A. A. C. of W. for the Indianapolis convention.

of W. for the Indianapolis convention. In an educational way the organization is co-operating with schools, colleges, Y. M. C. A.s. etc., having courses in advertising. A number of books and brochures on business papers were distributed not only to these schools, but to advertisers and agencies. The A. B. P. had an active year in de-fending the interests of its publishers in

connection with state and national legis-lation, Mr. Neal mentioning particularly the work on postal legislation. The editors of the various papers were

separately organized during the year in a body known as the National Conference of Business Paper Editors.

Considerable space in the report was devoted to the preferred recognition which the papers of the A. B. P. have earned and are receiving at the hands of adver-

tisers and agencies. Mr. Neal said that the strict requirements of membership were being rigidly maintained. Next year, it was said, over one thousand pages of advertising over the name of the association would be used in member papers to promote a better understanding and appreciation of the conomic value of advertising by business

Some of the activities under considera-tion for next year mentioned were: Courses of study for advertising schools. closer relations with advertising agencies, a bureau of speakers on business paper a onreat or speakers on business paper subjects, a manual of business paper ad-vertising for the instruction of adver-tisers, standard cost systems, a credit bureau, and co-operation in the matter of printing contracts.



## Your Fall Campaign

**T**F nothing has materialized from your fall direct by mail campaign as yet, the fault may be that you are not using an impressive letterhead.

Systems Bond will give you a letterhead that will be a credit to your firm. Its rag-content and loft-seasoning are what give Systems Bond its feel, crackle and its unusual uniformity of quality. And yet with all this Systems Bond is sold at a business man's price.

## **Eastern Manufacturing Company**

#### General Sales Offices:

**New York** 501 Fifth Avenue Mills at Bangor and Lincoln, Maine

## **Domesticating Your Export Advertising**

### Simple Reversion to Common Sense Method Wins Where Others Have Failed

By P. L. PALMERTON

Promotional Sales Division, Export Department, The Goodyear Tire & Rubber Co.

O NE hears more and more these days of export trade and the country in general is awakening to the fact that trade is just trade, regardless of its latitude. Keenminded men in American industries

long ago awoke to the fact that there is no reason why trade should not be international—universal.

The American manufacturer has lost many of his old ideas about export trade. It is no longer a vague thing, something "impossible to my business." He has found that it does not cost a great deal more to solicit business in some forcign countries than in the farther parts of the United States. He has found that at every American port there are facilities for the dispatch of his products and he has learned something of ocean freights. In a word, he has found that foreign prospects are not inaccessible nor impossible.

#### TWO ROUTES ARE OPEN

There are two big ways of handling foreign trade, one of which is through correspondence and export houses, selling direct to dealers or distributors in foreign countries. The other is to make export selling an intimate part of the business, covering foreign fields through the expansion of the domestic organization. As an example of the latter type we may take The Goodyear Tire and Rubber Company, whose huge foreign business has been controlled by Goodvear companies which have been established pretty generally all over the world.

The first actual step in establishing Goodyear outside the United States was the founding of a Canadian company in 1910. The corporation was known as the Goodyear Tire and Rubber Company of Canada. Ltd., and had for its sole purpose the distributing of Goodyear products throughout the Canadian states. The success of the Canadian company was such that Goodyear bought a rubber factory in Ontario, made an up-to-date tire factory of it and so supplied the Canadian trade direct.

The first overseas company was

### An Export Pattern

THERE are nearly as many ways of going about Foreign Trade getting as there are varieties of American industries. But it does not follow that all of these ways are yielding profitable results.

The case of the Goodyear Tire & Rubber Co. is interesting because it shows how a world-wide selling plan was formed, how it hung fire and how, at length, a commonsense method was formulated, which now is bringing the returns desired

Naturally the Goodyear foreign organization is a big one, far larger than the great majority of manufacturers could employ. But its methods are so simple as to be readily adaptable to a great number of overseas campaigns.

THE EDITOR.

established a little later in Great Britain. This company cared for distribution throughout the British Isles. As more and more Goodyear tires found places on cars outside the United States the Goodyear company came to the realization that its young export system could be extended almost without limits. And then followed the definite planning for the invasion of other territories.

An export department was established with a manager and his assi-tant. Foreign territory was split into the European, Latin-American, Australasian, and Far Eastern Divisions, with a manager and an assistant manager to direct sales in each.

With some products it is possible to break into virgin territory, creating demand where none has existed before. A confection or a food may work along these lines, but an automobile tire cannot. A territory must already have motor cars before the automobile tire can claim a place in the trade—it is entirely dependent on something that has gone before. So the first task of the new department was careful territorial analysis which, of course, had been done

roughly in advance.

The analysis showed that there were some countries where the potential market was so great that to yield their full return they should be cultivated immediately through a Goodyear company right on the ground. Under these companies would come large distributing centers and central warehouses. Some countries where the business was smaller but nevertheless promising, seemed to need the attention of special representatives who could solicit the business and see that Good-Will was fostered. In other countries where it was impractical to put companies, distribution was entrusted to reputable foreign firms. Īt was intended, of course, that these latter countries should

be put under Goodycar companies when they had increased in importance or all richer territories had been cared for.

Under this general scheme the export system has been extended until Goodyear companies for the distribution of Goodyear tires, tubes, and other rubber goods are to be found in Great Britain. Manila, Java, South Africa, Mexico, Colon, Argentina, Brazil, Cuba, Spain, India, Australia, New Zealand, and Canada.

In some cases other countries are managed from one of these foreign companies as Japan and China are managed from Manila, Philippine Islands.

Through these companies, special representatives, and foreign firms, the number of countries where there is no Goodyear representation has been reduced until the list is very short indeed.

The growth of this export system has been not only in territory but also in business done. In spite of the war when export trade suffered generally. Goodyear exports have contributed more and more each year to the total business of the Goodyear company. From the few thousands of 1911 the amount of this trade has grown to a comfortable number of millions.

If advertising has had a part in this export prosperity, it should naturally be of great interest to advertising men whose companies are interested or are going to be interested in trade outside the United States.

#### ADVERTISING "THE NATURAL WAY"

It has been entirely as natural for Goodyear to advertise in the export field as in the domestic for the company, through its experience in the United States, is sold on the idea that a sound merchandising policy plus advertising means success. Advertising is the natural way to go after business and the export system of Goodyear has never faltered in its use.

Because export advertising deals with a trade that is not yet altogether free from misunderstandings and distrust, it still presents many problems for solution. And just as advertising in the United States had to go through a process of growth and refinement, so export advertising is today having wrinkles ironed out by American companies and agencies. The Goodyear company illustrates one solution in their own experience; their solution of export advertising is to domesticate it. Meeting each peculiar condition or problem in its own territory they make it a domestic situation in its own country rather than a foreign puzzle in an American office.

It will be seen that the Goodyear system of advertising is entirely in keeping with the broad plan adopted for their export sales. And just as such a sales plan would not be suitable except for a firm whose total of export business would be large. caring for export advertising by going out to the field and domesticating it would be suitable for relatively few companies. But Goodyear experience has shown that for a company which scatters its representatives over the world, the policy of mixing a few advertising men among them is by far the most economical and satisfactory manner of promoting sales and establishing good-will. It is the happy medium between putting the entire problem up to salesmen or sales managers or caring for it altogether from the home office. Where either of the latter systems must blunder or be much less than 100 per cent efficient, it becomes the logical solution. Goodvear worked

with both systems before adopting the third.

When a new Goodyear company is established abroad and this policy has been consistently followed—an advertising appropriation is at once made for it. The advent of the new company is heralded by an engraved announcement which is sent to manufacturers in America and in the country itself who would be interested in more complete distribution of tires and other rubber goods.

Having made a set appropriation for the first year, the foreign company thereafter has an advertising allowance based on the amount of business actually done. Every company's appropriation is a definite percentage of its sales.

Working closely with a tentative production schedule, the appropriation for a coming year is split into segments—for cord tire advertising, for small tires, for tubes, for straight side tires, for mechanical goods and so on. These segments are redivided for direct and indirect matter and all is ready for getting the results of the expenditures before the foreign prospects.

When the export system was very young, each foreign company was left pretty generally to use its appropriation as seemed best to the sales manager. It was up to him to select the space, to fill it according to his best judgment and by working as best he could with materials originally developed for appeal to United States motorists, to put the Goodyear message before the automobile owners in his territory.

The plan worked and sales grew satisfactorily, but with a reorganization of the export department it was seen that Goodyear advertising abroad was not as forceful as it could be made, although it was excellent work for a sales manager who was not primarily an advertising man and who had a multitude of sales problems to solve. And secondly the tone of Goodyear advertising was being lost.

#### ADVERTISING MEN SENT AFIELD

The result of such consideration was to split the advertising department of the home company, putting an experienced advertising man in charge of the export division. As a further aid a promotional sales division was established within the export department. These two divisions were to study the needs of the different territories, were to put the export angle into all copy, and to originate letters, booklets, dealers' helps, etc., that foreign managers thought they could use but had no time nor special ability for originating themselves.

This change was radical enough in that it put the advertising duties pretty fully in the hands of Goodyear-Akron when before they had been almost entirely in the hands of Goodyear overseas. And again it appeared that all the fault had not been eliminated. Wherein the old system lost Goodyear "tone" in the advertising, the new preserved it, but where the old system made an attempt to adapt all promotional work to a locabity, the new system in trying to minister to the whole world was adapting it in less efficient fashion.

Where the new system was keeping Goodyear literature "100 per cent Goodyear," it was woefully slow in that a booklet had to be written, sent abroad for correction and translation, returned to Akron, printed and finally distributed to the foreign companies. Moreover, the sales in some foreign companies had grown to such an extent that their advertising appropriations had become large sums whose wise expenditure demanded close supervision.

At one stroke this condition was taken care of and the faults of the old system eliminated by the creation of advertising departments in the foreign companies. In the advertising and promotional sales divisions at Akron there were a number of young men who had been trained in export work, who knew something of the problems that could be expected in each specific territory and who knew advertising and what Goodyear called good advertising. These men were selected for the foreign positions and have been dispatched to assume their duties until almost every foreign company is supplied.

The divisions at Akron still had their duties, of course, which meant that new men were added to their staffs. These men in their turn get chances to go to the field when new companies are opened. Thus the home divisions act as training grounds for the field men.

It has not been held requisite that a man speak the language of the country to which he is sent, although such ability is favored. It is assumed that he will proceed to study the language, and while he is acquiring the rudiments of the language, his work will be facilitated by the employment of natives in his embryonic advertising department. These departments in some foreign companies have as high as ten members; all of them should have four--the manager from Akron, a native assistant, a stenographer, and a boy to run the multigraph and wrap printed matter.

ter. This system of having an advertising department in each foreign company with two divisions at the home company co-operating divides the authority in a highly satisfactory manner. Without close co-operation from the home divisions, which are in constant touch with the factory, advertising in the territorics would be ill-timed and inaccurate. Without the man in the field, the divisions would face poor distribution and little or no censorship, or special application.

In the field the Goodyear advertising man works much as he would work in the United States. For his indirect advertising he retouches the suggested copy which is sent to him from the home office or their agents. He selects such media as can best reach his prospects. Most of this must be done through a number of journals, since other countries know no great national publications like the Saturday Evening Post. In most foreign territories the motor cars are concentrated in a few cities so that motorists can be reached through a small list of newspapers. The larger markets usually have one or two high-class motor journals that make good mediums.

The Goodyear advertising manuses most forms of direct advertising that are in accredited use in the United States. All dealers are offered letter service at a low rate and this form of direct appeal to consumers has become popular in most countries. Dealers are regularly supplied with suggested advertisements for their own local use and good success has been had in getting them to keep their businesses lined up with Goodyear's national announcements.

Booklets for consumers are supplied to all dealers free'y. These cover all rubber goods in the Goodvear line.

Booklets usually originate at Akron. When the need for a booklet—either dealer or consumer becomes apparent, a man in the promotional sales division at Akron undertakes the work. Being in constant touch with the factory, he is familiar with the major sales points of every article and any improvements or changes that have been made in its construction. He requisitions from the Art Department such art as is needed or takes such photographs as he desires to incorporate in his booklet.

The layout, copy and art pass both Akron divisions for OK, and then the copy is multigraphed so that each foreign company can be supplied. Duplicate photographs or photographs of line drawings, etc., are attached and the material is mailed.

The advertising man in the field is pretty apt to have a definite need for the booklet and so proceed to have it printed at once. If for any reason it does not fit into his plans, he writes Akron his reason for holding up publication and then files the material for future use. If he decides to finish it at once, he makes all necessary alterations in copy, has a careful translation made and has it printed. Sample copies are always submitted to Akron for criticism, reasons being given for all major changes that have been made.

For each booklet that is sent abroad for printing, an edition is also gotten out at the home office and from this the special representatives and foreign dealers draw their supplies. Window and wall cards are supplied in like manuer.

The advertising man in the field devotes such time as he can to dealer education, trying to make better merchants out of the retailers who stock the company's tires. He sells him on the idea of local advertising, of letter service, of attractive stock arrangement, and window display. On all of these points he offers him some definite aid. In the case of the window display, he supplies him with simple attractive designs that have been set up especially at Akron and which include nothing except the articles in the Goodyear line with some colored paper and a show card or two.

The advertising man in the field looks closely after Goodycar publicity, keeping the name before the motorists of his territory as consistently as possible by furnishing them news articles in which the company has an interest. Much of this material comes direct from Akron and concerns new developments in the products such as a pony blimp or a gigantic truck tire. Publicity on automobile and motorcycle racing finds a ready entrance into most journals. The advertising man also considers the use of a house organ and, if practicable, establishes one of his own. Inasmuch as these are not so plentiful in the foreign field as in the United States, a house organ gets greater interest, and reports from companies that have established them indicate that the reader interest is very high.

And lastly the foreign advertising man deals with all the peculiar conditions of his territory which, after all, are the prime reasons for his being where he is. He aids the company in teaching tire conservation wherein he

sometimes has to combat the "chauffeur evil" under which system the chauffeur selects the tires, and since his selection depends on a commission which the dealer allows him, he likes to wear them out quickly instead of having them last. The advertising man may find his prospects set in their way of using a tire of a design which modern inventions have made inferior, and then his task is one of pioneering the new and better product, preserving good will and supplying demand at the same time. And as he works he is sure to find for solution some problems that are distinctive to the temperament of his customers, things that Akron could not have seen nor have been expected to see.

The advertising and promotional divisions in the home office attempt certain definite tasks. It falls to them to prepare whole campaigns with both direct and indirect material to keep sales matching production on any old product or to introduce a new one. It is their duty to inform the field of all changes in products through so-called "product letters." It is their duty to supply promotional letters, material for booklets, window display designs and publicity and to give advice and criticism on all field problems. In them is vested the final authority and responsibility.

Inasmuch as the field positions are kept jealously in Goodyear hands, it is necessary all the field force be kept linked up and imbued with the spirit of the whole organization. This is accomplished through a weekly publication, *The Overseas Newsletter*, which contains news from all the export companies and representatives.

Such a system of foreign advertising as has been described here builds for smoothness, accuracy and sta-bility. It eliminates long distance clashes between publishers and advertiser such as were reflected at the Indianapolis advertising convention where the writer heard an agency representative taking a South American publisher to task for sweeping rate change in which all contracts were disregarded. It climinates the element of delayed cablegrams and tetters, of impossible translations (how easy it is to get translating bureaus in America to disagree on trade terms!) and of inefficient distribution. Keeping in mind the fact stated herein that such a system is not broadly applicable, wherever it is possible the safe and sane way to handle export advertising is to domesticate it and back it up with whole-hearted consistent co-opera-tion from the home office.

PAGE 29

#### CLASS TRADE AND TECHNICAL

AERIAL AGE WEEKLY, New York The National Technical Engineering, and Trade Authority of the acronautical industry. The foremost acronautical magazine in America in point of qual magazine in America in point of qual ity, circulation, and authoritative edi-torial contents.

### THE AMERICAN ARCHITECT

THE AMERICAN ARCHITECT, Member A. B. P. Inc. New York The weekly business newspaper of the architectural profession subscribed to at \$10.011 per year by practically every worthwhile architect. Published every week succe 1856

AMERICAN EXPORTER, New York The world's largest export journal Carries 1,400 continuous advertuers Circulates every month through Eng lish, Spauish, Portuguese and French editions among leading firms abroad that huy American manufactured goods, Member Associated Business Papers, Inc.

### THE ARCHITECTURAL RECORD

National professional monthly estab-lished 1891. Average net paid circu-lation exceeds 9,500. Member Associ-ated Business Papers, Inc

### AUTOMOTIVE INDUSTRIES,

New Y The only journal dealing with en-gineering and industrial problems in the third largest industry Published weekly. Subscribed to by manufac-turers, engineers and other industrial officials, allied industries, foreign man-diacturers, etc. Net paid circulation 8,519. Member Associated Business Papers, Inc. New York

BAKERS WEEKLY, New York City Leading paper in the baking industry. Member A. B. C. and Associated Busi-ness Papers, Inc.

#### BOOT AND SHOE RECORDER, Boston

"The Great National Shoe Weekly." The indispensable advisor on shoe styles and shoe merchandising of the best-rated retail shoe merchanis in this country. Circulation 10,000 copies week-ly. First choice of the advertiser of shoes, leathers or shoe-store goods. Member Associated Business Papers.

BUILDING AGE, New York Established 1879, Published monthly, Subscribed to by the men who do the building construction of the country Circulation almost exclusively among those who purchase materials as well as fools

#### THE DRY GOODS ECONOMIST.

The Dry Goods Economist, a national dry goods workly formist, a national New Y The Dry Goods Economist, a national dry goods weckly for retailers and jobbers, is the accepted authority of the dry goods trade. Eight issues of each year are World Wide numbers with over three thousand added foreign circu-lation. Type page 924:12'4. Published Saturdays—forms close Wednesday pre-ceiling Member of the Associated Busi-ness Papers, Luc The Dry Goods Economist. 231 West 39th Street, New York City.

#### EXPORT AMER. INDUSTRIES, New York

New Y Monthly English, Freuch, Spanish and Portuguesc editions reaching foreign business men interested in the United States as a source of supply for their industrial and mercantile requirements Official International Organ of the Nat-Assen, of Mirs 60.000 circulation guar-

### THE GAS RECORD, Chica Semi-Monthly, Edited by practical gas men. Reaches builders and operators Chicago

MATTER CONTRACTOR CONTRACTOR

of artificial and natural gas plants, and makers and sellers of gas-consuming appliances. Member A. B. C. and A. B. P. Eastern office, 56 W. 45th St., New York. Telephone, Vanderbilt 3695.

- Telephone, Vanderbilt 3695.
  HARDWARE AGE, New York City Iron Age Publishing Company, 219 West 99th Street. New York City, established 1855; published weskly on Thursslays; forms close ten days preceding; type page, 7216; one time rate, \$145; 52 pages a year, \$96; subscription price. \$3.00; charter member A. B. C and A. B. P. The national market report paper of the hardware undustry and for 65 years an inspiration to hetter hardware merchandising, anticipating the changes, recording the achievement baldware mer-cliants from the Alahiti area to the Parific coast Read on paid subscrip-tion, as a business service, by practically every worthwhile hardware retailer and wholesaler. North, South, East and West, as well as their traveling salesmen, re-taid clerks, depairment managers, etc. Branch offices: Chicago, Roston, Phila-delphia Cleveland, Pitsburgh, and San Erannes Texo.
  THE IRON AGE, New York
- delphia Cleveland, Pittsburgh, and San Francisco THE IRON AGE, New Y. "The World's Greatest Industrial Pa-per," established 1855; published every Thursday; forms close eight days preced-ing; type page, 63;x11"; one-time page rate, \$125; \$25 pages a year, \$100; sub-scription price, \$6; charter member, A. B. C. and A. B. P. The *Iron. Age* serves buyers and sellers in the ma-chinery automotive, shiphuilling, rail-road, farm implement, foundry, iron, steel and other metal-working indus-tries. Its circulation is world-wide and is composed almost entirely of manu-facturing plants. Its readers therein are the executives charged with the prob-lems of management involved in pur-chase, production, costs and sales. Branch offices in Chicago Pirisburgh, Boston, Pirisbeiphia, Cleveland, Cin-cunart, Washington and San Francisco. MARINE ENGINEERING, New Y. New York
- MARINE ENGINEERING, New York AGINE ENGINEERING, New 1 Guatantees more paid individual sub-scribers among shipbuilding companies ship and steamboat companies and their officials, than all other marine nublications in the country combined. Member Associated Business Papers,

## MERCHANTS' TRADE JOURNAL, Des Moines, Chicago, New York, Boston

Published monthly-subscription price \$3.00 per year. Sworn, paid national circulation among retail merchants, ex-ceeks 24.000 (rate based on 16.000). Maintains trade investigation bureau Chai

- Maintains trade investigation bureau MOTOR AGE. Chicago The Weekly News and Service Maga-zine of the Automotive Trade. Editori ally it is devated to the interests of the automotive trade as a dealers' paper specializing in service and maintenance problems. Circulation over 35.000, of which at least 70 per cent are dealers in cars, trucks and tractors or operate Garages, Service Stations, Repairshops, etc. Member A. B. C. and A. B. P.
- etc Member 1: C. and A. B. F. MOTOR WORLD. New York Subscribed for and read by the big percentage of dealers, jobbers and garage owners who study merchandis-ing and are interested in the profit side of their business. Net paid circu-htion in excess of 22,000 per week. Member Associated Business Papers, Inc.

## THE RETAIL LUMBERMAN. The dominant trade paper in the retail fumber and huilding material field. It furnishes lumber dealers with building, advertising and sales service, and is a high-class advertising medium. Total

#### CLASS TRADE AND TECHNICAL

net paid circulation in excess of 5,000 Ask for statement. Member Associated Business Papers, Inc

SHOE AND LEATHER REPORT HOE AND LEATHER REPORT-ER. Boston For 63 years the most influential and intensive paper in an industry rated as fourth in the country's business. Dur-ing 1019, the REPORTER carried 4,000 pages of paid advertising, which is 454 more pages than its chief contemparty. Published each Thursday. Worldwide circulation at 55 a year. Member As-sociated Dusiness Papers, Inc. Ask for V a Comparison of the second page.

#### THE SHOE RETAILER.

with which is consolidated THE SHOEMAN and Boots & Shoes Week-by; circulates exclusively in the retail shoe field, in well-rated stores and de-partments among those who are inter-ested in matter of style, tradle situa-tion and store management. Members of A B, C, and Associated Business Press.

Tress TEXTILE WORLD JOURNAL, New York The Dominating publication of the tex-tile industries. Its readers are mil-men who control purchasing of sup-plies for this country's second largest industry. Over 750 industrial adver-tisers using space under yearly con-tracts. Member Associated Business Papers, Inc. One Time Page rate, \$100.

#### AGRI(ULTURAL

NATIONAL STOCKMAN & NATIONAL STOCK MAN & FARMER, Paranteed Covers Obto, Pennsylvania, West Virginia, 81.00 per year cash. It does not helieve in the advertisers bearing all the expenses of a publication." Pittsburgh, Pa.

#### FARMER AND BREEDER.

Stoux City, Ic Devoted to the interests of the capi-ralistic farmers and breelers of the Golden Egg Territory—southeastern South Dakota, northwestern Jowa, uortheastern Nehraska and southwestern Momesnta Circulation 90,000. Rate 50 cents an agate line S'oux City, Iowa

#### MAGAZINES

THE MODERN PRISCILLA,

12 MODERN PRISCILLA, Magazine designed for thrifty wo-munknul. Devoted to the three im-pertant topics of Needlework. (Tolhes and Housekeeping. A practical maga-zine for practical women. 97% of its readers are housepoper to re-react and the second second second second receives the numbers indefinitely for ref-erence. Kate \$4.00 pcr line.

### **NEWSPAPERS**

#### THE COURIER NEWS.

Published in the heart of the famous Reid River Valley wheat growing sec-tion, has the largest circulation of any daily newspaper in the state. Adver-tioning rates 4 cents a line Govern-ment wheat guarantee makes North Dakota the best held for advertisers in the nation this year.

#### THE BRITISH WHIG.

Only A B C. paper in city of 25,000. April average 6,424. City citrediation 3,950; country, 2,474. Carries may exclusive messing finique in newspaper annals, daily. Write for huuse organ, "More Pep."

### Salesman's Pay

#### (Continued from page 4)

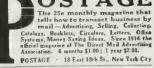
pany pays its salesmen a straight salary, coupled with a compensation plan based on length and quality of service performed. The importance of "service" in its selling plan and the necessity of creating efficient institutional salesmen as well as sellers of its merchandise has inclined this firm toward the salary plan.

The Shredded Wheat Company, which has a plan of organization different from most manufacturers,



MINNA HALL SIMMONS 15 West 38th Street New York City Service :: Copy :: Booklets (Room 1205) Phone Fitz Roy 5591 & 5596

We specialize in house to house distributing of Advertising Literature and Advertising Samples We solicit your account. JAMES T. CASSIDY 206 No. Front St., PHILADELPHIA, PA. Write for our paper "FACTS."



pays its general sales agents salary and bonus, but its salesmen calling on the trade—wholesale grocers in this case—work entirely on a salary.

The salary and commission basis of payment runs second in favor to the salary and bonus plan among the sales executives on ADVERTISING & SELLING'S selected list. A large percentage of the returned questionnaires checked this classification.

#### THE INCENTIVE OF COMMISSION

The Burroughs Adding Machine Company follows and favors this plan. E. D. Shaw, assistant manager of the sales department, wrote:

"A commission plan furnishes a greater incentive than any other and rewards the salesman who produces results in proportion to the results secured. Referring to selling costs, it is a decided advantage to the manufacturer to have a standard stable rate of percentage, rather than the fluctuating rate. The commission plan (which requires a salesman to pay his own expenses) covers outside selling costs with a stated amount per unit.

"For a staple line (answering another inquiry on the questionnaire) salary and commission seems to be the ideal plan; a small salary to prevent worry over finances and a commission to provide the incentive a profit."

The Burroughs Adding Machine handles its beginners on a salary basis, but its more experienced men work on a salary and commission, or even on a straight commission.

Discussing the salary and commission put into system operation by the Beaver Board Companies, H. E. Peterson, general sales manager, writes:

"Our quotas are established on the basis of per capita consumption. An analysis of our business proves, state by state, that the per capita consumption is comparative, so that gives us a pretty good groundwork.

"Taking our business as a whole, it is possible to estimate the maximum on a yearly basis. To know this maximum production, we use our per capita consumption as the means of determining how many men we need to handle our production.

We next create specific territories, and a given number of people in one territory as compared to another is comparative. The quotas are comparative to a degree, and as we discuss quotas with our district sales managers and salesmen, the final conclusions represent a definite mutual understanding.

"The incentive is the business that can be developed beyond a fixed quota, and the fact that commissions are not paid until the conclusion of the year means that the salesman gets it in a lump sum, which means more to hum than to procure it monthly in installments. A check for \$1,000 or more is frequently the means of a sound, small investment, whereas if the \$1,000 had been spread over a twelve-month period, it is more than likely it would have been spent.

"We must not, however, make the mistake of thinking that compensation is the only means of getting the most efficient work out of salesmen. All of us, whether we are salesmen or are assuming some other task, need help and only the organization that renders service to its salesmen with selling helps in the form of national publicity, dealer helps, and territory help from district sales managers to the men in the field, showing its men that it is thinking with them and working with them, will get maximum results."

Earl & Wilson, of Troy, N. Y., well-known manufacturers of collars and shirts, pay their salesmen guaranteed drawing accounts of so much monthly and a commission beyond this amount, settled for twice yearly. Summing up the considerations determining adherence to this policy, J. B. Wright, director of sales for Earl & Wilson, declares that it ensures thorough covering of the territory by the salesmen, builds them up to become bigger earners and encourages them to work for a permanent foundation in their territories.

Writing of the salary and commission compensation plan in vogue in the sales organization of the King Ventilating Company of Owatonna, Minn., manufacturers of a widelyused ventilation system for farm buildings, W. C. Murden, sales manager, says:

"Our salesmen sell to dealers and also to consumers where we do not have an established dealer. Our method of paying them might be called 'salary and commission,' but we refer to it as 'drawing account and commission.'

"The amount of a salesman's drawing account depends mostly upon the salesman, but in hiring a new man, we always take into consideration any personal obligation that he may have in the way of a family or parents that

MONTREAL TORONTO CANADA

he is supporting and any obligations that require a certain amount each month.

"Our men are paid a percentage on every dollar's worth of business that we secure on their territorics, making no distinction on this between personal sales, mail orders from dealers or consumers or help that we may give them from the office.

"In order that they can put their thoughts and attention on their work, we allow a drawing account each month and the difference between their drawing account and commission is paid them at the end of each vear.

"In this way it makes one settlement date and by paying their commissions at one time helps many of them to save money, which they would not save if they were paid monthly or three or four times a

"Outside of the drawing account and commission, we pay their legitimate traveling expenses while on the territory

"We have a yearly quota for each territory, also a monthly and weekly quota. Our quota sheets are mailed to the salesmen each week so that each man knows what the other men have accomplished the week past and how they stand in relationship to their monthly and yearly quotas. The yearly quota is based on a percentage, according to the drawing account.

"This way makes it easy for them to figure their standings. They realize that when they get 100 per cent of their quotas for the year, they are on velvet, as the percentage that we pay, figured on the basis of their yearly quota, takes care of their drawing account.

We make it plain, however, that we expect them to sell more than the quota and that it is the least they can sell at their present drawing account. We have found that this method works out very satisfactorily in our line. It is to the salesmen's interest to complete their yearly quotas as carly as they can so that every dollar's worth sold after that is going to add to the amount of the commission check at the end of the year.

"It is also explained to them that their selling cost must be taken into consideration and checked against their territory and that one way to increase the commission on their territory is to cut down selling ex-

#### THE STRAIGHT COMMISSION BASIS

Many firms operate on the old, familiar straight commission basis, prominent in this class being manufacturers selling directly to the con-

sumer. G. W. Lee, sales manager of the Todd Protectograph Company. checks this method, but also adds that the Todd Protectograph Company is now experimenting with drawing accounts. C. E. Steffey, general sales manager of the National Cash Register Company, points out that in his organization the territorial sales agents work on the straight commission basis, the salesmen under them being compensated according to a number of different plans as suited to local conditions, the experience of the salesmen, etc. Charles E. Percy, of Joseph & Feiss, makers of "Clothcraft" clothes, uses the straight commission system, with expenses paid. In all, about 15 per cent of the replies to ADVERTISING & SELLING'S inquiry fall into the "straight commission" column, equaling the number that go under the "straight salary" heading.

"Straight commission" and "straight salary" do not solve the problem outside of the exceptional cases. The tendency is clearly toward a payment of such a flat salary or guaranteed drawing account as will give the salesman a minimum compensation and assure, at all times, the means of subsistence. On the other hand, the tone of the sales executives replying to this inquiry shows clearly enough the general determination not to let assurance breed sloth, The favor with which they look upon the policy of paying a salary with a bonus for territorial business development of a fixed percentage above the previous year's business, and the interest in "quotas" indicates the new effort to make the plus compensation scientifically relative not only to the salesman's energy, but to the lasting results obtained for the company. The classification of the bonus percentage rate according to the profit return on the particular kind of goods sold shows a developing desire to guide the salesman through his compensation.

#### THE NEW SELLING IDEA

It has been complained that the fixing of the bonus base on the previous year's sales penalizes the salesman who was most energetic in the previous year. This can be avoided largely by establishing the base on an average running over several years back

Today, we are realizing more clearly than ever the need of sound institutional selling to go along with the selling of merchandise. We are seeing that we cannot send the salesman but as a free lance to "put across" his goods, collect his commissions and go on. We are finding it nec-

essary to make demands upon his time to cement and inject a personal element into the relations between manufacturer and customer, whether that customer is jobber, dealer, or "ultimate consumer." In this gyrating market, we find it very essential to insure that we hold what business we have. We have delegated largely to our salesman the task of holding that business: we must delegate it largely to him, for he is the personal link. For that service we pay him an adequate compensation in the form of a salary. That our business may not stand still at the point to which we and he have brought it, we offer him the incentive of a bonus on what new business he may develop in his territory. That is the argument for this plan.

Advertising & Selling's inquiry brings out how leading manufacturers of the country are paying their salesmen. It does not establish nor seek to establish a common standard which can be appplied in existing conditions by a wide range of manufacturers selling through the salesman on the road. In presenting this data for the advisement of sales executives who may be questioning their own systems of compensation, comment is invited on the points brought up.

### W. W. Hubbard, Advertising Manager, Bayonne "News" Walter Whiteley Hubbard, recently ad-

vertising sales manager of the Ludwig P ano Company's factory and chain of stores, Philadelphia, and formerly with the Baltimore *elimerican* and *Star*, has be-come advertising manager of the Bayonne, N. J., Evening News, previously called the Review.

Bernard Kramer, former advertising manager of The American Art Student, New York, prior to its incorporation with the Touchstone Magazine, has been made a stockholder in the Netes corporation and secretary and business manager. News building is being renovated and enlarged, new machines installed, and the publishing force increased

#### Bert Butterworth Represents Rotogravure Papers

gravuce Papers Bert Butterworth, Citizen's National Bank building, Los Angeles, and Hobart Building, San Francisco, has been appointed Pacific Coast representative of the Na-tional Gravure Circuit's list of rotogravure sections known as the Graphic Newspapers.

#### Gardner Heads Packard Car Sales

Harry T. Gardner, widely known in trade organization circles, and secretary of the Automobile Dealers' Association, Inc., New York City, has been made sales manager of the passenger car division of the Packard Motor Car Company, Detroit.

Claude C. Moore Joins Nemeyer Co. Claude C. Moore, recently with The Lees Company, has joined Paul Nemeyer & Co., Cleveland, as service director. Oliver M. Byerly, who formerly held that posi-tion, has been promoted to assistant plan director.



### Features in this Number October 30, 1920

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How Advertising Good Will Helps in Financing.

*E. Walter Osborne* W. M. Sawyer discusses National City Company's high-powered publicity to move security issues.

- BUILDING A COMPLETE NATIONAL BUSINESS........Martin L. Pierce Direct Mail's contribution to a successful campaign is reviewed by the merchandising manager of the Hoover Suction Sweeper Company.

- THE BUSINESS PRESS AND THE NEW SELLING DEMAND. ...II. A. Lewis 20 Manufacturers must resell their prices and educate the dealer on "turnover."

- DOMESTICATING YOUR EXPORT ADVERTISING......P. L. Palmerton 20 What the Goodyear Export Department has won by simple, common sense methods.

### **Calendar of Coming Events**

- November 8-9—Annual Convention, National Manufacturers of Soda Water Flavors, Cincinnati, O.
- November 8-10—Semi-Annual Meeting, Associated Cooperage Industries of America, Hotel Cleveland, Cleveland, O.
- November 8-11 Annual Convention, Barbers' Supply Dealers of America, Cincinnati, O.
- November 10-12- Annual Convention and Exposition, American Association of

Bottlers of Carbonated Beverages, Cincinnati, O.

- November 17-18—Annual Convention, Southern Sash, Door & Millwork Manufacturers' Association, Atlanta, Ga.
- November 17-19—Annual Meeting, American Petroleum Institute, Washington, D. C.
- December 6-8-Annual Meeting, Association of National Advertisers, Lakewood, N. J.

#### Advertising As a Marketing Device

#### (Continued from page 24)

it differs as radically from the "puffing of wares" common when the science of economics was being formulated as an electric motor differs from a key on a kite string. Advertising is not merely a flash of bragging, it is a harnessed force under control to an extent little appreciated outside of the comparatively small circle of those who devise and execute the claborate marketing campaigns which are an essential part of modern business.

It is difficult to conceive of a distributing plan under modern conditions which is wholly passive. Aggressive sales effort of some kind is practically essential. To object to it on economic grounds as being an unnecessary stimulation of demand is to ignore the conditions of production and consumption of which they are a product.

Thus far there has been no clear statement made of the economic status of this whole system of aggressive selling, of which advertising is so important a part. Such a statement will be slow in formulation. It must necessarily grow out of the facts. These must be established beyond dispute and weighed without prejudice and with due regard for the conditions of production and consumption which have produced them. If the facts show that, with the aid of intelligently conducted advertising, merchandise is delivered from producer to consumer better and with less waste than it could be delivered without this help, no amount of harping on some of its external features can permanently hinder its development.

Those who know how this marketing device operates when intelligently employed have no misgivings as to its ability to justify itself. In the meantime those who know what advertising is really contributing to modern business may expect to find themselves constantly under obligation to refute with facts a hounding, critical attitude based on a system of thought which grew up years ago when advertising was mainly a process of competitive bragging.

#### "Forum" Is Bought by Payne

The Forum, founded thirty-five years ago by Isaac L. Rice, was purchased this week by George Henry Payne, tax commissioner of New York City. The November number will be under Mr. Payne's editorship. Up to the time he entered politics in 1912 Mr. Payne was the political editor of the New York Evening Post.

## **THE FIRST 500,000**



Francis H. Sisson, Vice-President Guaranty Trust Company of New York

RANCIS H. SISSON, Vice-President of the Guaranty Trust Company, offers constructive and timely suggestions in "My Remedy for Bolshevism":

"Tunnelling the Rockies" outlines a vast project rivalling in magnitude the cutting of the Panama Canal:

Stephen Leacock gives an uproarious account of the workman's ascendancy to autocracy in "The Kidnapped Plumber".

In the October 30th issue of

LESLIE'S Half A Million Guaranteed

THE FIRST 500,000

Have you been reading Leslie's lately?

### **THE FIRST 500,000**

## The American Weekly Admits Receiving a Cancellation

The reason was that the advertiser had been so overwhelmed with results from his first color page in the Weekly that he was afraid another page might put him out of business.

We can guarantee results, but we can't control them.

That is the advertiser's risk, not ours.

Two and a Half million families look for the American Weekly every Sunday, as a principal feature of the New York American, Chicago Herald and Examiner, Boston Advertiser. Washington Times, Los Angeles Examiner, San Francisco Examiner and Atlanta Georgian. If you want to see the color of their money-use color. A. J. Kobler, Manager, 1834 Broadway, New York. W. J. Griswold, Western Representative, Chicago.