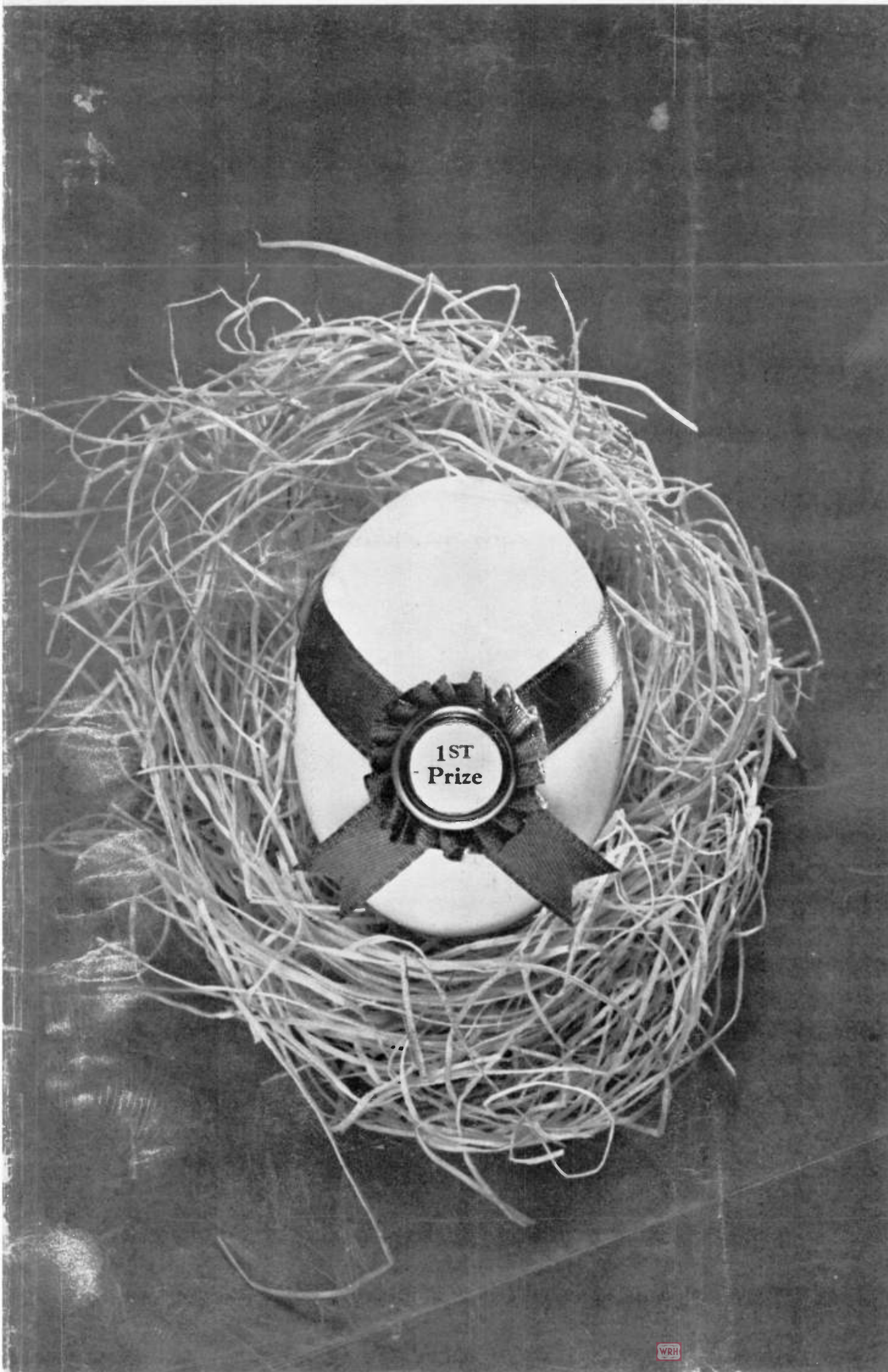


MERCHANDISING WEEK

EDITED FOR THE HOME GOODS RETAILER/A MCGRAW-HILL PUBLICATION/50 CENTS/VOL. 97 NO. 31/AUGUST 2, 1965



◀ □ □ □ Packaging perfection:

Recently, the packages that protect and promote housewares products have begun to rival Nature's classic package, the egg, long an inspiration for successful designers. And it's not just prizes the housewares industry is winning: it's more sales—and more profit for all.....p.17

AT PRESSTIME □

□ □ □ □ Praise for Sears and The Hecht Co. on the way they handled excise tax advertising came last week from industry gadfly, Congressman Charles Vanik (D-O.). Sears ran a full-page ad in Cleveland—Vanik's home base—listing before-and-after prices on about 50 articles. Hecht's did the same thing in Washington, D.C.

In a statement inserted in The Congressional Record, Vanik called this approach "creative advertising" and "a prime example for other retailers to follow."

At the same time, the Commerce Department turned down as impractical Vanik's request that it compile new-model specifications to help determine whether new price lists reflect the June 22 excise tax cuts.

But Assistant Commerce Secretary Andrew F. Brimmer noted that the department was working with the Bureau of Labor Statistics in gathering price data and pledged to "call to the attention of manufacturers and retailers" any complaint that indicates the tax isn't being passed on."

□ □ □ □ The business outlook:

Frigidaire's general manager, Herman F. Lehman, last week predicted a 42% increase during the next 10 years for the major appliance

continued on p.3

Arvin

In Elegant Walnut Wood-Grain



NEW! BIG TONE!

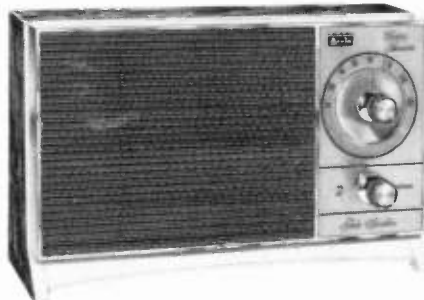
ARVIN SOLID STATE RADIO
in Walnut Wood-Grain Cabinet

Big radio sound from powerful Solid State AC chassis featuring 5 high efficiency transistors plus diode and silicon rectifier for instant play, cool operation. Large 4" Velvet Voice speaker, on-off-volume control, built-in ferrite rod antenna.

Arvin Model 16R28

sugg. retail \$19.95

SOLID STATE RADIOS



NEW! TWIN SPEAKER POWER!

ARVIN SOLID STATE RADIO
in Deluxe Walnut Wood-Grain Cabinet

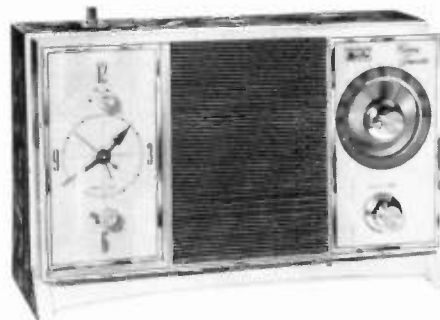
Twin 4" balanced Velvet Voice speakers are expertly matched with dependable Arvin Solid State, AC powered chassis. 5 prestige quality transistors plus diode and silicon rectifier. Precision vernier tuning, automatic volume control, built-in antenna.

Arvin Model 16R68

sugg. retail \$22.95

SOLID SALES BUILDERS

Here's a new line of Solid State Radios that lets you offer your customers instant-play, cooler operation and longer set life, elegantly styled in Walnut Wood-Grain. All-transistor circuitry lets us pack more sales appeal into the slimmest, trimmest cabinets, just right for today's more style-conscious radio buyers. See these new radio Sales Builders—they represent the big news in Arvin's complete line of Solid State Radios, priced from \$18.95 to \$64.95



NEW! FULL FEATURE CLOCK!

ARVIN SOLID STATE CLOCK RADIO
in Deluxe Walnut Wood-Grain Cabinet

Arvin Solid State, AC powered 5 transistor radio chassis teamed with precision full-feature clock. Includes every wanted convenience: "Wake-to-Music," "Wake-to-Alarm," Slumber Switch, Doze Light, plus "Repeat-A-Call" alarm. Precision vernier tuning, 4" Velvet Voice speaker, sensitive rod antenna.

Arvin Model 56R38

sugg. retail \$29.95

For complete information, write, with or call
Arvin®
ARVIN INDUSTRIES, INC.
Consumer Products Div., Dept. E-9, Columbus, Ind.



540



TRANSISTOR VOICE RECORDER

Lightweight... Plays Anywhere!

Battery operated, compact-size tape recorder records and plays back anywhere, anytime. Weighs only 4 lbs. and is no bigger than a book. VU recording meter. Single knob control for play, record, rewind, stop. Separate switch for fast forward tape movement. Remote control switch on microphone.

Arvin Model 85L08, Two-tone Beige. Includes magnetic microphone, earphone, batteries, 225' tape and two 3" reels. Sugg. retail \$34.95



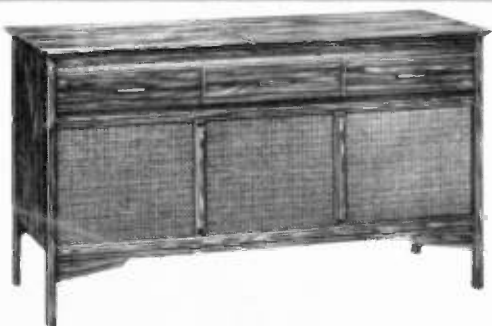
Arvin

16" ALL-CHANNEL PORTABLE TV with "Roll-About" Stand

All-channel UHF-VHF set receives channels 2 through 83. 16" aluminized picture tube brings in blacker blacks, whiter whites. "Memory" VHF fine tuning for one-time station adjustment. Solid State transistor plus tube circuitry reduces heat, lowers power consumption. Model 65K38, Two-tone Beige with Gold Trim.

DEAL INCLUDES: Arvin 16" TV, "Roll-about" TV Stand.

Arvin Model 65K38PK. Sugg. retail \$124.88



Arvin STEREO CONSOLE PHONOGRAPH with FM/AM/FM Stereo Radio in Genuine Walnut Veneer Cabinet Furniture styled 44" wood console featuring acoustically balanced 6-speaker system and dual-channel amplifier. Deluxe 9-tube tuner with Automatic Frequency Control to "lock in" FM and FM Stereo signals. Precision 4-speed changer has 11" turntable with rubber mat and ceramic cartridge with replaceable diamond needle. Lighted master panel with six separate controls.

Arvin Model 76P88, Genuine Walnut Veneer Finish.

Sugg. retail \$189.95



Arvin STEREO CONSOLE PHONOGRAPH

24 3/16" x 24 1/2" x 13 3/8", in Genuine Walnut Veneer Cabinet

Big Stereo sound in compact size! Matched 4-speaker stereo sound system combined with big power dual channel amplifier. Separate tone and volume controls for left and right speaker systems bring out depth and brilliance of stereo records. Automatic 4-speed changer with 9" rubber-covered turntable, dual sapphire needles and 45 RPM spindle.

Arvin Model 75P18, Genuine Walnut Veneer.

Sugg. retail \$94.95



Arvin SOLID STATE HI-FI PHONO with Drop-Down 4-Speed Automatic Changer

Solid State, AC powered amplifier for instant play, cool operation. 9" rubber matted turntable. Dual sapphire needles in turnover cartridge. 3" x 5" Velvet Voice speaker. Separate tone and volume controls. WOOD cabinet is covered in scuff-resistant pyroxylin.

Arvin Model 56P38, Two Tone Brown.

Sugg. retail \$46.95

business. The industry will become a \$7.5 billion business by 1975, compared to \$5.3 billion estimated for this year, Lehman said. Today major appliance manufacturers are producing 66,000 units a day and will build about 16,750,000 units this year, Lehman said. He predicted that in 10 years there will be 231,700,000 of these appliances in use—an increase of about 50% over today.

□ □ □ □ **An install-it-yourself car tape player** in stereo will be marketed under the SJB label at \$159.95. Maury Mittelman, sales director of the Los Angeles-based firm, reports that "delivery of the units begins in 30 days to our 15 distributors across the country." The new transistorized unit, with its own amplifier, has two screw-on speakers.

□ □ □ □ **A pay tv franchise for Chicago** has been obtained by Field Communications under an option agreement with Zenith, and pending FCC approval. Field's plans already include a UHF station there in 1966.

□ □ □ □ **Sony/Superscope will go all solid-state** in its entire line of tape recorders by the end of 1965, says president Joseph Tushinsky. By Jan. 1, Sony will add seven new tape recorders to its present line of 16.

□ □ □ □ **Ward's has a new 5-year service contract** that covers as many as 58 Ward appliances for a single \$10 monthly fee. The multi-item contract, which covers nearly 20 major categories of appliances including such items as color tv sets, stereo phonos, dishwashers, refrigerators, and ranges, provides both service and parts for five years from date of purchase. Both at-home and in-shop service, depending on the product category, are available under the contract. New appliances purchased will also be covered by the contract.

□ □ □ □ **Home laundry shipments rose 14% in June**, and finished the first half 6% ahead of the comparable 1964 period. The increases: electric clothes dryers, 15.9%, gas dryers, up 4.48%, semi-automatic and automatic washers, up 7.13%. Wringer and spinner washer shipments fell 9.01% behind the 1964 first-half level.

□ □ □ □ **A 15-inch color tube from RCA** will be shown to executives next week in Chicago. With a competitive eye on GE's upcoming 11-inch color unit, RCA says its new tube represents the ideal combination of weight and size for a color portable and for group viewing. The tube will not be available until next year—probably in the first half. RCA expects bulb samples for the 90-degree rectangular tube in October.

GE home appliance centers: next stop—Houston

"It is hard for an individual to keep a name. The GE monogram is known the world over for quality, and we're kind of going under the umbrella," explained independent retailer Wesley Edmondson.

Edmondson, who owns three stores in Houston, is the latest retailer to open a GE Appliance Center—and the first in Texas. But he will not be the last.

GE hopes to franchise about a dozen Appliance Centers in Houston and still others throughout its South Texas district. Basically, the plans read like a carbon copy of the program in Ohio, where district manager George Connor opened 19 appli-

ance centers (MW, 14 Dec. '64, p.8).

"We would like for all GE dealer stores to resemble the Cleveland stores," said Russ Pearson, advertising and sales promotion manager for GE's South Texas district, "because they have good displays and identification."

GE officials emphasize that the new appliance centers will be owned by dealers, not by the company. "Our program is not to go out and set up 12 new stores in Houston," Pearson said.

What the stores will feature, of course, is strong GE identification and enough room to display the company's entire product lineup.

At least one more center besides Edmondson's existing unit is currently in the works. The latest, a 3,500-sq-ft. store set for the Maplewood Shopping Center, in Houston, will be run by Jerry Getz, a 15-year veteran in the appliance business.

Edmondson's first appliance center carries nothing but GE products. And now he plans to convert another of his stores to an exclusive GE center by the end of August. After that, he will turn his remaining outlet into an appliance center.

The object of converting, according to Edmondson, is to "concentrate on one line. We can spend less time buying, cut down inventory and service

costs, streamline our operation, and go into the specialty field." He likes the plan because it is a "concept of putting ourselves in a more mobile position to keep up with competition."

The sign on Edmondson's center features the name "GE" in the upper third, the words "tv, stereo, appliances" in the second section, and "appliance center" in the third portion. Below that: Edmondson's name.

GE Appliance Centers now number about 30, according to a company spokesman, including 19 in northwestern Ohio and Pennsylvania, a couple in southern Ohio, eight in Grand Rapids, Mich., and one in Decatur, Ill.

Inventories: appraising the figures at mid-year

If, after a glance at inventory numbers, industry executives were not exactly carefree last week, neither were they overly concerned about what they saw. Here is the situation:

In television: Moving into July, combined factory and distributor inventory of black and white tv sets was up approximately 20%, while sales were off about one percentage point, compared to the same period in 1964.

But no one was expressing concern over the current state of affairs. As B.S. Durant, the able president of the RCA Sales Corp. explained:

"You have to look at a number of things. There have been some significant changes in tv. An obvious one is the growth of color. Less obvious is the proliferation of tube

sizes in black-and-white. An increase in variety means a bigger inventory to carry it."

Durant pointed out some other reasons. Industry figures through the 27th week do not show the effect of factory vacations or shutdowns. The impact of vacation schedules should start to show up in later figures, Durant said, pointing to the fact that inventory had actually decreased between the 26th and 27th week.

Excise taxes had an effect, too, as distributors held off shipping sets to dealers until after the tax cuts were passed. "This bunched inventory numbers," Durant said.

Although Durant pointed out that 23-inch b&w sets are off in sales, and inventory for these units is not down proportionately, he noted: "I don't

think we've got an industry problem, but I wouldn't want to lull anyone to sleep."

Other set makers shared Durant's attitude. "I see no cause for concern," said Packard Bell's Kenneth Johnson. "The increase in inventory was caused by confusion in the minds of people over the excise tax cut."

"The inventory figure is still in the ballpark," said Motorola's S.W. Herkes. And Sylvania's Robert J. Theis pointed out: "Factory inventory is up principally in small screen sets, but sales are up in this area, too. I see no real problem."

In major appliances: Inventories in this vast product area are up, MERCHANDISING WEEK was told, possibly more than 15%. But sales were up, too, by more than 8%. And although

no one expressed any concern, not everyone interpreted the figures in the same manner.

"Inventories have inched upward," admitted one executive, "particularly in washers and refrigerators."

Other executives pinned an "imbalance" on air conditioners, where inventories were reportedly running 42% ahead of last year, while sales were up 18%. Was there any reason for concern? "Nothing a little hot weather wouldn't clear up," said one confident executive. (As if on cue, Chicago's Polk Brothers last week announced it sold more than 4,000 air conditioners in 48 hours.)

"We're not at all alarmed about inventories," said Kelvinator's E.B. Barnes. Frigidaire's Herman F. Lehman said inventories are "normal."

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Now.....

ALL "SCOTCH" BRAND BOXES SHRINK-PACKED TO INSURE "FACTORY-TO-YOU" CLEAN TAPES (ELIMINATES TAPE SWITCHING, TOO).



Balfour record changers

The exclusive U.S. supplier for Balfour Princess automatic and manual four-speed stereo turntable systems is RFS Industries Inc.

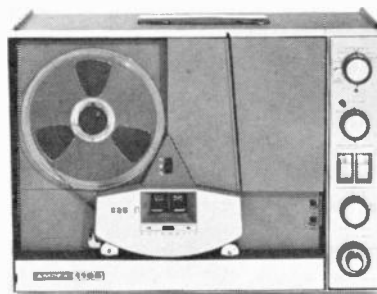
All Princess changers feature floating action turntable and friction-free performance by using Delrin

fabricated parts, according to the company. Among the features of the models are a built-in stylus cleaning brush, a self-locking tone arm, dynamically balanced heavy duty motors, and removable center spindle for manual use of the changer as a transcription-type unit. The changers are furnished with AC line cords and audio cables and will take a 10 record intermix.

Models featured are the RCD-4 Princess Deluxe, which accepts any standard flip-under stereo-monoaural cartridge and has a four pole motor. Its retail price is \$47.50. The retail price of model RC-2, complete with diamond stylus, is \$37.50. Model RC-1 will also be made available.

The firm, Balfour Electronics Ltd.,

Dagenham, England, also furnishes a complete line of accessories, such as oiled walnut bases, 45 rpm automatic play center spindles, and molded vinyl dust covers. *RFS Industries Inc., 102 Harbor Rd., Port Washington, N.Y. 11050.*



Ampex stereo tape recorders

Automatic threading and reversing features have been incorporated in a new medium-priced series of home stereo recorders by Ampex. The 1100 series (shown) is available in three solid-state models with twin VU meters.

Model 1165 is walnut-encased, whole model 1160, similar to model 1165, comes in a tan vinyl case. Model 1150, a tape deck, has a suggested retail price of \$399. Suggested retail prices for models 1165 and 1160 are \$469 and \$449, respectively.

One Ampex 2001 microphone is included with models 1160 and 1165. A variety of Ampex speaker systems, priced from \$29.95 to \$320 a pair, are designed for use with the 1100 series, as well as other Ampex recorders.

Bi-directional playback, which permits listening to a complete four-track stereo tape without rewinding or switching reels, is featured in model 890, a new addition to the Ampex 800 series of stereo recorders. A finger-tip reversing switch permits the listener to reverse the direction of play at the conclusion of one side of the tape, activating a second playback head for immediate playback in the right to left direction. Tape direction may also be changed at any point during playback. Prices for the Ampex 800 series range from \$269 to \$369. *Ampex Corp., 401 Broadway, Redwood City, Calif.*



Estey Magnatone amplifier line

Estey's Magnatone Professional guitar and accordion amplifiers, unveiled at the Music Show, are highlighted by an electronic circuit specially designed for rock'n roll amplification.

A new tremolo sound, Vibratrem, is another feature of the new line, in addition to new cabinet styling, and illuminated control panel, a background noise attenuator, and tremolo blinker lights for visual measurement of the tremolo's speed.

Included in the Professional line are two general purpose reverberation and tremolo amps, a bass amp, and two high-powered piggy-back amps.

The line consists of model MP-1, with 20w rms and 28w peak power, and model MP-2, with 55w rms and 80w peak power. Their respective suggested retail prices are \$279.95 and \$350. Other units are model MP-3, with the same output as model MP-2, and models MP-4 and MP-5, two piggy-back versions of models MP-2 and MP-3. The latter three amps have the following respective retail prices: \$450, \$550, and \$650. All five amps have external speaker jacks and four-position power control switches. *Estey Musical Instrument Corp., 201 W. John St. Hicksville, N.Y.*

**this hot item makes fine fidelity
at 3³/₄ ips come true**

"Dynarange" Recording Tape

So sensitive, your customers can cut recording speed by half, yet retain full fidelity. They'll save, you'll profit with these new boxes.

YOU'RE NOW READY TO CASH IN! On the tape that records twice the music per foot. New SCOTCH® Brand "Dynarange" Series Recording Tape. It delivers a truly significant advantage your customers have been waiting for. Lets them record at 3³/₄ ips all the fidelity they could previously enjoy at only 7¹/₂. (Or they can use it at 7¹/₂—discover fidelity they didn't know their recorders had.) And beginning next month, your customers will hear all about it.

HEAVY ADVERTISING BREAKS IN SEPTEMBER! And will continue through the rest of the year. Not

only in magazines, but on network television and FM radio. Advertisements will appear in Sports Illustrated, The New Yorker, as well as in all leading audiophile fan magazines. "Dynarange" Tape will be featured on the 3M-sponsored documentary series on ABC television. And a special 3M-sponsored weekly program on FM radio will announce this new tape in major markets across the country.

The word will soon be out, so stock up now. Take advantage of the merchandising offers shown below that promote "Dynarange" Tape and the complete line of "SCOTCH" Recording Tapes.



Free display and demonstration tape when you stock the new "Dynarange" Series. Pre-recorded tape lets your customers hear for themselves the excellence of new "Dynarange" Series at the slow 3³/₄ speed. You also get gold-plated rack shown, back-up card, plus window banner. All free with coupons contained in your initial purchase of 36 rolls of "Dynarange" Tape.



New mail truck display free with 36 "Living Letters". Handsome red, white and blue display lets you profit from the high-profit turnover of "Living Letters." Comes completely stocked with 36 rolls—12 each of 150', 300' and 600' lengths. Each roll comes in heavy-duty plastic mailer that fully meets postal regulations. Display pocket provides for address labels, product literature. Also available award-winning mailbox display stocked with 72 "Living Letter" Tapes.



Accessories pack free to customers with purchase of a 7" reel of double or triple length tape. A sales-builder for you. A bonus for your customers. A roll of splicing tape plus 10 end-of-reel tape clips are included free in special shrink-packed 7" reels of "SCOTCH" double and triple length tapes. Offer available to you and your customers for a limited time only.



Proven permanent displays that have boosted tape sales as much as 300%. Ask your supplier for details. The floor cabinet display FCD-2 shown has increased tape sales from 42% to as high as 300% in stores across the country. Holds 144 rolls, provides for self-serve convenience of tapes and accessories. Smaller WCD-3 wall or counter displays also available.

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Magnetic Products Division **3M** COMPANY

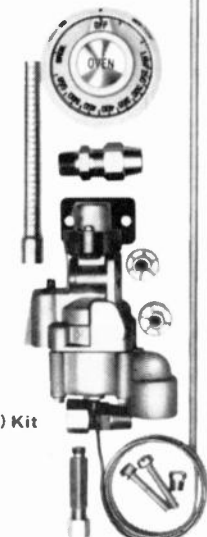
USE THESE TWO GAS AND ELECTRIC COOKING KITS FOR THOUSANDS OF APPLICATIONS!



They're designed and packaged for one-stop service calls! They are typical of Uni-Line . . . the longest and broadest line in the replacement market...your only sure source of replacement control kits for gas and electric cooking — both commercial and residential.



Kit for Electric Range
Control Replacement
SE5500 (Infinite Switch) Kit



Kit for Gas Oven
Control Replacement
VC4500 Oven Kit

Robertshaw
Uni-Line
CONTROLS

See your Uni-Line wholesaler, or write:
ROBERTSHAW CONTROLS COMPANY, Uni-Line Division
16072 Gothard St., Huntington Beach, Calif. 92647

Fight them all

Heart Attack
Stroke
High Blood Pressure
Rheumatic Fever

Give Heart Fund



WASHINGTON

□ □ □ □ **Dispute over the pass-along of excise cuts** to consumers has gotten some top level refereeing. The tax cut benefits are indeed being passed on in at least two categories—air conditioners and autos—according to the first report to President Johnson by Gardner Ackley, chairman of the Council of Economic Advisers.

Air conditioner retail prices dipped 5.6% from May to June, if refunds for the retroactive tax cuts are figured in. The manufacturers' tax amounted to about 6% of the retail price, according to the report.

But there were "small seasonal increases" before the May 15 retroactive date. Spot checks since June 22, when the full tax cut took effect and refund arrangements were no longer necessary, "show that air conditioner prices generally fell by the full amount of the tax," the report said.

Air conditioner manufacturers did not make formal arrangements for automatic refunds. Although many retailers did set up procedures, there is "no assurance" every consumer will get his refund unless he applies for it, the report added.

Auto tax cuts would have amounted to about 2.1% of the retail price. New car prices actually fell by even more—2.8%. The study stated new car prices usually dip in June when the end of the model year is near, but the dip generally is not that deep.

The figures were gathered by the Bureau of Labor Statistics (BLS) before June 22. BLS has run a survey since then, but compilation of the July figures and a report on retail price behavior of other items is about a month away. The council will keep a close watch on BLS wholesale price figures. Price hikes will be examined to find whether the tax cut has been absorbed.

□ □ □ □ **Broadcasters and CATVers sniped** at each other in statements filed with the FCC last week concerning the Commission's proposal for regulating community antenna television (CATV) systems.

The National Assn. of Broadcasters (NAB) said the Federal Communications Commission (FCC) should move as quickly as possible to bring all CATV systems under FCC regulations, whether they use microwave or wire facilities. Even though CATV is not specifically mentioned in the communication laws, NAB contended FCC is obliged to act "to make CATV an integral part of an effective regulatory scheme."

However, NAB also felt color broadcasting should be exempt from FCC's non-duplication rule protecting a local station's programming. "If the local station has not seen fit to install color equipment, the local populace should not be penalized," it said. National Community Television Assn. (NCTA) contended basically that the issue should be settled by Congressional action. NCTA stated FCC should announce that "it does not have jurisdiction to directly control CATV systems, and that it does not intend to do so until authorized by further legislation."

□ □ □ □ **The appointment of Rep. Oren Harris** (D-Ark.) to the federal bench will elevate Rep. Harley O. Staggers (D-W.Va.) to Chairman of the House Commerce Committee. But the changeover will not occur any sooner than the end of the present session. Staggers, who has served in Congress since 1948, is expected to follow Administration's lead.

Manufacturers eye the trend to two-year laundry warranties

The industry is warily watching—and discussing behind closed doors—a growing trend toward second-year warranties on automatic washers and dryers:

In May, Sears announced that it was extending the parts warranty on all the Kenmore laundry appliances in its line from one year to two years.

At the same time, Whirlpool, which supplies Sears, also stretched out the parts warranty on its new laundry line from one year to two years.

Last month, Westinghouse jumped on the bandwagon by doubling its guarantee—to two years—on all parts in its washers and dryers.

And, in the latest move, Hamilton Manufacturing Co. joined the parade by extending its parts warranty from one year to two years on its automatic washers and dryers. “Putting our money where our mouth is,” a Hamilton spokesman explained.

Meanwhile, as these four companies heralded their new warranty extensions with much fanfare, Philco stood pat with a two-year parts warranty on its washers that has been in effect since 1962.

Sure to stir up arguments from the manufacturers who have been riding comfortably with the almost-universal one-year guarantees on parts, the extended warranties may create another industry furor—such as the one a few years back, when there was much clamoring to reduce warranties to 90 days, and when NARDA said “second year warranties are not in the interest of the industry or the consumer.”

Yet, obviously, manufacturers have not extended their warranties to *lose* money. And any arguments from their competitors lose weight when they admit, as many did to *MERCHANDISING WEEK*, that they are seriously considering two-year parts warranties of their own.

Retailers’ dollars may be cut, at least somewhat, by the extended warranties, as sales of parts during the second year will be eliminated.

The extended warranties must mean better products are being built—or that prices will be jacked up. However, Sears, for one, has promised that prices will not be increased to cover its new two-year warranty.

Most of the manufacturers queried (see table below) include free labor, as well as replacement parts, for one year from the date of sale. Most companies also carry five-year warranties on the transmissions or transmission components of their products. Those companies that have not written labor costs into their warranties—Easy, Philco, Speed Queen, and Blackstone—either have service-contract plans for the first year or allow their dealers to establish their own service arrangements with customers.

Consumer confusion on warranties—particularly about whether or not service is included in the contract—is one argument advanced against the new extended guarantees. One company, which admits it has talked at length about initiating a two-year warranty, believes that consumers generally think service is included in an extended warranty, and the resulting misunderstanding may create customer dissatisfaction.

Studies have shown that washers and dryers usually require more service than any other major appliances in the home. While the companies that have extended their warranties are touting the move as an indication of better quality products, dubious competitors are labeling the long-term guarantees as a “sales gimmick.” Because of the complex devices used in today’s laundry products, they argue, washers and dryers cannot be as trouble-free as the two-year warranties would lead the consumer to believe.

Here is what is written into the warranties behind 14 major washer and dryer labels *

	First year—parts	First year—labor	Second year—parts
Blackstone	YES	NO	NO
Easy	YES	NO	NO
Frigidaire	YES	YES	NO
GE	YES	YES	NO
Hamilton	YES	YES	YES
Hotpoint	YES	YES	NO
Kelvinator	YES	YES	NO
Kenmore	YES	YES	YES
Maytag	YES	YES	NO
Norge	YES	YES	NO
Philco	YES	NO	WASHERS ONLY
RCA Whirlpool	YES	YES	YES
Speed Queen	YES	NO	NO
Westinghouse	YES	YES	YES

*All of the companies listed, with the exception of Philco, have five years of warranty coverage on major transmission components. Those com-

panies listed that do not include labor in their warranty generally offer other service arrangements through their dealers.

□□□□ **Grundig’s compact tape cartridge recorder** arrives here this fall; it will be distributed by Grundig-Triumph-Adler Sales Corp., of New York City. Model EN-3 which Grundig calls the “portable notebook,” will carry a retail price of about \$49.95. Model EN-3 uses an endless-loop type cartridge, which was designed by Grundig.

□□□□ **To combat the private-label syndrome**, name-brand manufacturers and independent retailers must present a united front, according to Robert O. Fickes, president of Philco Corp. Both manufacturer and retailer have a part to play in capturing the market today and tomorrow, Fickes told a meeting of the Northeast chapter of the National Appliance & Radio-TV Dealers Assn.

The retailer must present “a simplified product story” to the consumer. While Fickes admitted that, “It is impractical for an independent retailer, in most cases, to carry a single brand,” he urged retailers to stick to two or three lines. “More than one line gives you the assurance that you are being treated fairly by your suppliers, but more than three lines in a store leads to confusion,” he noted. He also urged retailers to take better advantage of the nationwide supplier-initiated programs so often ignored now.

□□□□ **More daytime color tv from NBC and CBS:** NBC has so far scheduled five color programs for weekday mornings and will probably add more. NBC’s weekday schedule: 10-10:25 *Fractured Phrases*; 11-11:30, *Morning Star* 11:30-12, *Point Paradise*; 12-12:30 *Jeopardy*; and 12:30-12:55, *Let’s Play Post Office*. Starting on Sept. 25, CBS will colorcast its cartoon shows from 9 to 12 noon on Saturday mornings.

□□□□ **Pilot’s new free floor plan** offers dealers a chance to display the entire line of stereo hi-fi consoles and color tv theatres on a no-money-down consignment basis. For three months, the dealer only pays for what he sells—with no interest or other extras—with the option of two 60-day extensions. “Unlike most floor plans,” explained Morris Sobin, president of Pilot Radio Inc., “this program does not limit the dealer’s option in terms of arranging his own consumer paper for his retail customers.”

□□□□ **Olympic’s 1966 road show**—starring the new line of home electronics—will start its 1½-month 16-city tour this week. Dealers shopping for fall merchandise can see the display at local Olympic branches. The itinerary: Detroit, Aug. 2, 3; St. Louis, Aug. 8, 9; Los Angeles, Aug. 20, 21; San Francisco, Aug. 30, 31; Pittsburgh, Aug. 8-10; Albany, Aug. 15, 16; New Jersey and Boston, Aug. 24, 25; Dallas, July 31, Aug. 1, 2; Houston, Aug. 14, 15; Minneapolis, Aug. 22, 23; Cleveland, Aug. 17-19; Chicago, Buffalo, and Syracuse, Aug. 24, 25; Seattle, Sept. 9-11.

□□□□ **Increased Penney catalog production** is now possible, with recent dedication of its new 176,000-sq.-ft., multi-million-dollar printing and binding plant, in Warsaw, Ind. Penney’s 1965 fall and winter catalog was produced there and is now being distributed in 12 Midwestern and Eastern states.

□□□□ **A tape cartridge player promotion drive** has been set up by TelePro. On Aug. 21-22, TelePro will hook up with S. Klein for a New York promotion in three suburban and one metropolitan store. TelePro will pay for 75% of the ads, S. Klein for 25%. TelePro will furnish salesmen to Klein's and also will give away two Porta-tape machines at each store.

A similar promotion has been lined up with Grand Way Stores, Grand Union's discount chain, by TelePro's New York distributor, Sentry Industries Inc. The Grand Way promotion will stretch from Florida to Plattsburgh, N.Y. TelePro is also negotiating with Firestone and Goodyear on merchandising the Porta-tape units through their stores and catalogs.

"The cooperative promotions are not limited to large retail operations," said Jack Schweighauser, TelePro national sales manager. "We're looking for smaller retailers as well."

□□□□ **Interest in tape cartridges is growing:** Two OEMs have signed up for 8-track stereo systems, one for the Lear Jet unit and one for an as-yet-unseen unit by Orrtronic. Orrtronic will make its new 8-track cartridge tape player for an OEM that presently manufactures car radios and home entertainment equipment, according to vice president Jay Farish. Orrtronic, a division of Champion Spark Plugs, presently makes its own 4-track stereo tape cartridge player. The new 8-track machine undoubtedly will use a Cousino cartridge manufactured by Champion's Cousino Electrics div.

Lear starts training 200 assembly line workers this week at its Detroit plant, where production of the Lear tape player is scheduled for this month.

□□□□ **Major Electronics will unveil** its new portable phonos at its annual dealer showing at the Plaza Hotel, in New York City, Aug. 10 and 11.

□□□□ **NARDA's back-to-school program** for appliance-tv dealers—its eleventh annual Institute of Management—begins on Sunday, Aug. 8, at American University's School of Business Administration, in Washington, D.C. For freshmen attending the six-day seminar, program highlights include:

Opening discussion: "Impact of Recent Changes in Distribution on Independent Dealers," B. S. Durant, president of RCA Sales Corp.; Earl Lifshy, *Home Furnishings Daily*; Edward H. Rosen, president of Raymond Rosen & Co.; and Jules Steinberg, executive vice president of NARDA.

"The Shakeout in Appliance Retailing," Prof. William R. Davidson, Ohio State University.

"Do You Know Your Store Image?" Associate Prof. James Owens, American University.

"New Concepts in Retailing," John H. Trux, Ampex Corp.

"Why Sears Is Successful in Selling Appliances," O. L. Weir, Sears, Roebuck & Co.

"The Department Store and the Independent Dealers," Max Littman, Gimbel Brothers.

"How To Figure Break-even Points," Prof. Davidson.

"Recruiting and Selecting Salesmen," Prof. Charles L.

Shaffer, American University.

"How To Conduct a Sales Meeting," Mort Farr.

"Is There a Future for the Independent Dealer?" Sol Goldin, Whirlpool.

Highlights of the program for advanced students are:

Opening discussion: "What EDP Can Do for the Dealer," James Swisher, Woodward & Lothrop; Ezra Landres, Certified TV & Appliances; and Robert D. Holland, CEIR.

"Making Your Advertising More Effective," Richard Grossman, Fairchild Publications.

"The Retail Outlook," Prof. Davidson.

"Making Salesmen More Effective," Assoc. Prof. Martin L. King, American University; Russell J. Weber, Magnavox; Jack Rice, Paul Rice Appliances; Maurice Cohen, Lechmere Sales Co.

"Merchandising on the Floor," Samuel S. Wurtzel, Ward's.

Vote of confidence for Philco: Ford says it with money

"Ford Motor Company has complete confidence in the ability of Philco to regain a leadership position in the consumer products business. A very important element of this business is in appliances, and Philco expects to get a larger share of that market."

Armed with this blessing from Henry Ford II, chairman of the board of Ford Motor Co., its parent organization, Philco Corp. last week announced plans for a spending spree for expansion of its Connersville, Ind. plant. Although Philco officials avoided naming an exact figure for this investment in Philco's future, the "multi-million dollar" expansion was described as "one of the largest in the appliance industry in a decade." That would bring the figure to over \$25 million, or more than one third of the \$65 million total authorized by Philco for all expenditures, in all divisions, within the last 10 months. Of that total, \$7 million was spent, and \$4.8 was authorized, for plant improvements and expansions in Pennsylvania.

"We elected to expand our present facility in Connersville, Ind., because our experience has proven to us that the ingredients for a successful manufacturing operation are present there. The labor force is knowledgeable and industrious, transportation is adequate and the business climate is conducive to success," explained Harold F. Diegel, vp of Philco Corp.

When the new center is ready for full production in 1968, Philco will have gained 693,000 sq.ft. of working space; plant output will be increased at least 70%, using a double shift. At present, the 937,000 sq.ft. of plant space in Connersville is divided between the about-to-be expanded 674,000 sq.ft. refrigeration

and home laundry production center, and the 263,000 sq. ft. Rex plant, which will be closed down when the new facility is completed.

"Construction will begin in the next few months," announced Robert O. Fickes, president of Philco Corp., "and the shell of the building will be completed by the middle of next year. The earliest manufacturing move will come in the third quarter of 1966."

While construction is going on, Philco will continue to produce air conditioners, ranges, and coils for automobile air conditioners at its Rex plant, in Connersville, until the new facility is completed.

Once the new plant is finished, 179,000 sq.ft. of office and laboratory space will be available, and Philco will be able to relocate 200 appliance engineers and purchasing personnel from Philadelphia to Connersville. For the first time, purchasing and product engineering will have adjacent quarters under the same roof, which will solve the 600-mile communications problem which has held up production in the past.

With the new facility, Fickes expects to be able to tap important industry trends—for example, "possibly the next big move in refrigeration:" vinyl-coated steel exteriors with the look of wood, or appliance packages to furnish a whole kitchen.

With the modern plant to keep up with new trends, and, Fickes added, "by creating a few ourselves," Philco hopes to regain a position of leadership in the appliance industry. As Henry Ford II stated it, "our action in supporting this latest Philco expansion is a measure of our determination that Philco will reach this position of leadership."

FTC orders halt in dual pricing on Kelvinator, Leonard lines

The Federal Trade Commission (FTC) has ordered American Motors Corp. to halt a dual-price system that gave four multiple-outlet distributors price breaks of from 3.5% to 4.5% on Kelvinator and Leonard electric appliances.

The FTC overturned a hearing examiner's recommendation in ruling that American Motors failed to justify giving four of its 6,000 dealers lower prices. In many cases, the FTC record states, the discounts were higher than the net profit earned by other retailers on those products.

The carefully limited decision does not prohibit future establishment of a dual-price structure that offers lower prices to retailers that require less service time and cost; but the company will have to get advance FTC approval and open any such plan to all its dealers.

American Motors, through its wholly owned sales subsidiary, had given special status of "merchandising distributor" to: B. F. Goodrich Co.; Alabama Power Co., a multiple-

outlet merchandising utility in Alabama and Georgia; Sterchi Brothers Stores Inc., a retail furniture chain with stores primarily in Tennessee, Georgia, and Alabama; and Consumers Power Co., a multiple-outlet merchandising utility operating in Michigan.

In defending the procedure, American Motors said it cost less to serve the four "merchandising distributors," because little time was needed for credit investigation, product presentation, or in sales aids. But in its comparison, American Motors lumped all 6,000 other dealers together for an average cost figure. FTC said the comparison was not valid.

Many of the regular dealers were multiple-outlet companies, too, FTC said, and it is "probable" many of them required no more sales cost than did the favored four. FTC also rejected American Motors' contention that there was no proof the discounts had injured competition. Size of the differential, FTC noted, is not the only factor involved.

Gemsonic introduces new compact tape recorders

Two new Gemsonic tape recorders, models 801 and 802, are announced by Fujiya Corp. Model 801, a solid-state, four-track monaural tape recorder, is equipped with a 1/4-track stereo head and direct-from-head output terminals for use as a stereo tape deck. Its features include 3w output power, 4-track monaural record and playback operation, automatic shut-off switch, 3 3/4 and 7 1/2 ips operation, VU record and play level meter, 3- by 5-inch dynamic speaker, vertical and horizontal operation, tone control, channel selector button, 7-inch reels, and a pilot light. It has a die-cast 5-function single control lever, metal die-cast head cover, aluminum deck panel and weighs 13 lbs. Suggested minimum retail price is \$99.95.

Model 802 (shown) features solid-



state stereo, 4-track stereo and monaural playback and record operation, 6w output, two record-playback level meters, automatic shut-off switch, two speeds, pilot light, two speakers, separate volume and tone controls for each channel, and four inputs and outputs. Suggested retail price is \$189.95. *Fujiya Corp. Ltd., 45 W. 21st St., New York, N.Y.*

Olympic adds new models to its 1966 phono line

Highlighting Olympic's 1966 hi-fi stereo line are combos with solid-state phonos and amplifiers, and tape monitoring facilities. The line also includes a new stereo phono console, model P108 (available with an AM radio as model A109).

Model SF201 combines an AM-FM radio with a phono. The 70w peak power combo features an eight-speaker system which includes two

9-inch woofers, and six 2 1/2-inch tweeters. Model SS202 is equipped with an AM-FM-FMS radio, a stereo FM signal light, and eight speakers. In oiled walnut, the deluxe model SS203, also has an AM-FM-FMS radio and two 12-inch woofers, two 3-inch mid-range, and four 2 1/2-inch tweeters. *Olympic Radio & TV Div., Lear Siegler, Inc., 3401 38th Ave., Long Island City, N.Y.*

New Mercury phonos and tape recorder are announced

The Home Entertainment Div. of Mercury Records unveils four new portable phonos, a portable radio-phono, and a tape recorder.

Retailing at \$109.95, model TR-3600, a solid-state tape recorder, is equipped with an AC adaptor, a remote control stop-start switch.

The Danish modern portable phono, model AG4230 (shown), features 25w peak music power with an all-transistor amplifier. Its retail price is \$229.95.

The low-end portable phono, model AP7000, has 4w peak power and two 5-inch speakers. Other new portable phonos are the 20w model AP-7050 (\$129.95) with six speakers, and the 15w model AP7025 (\$99.95)



with four speakers. All three models have BSR 4-speed changers.

Mercury's new cordless portable radio-phono, model RP6000, is similar to last year's model RP5000. Retail price is \$49.95. *Home Entertainment Div., Mercury Record Corp., 35 E. Wacker, Chicago, Ill. 60601.*

A new Laundromat washer is featured by Westinghouse

A top-loading heavy duty Laundromat automatic clothes washer, model LAF640, with a suds-saver system, is announced by Westinghouse. The special system, the company says, will save both hot water and detergent. After the wash cycle, the water and suds are automatically pumped into an auxiliary tub, where dirt settles out of the water. Following the rinse cycle, rinse water is pumped through a second hose and down the drain. A reset of the control dial returns the sudsy water to

the washer and adds supplemental hot water. The five-position water saver automatically adjusts the water level to the load size.

The two-speed washer has a four-temperature selection control, a lint filter system, a non-clog drain pump, and a safety lid that locks automatically and cannot be opened during the spin cycle. The new unit is a companion to electric dryer models DTF590 and 600 and to gas dryer models DGF590 and 600. *Westinghouse Electric Corp., Columbus, Ohio.*

KEY MOVES

Hardwick Stove Co.—Don F. Hallberg is appointed district rep for Nebraska and S. Dakota.

Hoover—Harry G. Dumas is named to the newly created position of sales training mgr for the company's field training program for washers.

Maytag—Richard L. Wilkinson is named to head the newly formed Denver branch, serving dealers in the Rocky Mtn. area; Charles H. Davis Jr. is named regional mgr for the Richmond branch, succeeding A.T. Van Atta, who retired; Leo Eugene Spalding is named to the marketing staff of Maytag New York Co. Inc.

McCrorry-McClellan-Green Stores—Carlton S. Marker is elected vp and mgr of the Northeast region, with headquarters in Newark, N.J.; N.P. McLuckie, vp and former head of the Northeast region, is named mgr of the Southeast region, with headquarters in Orlando, Fla.

Motorola—Charles Eissler is appointed mgr of tv product planning for Motorola Consumer Products Inc.; James A. Torrence is appointed director of color tv picture tube engineering for the consumer products div.

RCA—John B. Farese is promoted to Division vp-Electronics Components and Devices; Farese succeeds vp Douglas Y. Smith, who moves to RCA executive offices in New York City for special assignments on the staff of RCA Group Executive VP W. Walter Watts; Harry R. Seelen is promoted to general mgr of the RCA Television Picture Tube Div.

Another Honest-Dollar Value from V·M

3-speed stereo with detachable speakers and "ADD-A-TRACK"®—a real winner in the \$200 bracket!

This tape recorder is one of the most versatile you'll find anywhere. It's equipped with a full array of record and playback controls; radio, TV, synchronizer and microphone, inputs, external speaker and amplifier, outputs, accessories, and recording aids. Its rugged speakers are in detachable enclosures for true stereo realism, and the circuitry offers the power and frequency response to satisfy even the most critical music lover. Its size and light weight make it a portable in the

true sense of the word, and yet its tasteful styling lets it blend in harmoniously as a permanent fixture. The Model 739 also offers V·M's "ADD-A-TRACK"®. This feature allows the addition of a second recording, while listening to an original recording, with simultaneous playback of both for comparison. It's unexcelled as a language and speech teacher, and it's just one more example of the wonderful practicality of this instrument.

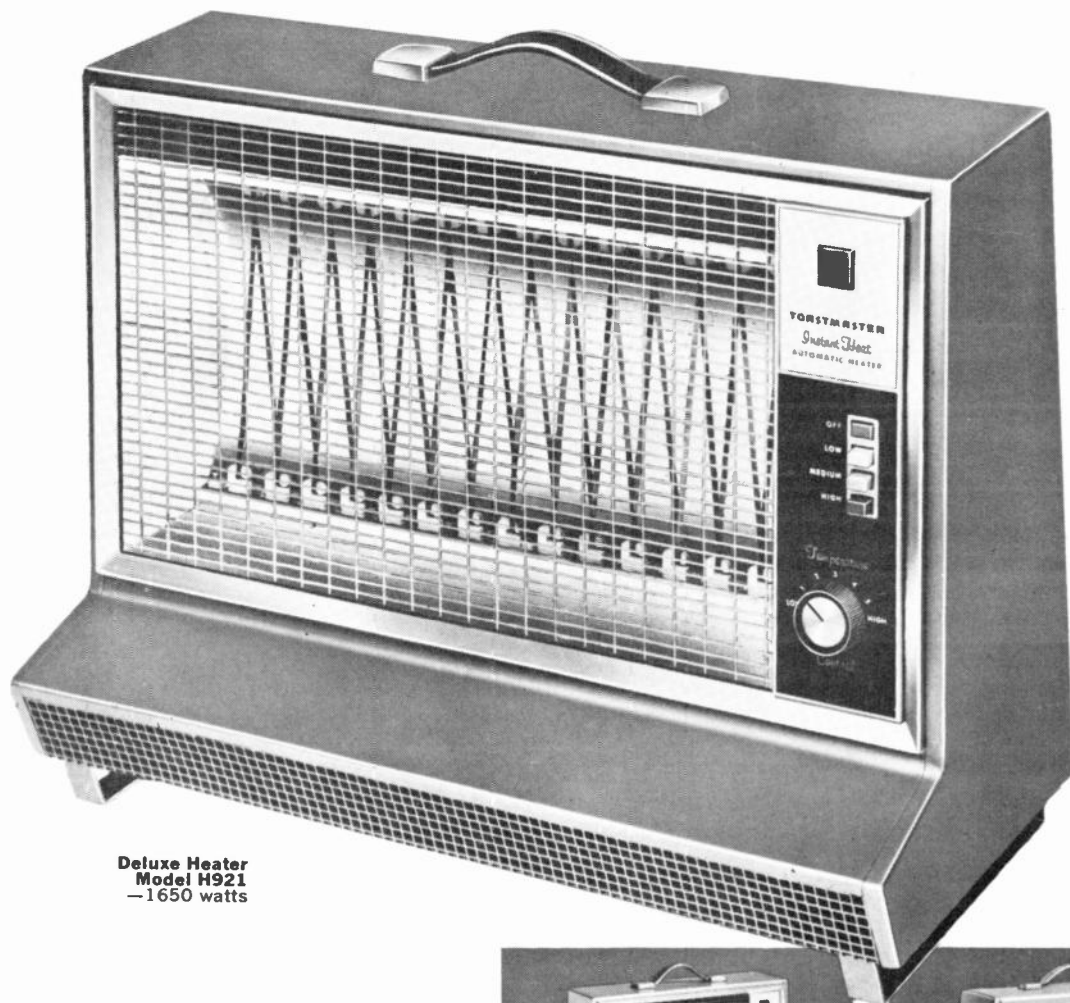


MODEL 739

Drop us a line in Benton Harbor and we'll see that you get our 16-page booklet with pics and quick specs of the full 1965-66 V·M line. Or just call any one of ...

 The Distributors of
The Voice of Music

Who but TOASTMASTER® has the name people want most in INSTANT HEAT Heaters?



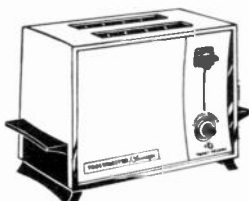
**Deluxe Heater
Model H921
—1650 watts**



Nobody! Toastmaster pioneered Instant Heat, introduced it in 1957, and hooked up a hot line to consumers that now makes Toastmaster *the* demand line.

Toastmaster heaters come in a style, size and capacity for any type room, and offer quality features that make your selling job easier. The deluxe heater above combines push-button heat-selector with automatic 7-position thermostat control and whisper-quiet fan to circulate heated air quickly. Automatically maintains temperature selected. Famous Toastmaster heaters also feature a tip-over safety switch that automatically shuts unit off if it is upset, as well as finger-proof grilles designed to protect children, stay-cool cabinets and handles. All are smartly styled to blend with room decors.

You'll sell *more* heaters this season if you feature nationally-advertised Toastmaster Instant Heat Heaters.

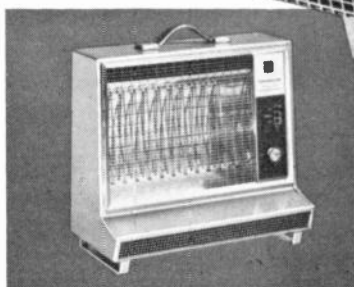


TOASTMASTER®

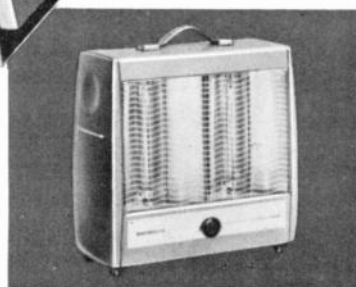
... where one good thing leads to another ...

TOASTERS • COFFEE MAKERS • FRY PANS • BROILERS • WAFFLE IRONS • HAIR DRYERS • IRONS
MIXERS • BLENDERS • CAN OPENERS • HAIR CLIPPERS • VIBRATORS • SHOE POLISHERS
POWER TOOLS • FANS • HEATERS • HUMIDIFIERS

Toastmaster Division • McGraw-Edison Company • Elgin, Illinois



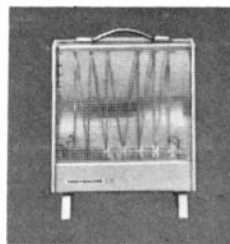
Deluxe Heater—Model H916. Has two push-button heat selector plus on/off button. Automatic 7-position thermostat combines radiant with fan-forced heat. 1500 watts.



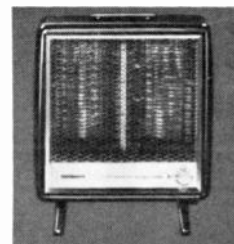
Custom Heater—Model 9A2. Has two Instant Heat heating elements. Automatic thermostat. Available in 1650 or 1320 watts. Combines radiant with fan-forced heat.



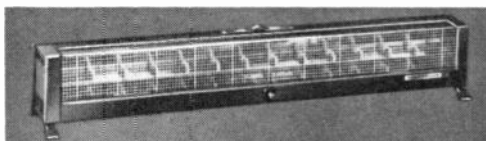
Compact Heater. Model 9B1. World's largest selling heater! Thermostat control. Radiant plus fan-forced heat. 1320 watts.



Radiant Heater. Model H902. Value-packed radiant heater dependably delivers big performance at a low price. 1320 watts.



Heavy Duty Heater—Model H940. Big-job heater, 4000 watts, 220 volts. Automatic 7-position thermostat. Radiant and fan-forced heat.



Baseboard Heater—Model B931. Deluxe 3 ft. unit with 7-position thermostat. Signal light.

Model B921. Compact 2 ft. unit (not shown).

DISTRIBUTOR APPOINTMENTS

Matsushita—Kaiser Sales Co., of Minneapolis, for Minnesota, western Wisconsin, North Dakota and South Dakota; and Mel Krause Assoc., of Detroit, for Michigan and Toledo, Ohio. Both will handle Panasonic batteries.

Fridgette National—Major Appliances Inc., Miami, for southern Florida.

Phonola—Weiss, Besserman & Karpel Inc., of New York City, for the New York metropolitan area; and Miller's Radio & TV Supply, of Oakland, for the coastal counties of central and northern California, including San Francisco.

O'Keefe & Merritt—Kitchen Sales Inc., of Tampa, Fla.; Kitchen Cabinets Inc., of Lancaster, N.Y.; Kisner Appliance Co. of Indianola, Miss.; Builders Hardware and Appliance, of Kansas City, Mo.; Alko Plumbing Supply, of Tecumseh, Okla.; Wasatch Furnace & Heating Co., of Logan, Utah; Wahld Inc., of Anchorage, Alaska; Kitchen Crafters Co., of Great Falls, Mont.; Bishop Development Co., of Ennis, Texas; and Ideal Millwork Co., of Plainfield, Ill.

Motorola—Pacific Marine Supply Co., of Seattle, for the Seattle, Washington, and Alaska territory, formerly held by F. B. Connelly Co.

Blackstone—Hibbs Hardware Co., of Portsmouth, Ohio; Appliance Wholesale, of Saginaw, Mich.; Mascon of Rhode Island, of Providence; Mansco Manufacturers Sales Co. of Rockville, Md.; J. A. Hatley Distributing Co., of Fort Worth, Texas; J. W. Ross Inc. of Dayton, Ohio; Vince Corbett Distributors Inc., of Wichita, Kansas; and Laundry Equipment Distributors, of Salt Lake City, Utah.

Easy Appliance Div. of Hupp Corp.—Reinhard Bros. Inc., of Minneapolis, for Minnesota, South Dakota, and northwest Wisconsin.

Gibson Refrigerator Sales Corp., subsidiary of Hupp Corp.—Reinhard Bros. Inc., of Minneapolis, replaces the Forster Co. in the Wisconsin-Minnesota territory and Radio Electric Supply Co. in the South Dakota territory. Also, Manufacturers Distributing Corp., of Honolulu, replaces Hawaii Hotel & Restaurant Supply Inc. as Hawaii distributor.

Thermador—National Electric Supply Co., of Santa Rosa, Calif., for northern California and the Bay area. National maintains branches in San Rafael, Oakland, San Francisco, San Carlos, and Stockton.

Webcor—Dobkin Electric Supply Co., of Chicago, for the Chicago area.

Norcold—George Rosen Co., of Baltimore, for Maryland; Long-Lewis Hardware, of Birmingham, for Alabama, except extreme southern and northern counties; Shuler Distributors Inc., of Cleveland, for parts of Ohio; U.S. Electric Supply Co., of New York City, for the New York metropolitan area; R-T-A Distributors, of Albany, for parts of upstate New York; Young Bros., of Erie, for northern Pennsylvania; M. A. Hartley & Co., of Gettysburg, for southern Pennsylvania; and Bernard Distributing Co., of Houston, for Houston and the surrounding area in Texas.

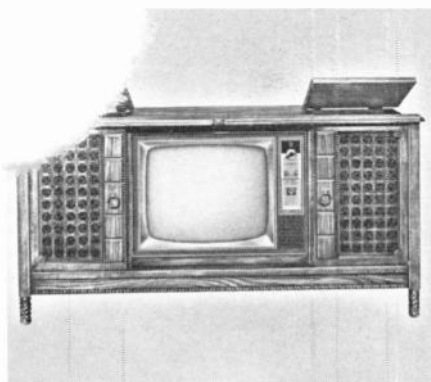
25-inch boys—the Danish in walnut, the Early American Monroe in maple, the French Provincial Touraine in cherry, the Italian Provincial Verona in distressed walnut—and a Classic Traditional upright console, the Jackson, in mahogany or walnut. All carry a suggested retail price of \$675.

Four 25-inch tv-stereo FM-AM radio-phono combinations are: Danish Jutland in walnut, French Provincial La Havre in cherry, Italian Provincial Tosca in distressed walnut, and Spanish Mediterranean Andalusia (shown) in distressed oak. Their retail price is \$1,050 each.

The 21-inch color consoles range from \$460 to \$530 for models in various period styles. In addition, 21-inch stereo theatres are offered at \$795—for Danish walnut and French Provincial cherry models—and at \$895, for Early American in maple.

Stereo theatres are equipped with a 30w music power, solid-state, dual channel amplifier, a Garrard AT-60 record changer, a stereo FM-AM multiplex tuner, and six- or eight-speaker hi-fi sound systems.

The b&w segment consists of two



23-inch table models—the Nassau at \$189.95 and the Sheldon with Wireless Remote Control at \$229.95—three consolettes from \$199.95 to \$219.95, and two lowboys at \$229.95.

The portable line leads with the 11-inch Voyager at \$99.95, and steps up to the 16-inch Robin at \$119.95. At the top of the line is the Polaris, one of three 19-inch portables, at \$169.95.

Four stereo FM-AM radio-phono consoles in various furniture styles with 30w solid-state amplifiers are designed to retail for \$379.50, while three deluxe stereo consoles with 100w solid-state amplifiers have retail prices of \$625.00. The consoles are housed in 68½-inch cabinets with six-speakers and Garrard record changers. *Du Mont Div., Emerson Radio, Jersey City, N.J.*

Symphonic adds a new tape recorder line

Symphonic is adding an all-transistor stereo and monaural tape recorder line consisting of four models: R1000, R800, R600, and R200.

At the top of the line is model R1000 (shown right). It carries a suggested retail price of \$449.95. A 3-motor push-button Solenoid operates the tape deck, which plays and records at two speeds—7½ and 3¾ ips. Operating at 20w-per-channel, it has two calibrated 2½-inch VU meters, separate record and playback amplifiers, and separate microphone, line, and replay controls for each channel.

Each channel of the R1000 also has separate volume, bass, and treble controls. Included are headphone and speaker output jacks, and microphone and line input jacks. Sound-on-sound and sound-with-sound recording are featured, along with track transfer and mixing.

Recording at 12w power in a vertical or horizontal position, model R800 plays at three speeds: 7½, 3¾, and 1⅞ ips. Other features are separate volume and tone controls for each channel, matched self-contained oval speakers, two VU meters, recording and playback control switches, facilities for muted wind-rewind in stereo, and sound-with-sound recording. Suggested retail price is \$249.95.

Symphonic's portable stereo, model



R600, with a suggested retail price of \$169.95, is a 3-speed unit powered by a 6w amplifier. Included in the unit are two 8-inch matched speakers and a monitor-PA system. There are two VU meters and separate volume and tone controls for each channel.

Symphonic's low-end monaural tape recorder, model R200, incorporates a 3w amplifier with separate volume and tone controls. Model R200 has three speeds for recording and playback, and also contains a calibrated VU meter. Featured are separate microphone and radio-phono inputs, a switched external speaker output, PA system and switch, and a self-contained 4-inch extended-range speaker. Suggested retail price for model R200 is \$119.95. *Symphonic Radio and Electronic Corp., 235 East 42nd St., New York, N.Y. 10017.*

KEY MOVES

Philco—Robert Ross is appointed mgr of creative services for the TechRep Div.; Edward S. Novatny is appointed traffic mgr for Philco's appliance div., with headquarters in Connersville, Ind.

Sylvania—Louis F. Garson is appointed Eastern regional mgr for Sylvania Entertainment Products Corp., responsible for marketing tv receivers, stereo hi fi phonos, and radios; Romeo J. Capaldi is appointed district sales mgr for straight-line distribution in the Philadelphia area of the entertainment products div., responsible for sales of tv sets, stereo hi fi, and radios to retailers.

Thermador—Anthony A. "Tony" Celio is appointed vp-sales of the Thermador div. of Norris-Thermador Corp.; Stuart "Stu" Power is appointed sales mgr for the Los Angeles district.

Whirl-A-Way—W. T. Hedlund retires as president of the company, effective June 30; Charles R. Rosselet is named president and general mgr, and Donald V. Kirchberg is promoted to vp and general sales mgr.

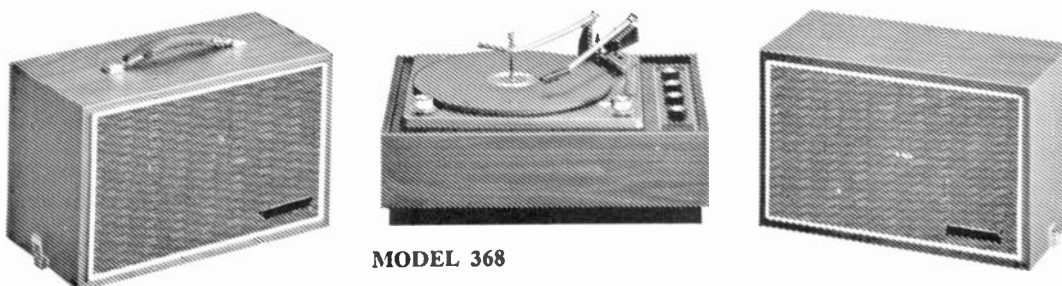
Whirlpool—John T. Tighe is named to the newly created position of general mgr-residential product sales for the home system div.

Zenith—Karl H. Horn is named vp-consumer products of the Rauland Corp., cathode ray tube manufacturing subsidiary of Zenith Radio Corp.; in this newly-created position, Horn will direct all operations of Rauland's tv tube facilities in Chicago. Dr. C. S. Szegho continues to serve as vp in charge of research and special products at Rauland's plant located in Niles, Ill.

Another Honest-Dollar Value from V-M

The original portable component system still unbeatable at \$119⁹⁵

Component styling, portable utility, and superb performance are the hallmarks of the Model 368 system. Housing a powerful solid state amplifier, the central unit sits on bookshelf or tabletop, and the compact matching speaker enclosures fit almost anyplace. Everything locks up into one handy case for carrying. Though small in size, the 368 is an arresting performer, with the dual, two-way speaker systems and the transistors teaming up for music of remarkable scope. The "Stere-O-Matic"® changer plays all four record speeds, stereo or mono, in all popular sizes. The lightweight tubular tone arm carries an ultra-sensitive ceramic cartridge with a diamond LP stylus

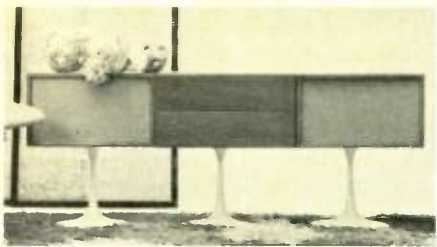


MODEL 368



Drop us a line in Benton Harbor and we'll see that you get our 16-page booklet with pics and quick specs of the full 1965-66 V-M line. Or just call any one of . . .

The Distributors of
The Voice of Music



KLH music systems

The KLH Twenty Plus (shown above) is a blending of the traditional concepts of console and separate component design. A total music system—consisting of a custom-built automatic turntable and two acoustic-suspension multi-speaker systems—are all integrated to work as one unit; the system is en-

closed in three oiled-walnut cabinets of end table height, on cast aluminum pedestal bases. The system includes magnetic cartridge, diamond needle, solid-state amplifier, an FM stereo multiplex tuner, and an FM stereo indicator light. The grille cloth panels in the speakers are changeable. The Twenty plays mono or stereo recordings, has inputs and outputs for tape, AM radio, FM, headphones, and tv sound. Suggested retail price is \$525.

KLH Nineteen includes a number of the KLH Twenty features: mono and stereo phono, FM radio, AM radio, playing input and output equipment for tape, tv sound, stereo multiplex tuner, signal light, and headphones. It has four small cone

speakers—two in each. Suggested retail price

The Eleven-FM portable, 29 lbs., provides a complete system. Except for MX 1 and tuning meter of Eighteen, the FM Multiplex of both the Eleven-FM and Eighteen are the same. Other components include Garrard turntable, Pickering V-15 magnetic cartridge with diamond stylus, and all-transistor amplifier, and electronic circuitry. Auxiliary inputs for monaural or stereo tape recorder and AM tuners, as well as outputs for tape and stereo headphones are provided. Controls include volume, balance, bass, and treble, a three-position selector switch, and a mono-stereo slide



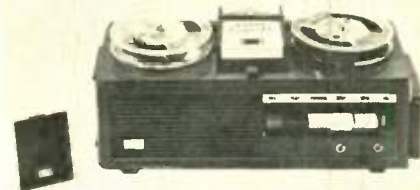
Magnavox 1966 tv and stereo phonos

Big picture tv using the solid-state techniques to replace tubes was recently announced by Magnavox. Solid-state models include 27-inch and 24-inch consoles and combinations, as well as 19-inch sets. The solid-state tv instruments have 22 transistors in place of tubes, and are priced from \$189.50 to \$298.50, for the largest 27-inch console.

Solid-state portable phonos now range from \$75 to \$850. At the top of the line are Imperial models which feature total remote control, a device which allows station selection, record rejection, and volume control from an easy chair.

New color tv models were also introduced. Most of the 1966 color units include the Automatic Color feature, which assures optimum picture quality by eliminating manual adjustments required on conventional receivers. The new line also features Chromatone, an electronic circuitry which provides depth to color pictures and warm sepia tones to monochrome, and Quick-On, which eliminates the wait for the picture to appear. Color models are available in 21-, 23-, and 25-inch sizes.

The entire line is price reduced as a result of the excise tax reduction. Color tv prices begin at \$379.90 for a 21-inch console. Color stereo theatre models now range from \$695 to \$850. The Magnavox Co., 270 Park Ave., New York, N.Y. 10017.



Sharp tape recorders

Sharp's model RD-301 features a capstan push-button tape transport mechanism to eliminate broken tapes. Equipped with a solid-state amplifier, the half-track monaural three-inch portable tape recorder has all push-button controls, a pilot lamp recording level indicator, and six transistors plus one thermistor. Tape speed is 1 7/8 ips and frequency response is 150 to 5,000 cps. The new unit is housed in a plastic cabinet and weighs approximately 3 3/4 lbs. Hayakawa Electric Co., Ltd., Osaka, Japan. Exclusive U.S. importer: Intercontinental Seaway Products Co., E. 96th St., Cleveland, Ohio.

Arvin PERIMETER HEATERS

style setters • sales getters

NEW ARVIN 2-HEAT, PERIMETER HEATER
40" long, 3 1/2" thin with new WOOD GRAIN control panel

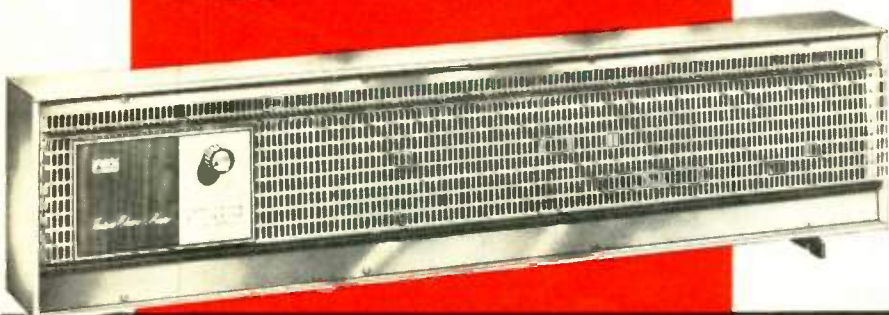


INSTANT RIBBON ELEMENTS • FAN-FORCED CIRCULATION • WIDE-AREA HEAT DISTRIBUTION • STREAMLINED STYLING

Wide area heat distribution • Fan-forced circulation plus 2 instant heats (1320 or 1650 watts) • Automatic thermostat control • Instant ribbon elements • All new, streamlined styling • "Safe-Guard" safety tip-over control • Positive "off" position on heat selector switch permits heater to be turned off without disturbing thermostat setting • Separate built-in temperature limiting thermostat • Metallic beige, baked-on enamel finish. 8" high, 3 1/2" deep, 40" long.

Model 44H35, sugg. retail \$28.95

NEW ARVIN COMPACT PERIMETER HEATER
32" long, 3 1/2" thin with new WOOD GRAIN control panel



Instant radiant heat plus fan-forced circulation • Automatic thermostat control • Instant ribbon elements • Heat radiates from compact reflector surface, and is sent to every corner of the room by means of Arvin's exclusive fan-forced circulation at 30 cfm • Separate built-in safety limiting thermostat • "Safe-Guard" tip-over safety switch • 1320 watts • 8" high, 3 1/2" deep, 32" long. Model 44H34, sugg. retail \$24.95

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RECORDERS • TELEVISION • CONSOLE
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ARVIN INDUSTRIES, INC.
Consumer Products Division, Dept. E-9, Columbus, Ind.



Cheap can be dear

"My boss," says Henry to me, "is a gasser. He is the first one to wail when an old customer deserts us because she gets a burn-up price elsewhere. Yet he just pulled the same kind of bonehead stunt, and it caused me a minor disaster."

"You mean your boss tried a little shopping?" I ask.

"Yes," Henry replies, "and he went for the bait like the most callow customer you ever saw."

"It all starts last summer with our air conditioner installation outfit, A. Z. Service. As you may recall, last summer was a scorcher, a real terrific season for air conditioning. Our store looked like an ant heap the way the public was carrying the units out. And what the citizens could not install themselves, we gave to A.Z."

"My boss makes a package deal with A.Z.: we make a sale; they pick up the unit at our store, deliver it, and install it the same day."

"This helps us salesmen close many a quick sale on a blazing morning. It also averts the kind of cancella-

tions you encounter when the mercury slides 10 degrees."

"Yes, it is a good season for us—but, when it is over, my boss discovers that A.Z. has gotten so much business from us that he tries to renegotiate the price before he pays their bill. It is no soap. A.Z. holds firm."

"So this year he goes shopping for a cheaper installation service. He finally lines up a new one—which I will call Baloney Unlimited. They are located about fifteen miles from us, but they offer our boss a package price which has A.Z. beaten from Aachen to Zanzibar."

"Anyway, the present air conditioning season starts at a brisk pace. We have no occasion to use Baloney as yet since the sales are the carry-out, install-it-yourself kind."

"Then comes the first real hot day. It is a Thursday. That afternoon I sell a 20,000 Btu job to an old customer, Miss E., on the sole proviso that I deliver and install it in her window on Saturday, the only day she is home. We do not stock this model, so I special-order it from the distributor."

"Friday, the unit arrives. I call Baloney and they promise to pick it up at the store Saturday and install it that afternoon."

"Well, Saturday dawns bright and hot. In comes Miss E. to verify delivery, a bit nervous since she has already disposed of her old unit. I point out the massive crate containing her new one sitting in the front of the store, and she parts comforted at the sight of the thing."

"The day wears on without any sign of Baloney, and I begin to get a little nervous. However, we are busy, and before I know it, 4 p.m. rolls around and Miss E. phones about her unit. I tell her the air conditioner is already out for delivery."

"Then I call Baloney to check. The owner answers. Yes, they got the call, but they do not do double-hung installations. I am stupefied. I harangue the Baloney boss. So he comes out with it. He has discovered that he quoted my boss too cheap. The Baloney boss says he will have to talk with him before he does any work on Miss E.'s air conditioner."

"But my boss is away for the weekend. I am in a bind. My sale is at stake. So is my \$15 commission. I must stall Miss E. I phone her and, in my best falsetto, advise that this is the installation service, our truck was in a crash, our men are in the hospital, the air conditioner was demolished, and we will bring a new one on Monday. It seems to appease her, and I hang up."

"Then I phone A.Z. and ask them to please deliver and install the unit for me on Monday. They reply I should please blow it out my bar-racks bag. It is Saturday evening and I can do no more for the time being."

"Just then Miss E. marches in. 'I just received a phone call from your installation man,' she begins, then halts abruptly as she notices her 20,000 Btu monster still resting in its crate by the door."

"The upshot is I get a cancellation, lose out on my commission, and am stuck with this special-order unit," concludes Henry, "all because my boss jumped at a burn-up like a plain dumb shopper. I did all I could to save the sale."

"You might have told Miss E. the truth," I suggest.

Henry looks startled. "Come to think of it," he says, "that never even occurred to me!"

About the author—The man who writes this column is exactly what he claims to be—a hard-working retail salesman of consumer electronics, major appliances, and housewares. He wishes to remain anonymous (steady readers of this column will understand why). His opinions are his own, not necessarily those of MERCHANDISING WEEK.

LETTER TO THE EDITOR

'Resent the slur on my integrity'

Dear Sir:

Your July 12th issue carried a story about charges of short-changing the public on excise taxes, made by Congressman Charles A. Vanik.

I saw and heard Congressman Vanik make similar charges on the Huntley-Brinkley TV news program, July 9th. His investigating staff of some 20 people was shown ready to set forth and get the incriminating information.

What angered me, however, was the apparent lack of knowledge on the part of the Congressman about this tax—the amount as well as the products covered.

For example, he displayed a before-and-after card on a Norge washer with the before price \$149.00 and the after price \$147. Brinkley then asked him how much the cut should have been and the Congressman replied "at least \$12 or \$14."

In view of the fact that washers carried no excise tax and that, if there had been one similar to the tax on other domestic appliances, it would have been 5% of the manufacturers price to his distributors, I would have doubts about the validity of his charges.

I wired the Congressman as follows: "Resent the slur on my integrity and thousands of fellow retailers who did not pass on excise tax cuts on a product carrying no such tax. Also you need to do your home work on the amount of this tax and on the products involved."

I did not receive, nor did I expect, a reply—but I am puzzled to find from your article that the Congressman was a member of the tax-writing Ways and Means Committee. How could he serve in that capacity and display such an appalling ignorance of the subject?

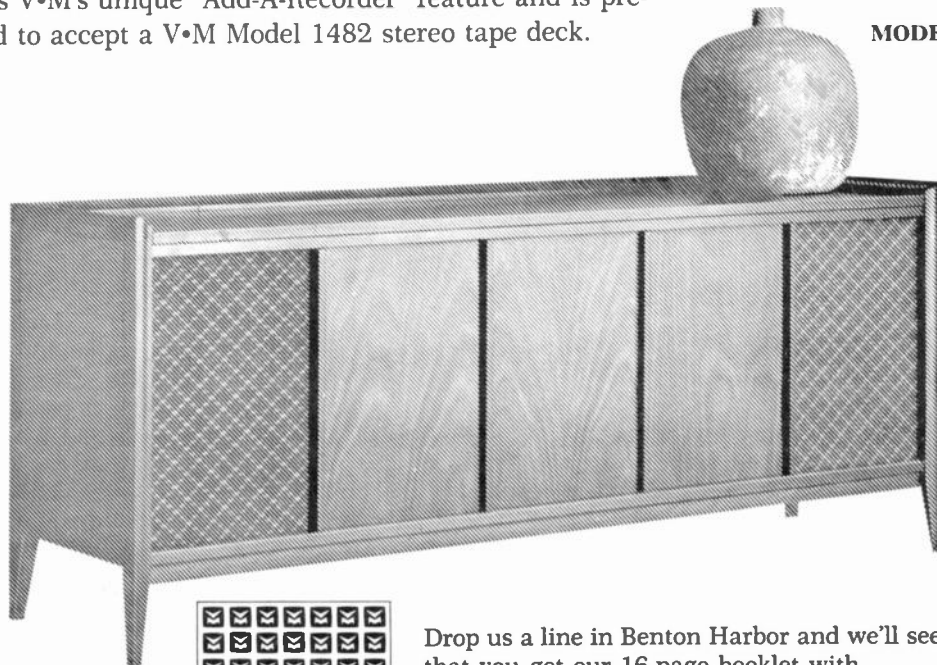
D.E. Urner
Urner's Appliances
Bakersfield,
California

Another Honest-Dollar Value from V•M

A concert hall in walnut. Glorious stereo in radio or records for \$400⁰⁰

This V•M console offers more pure performance and more pure good looks for your money than you'll find anywhere. The hand-rubbed Walnut finish cabinet shows the restrained sweep of the contemporary line coupled with the pattern and warmth of fine woodwork. 17 transistors and 10 semi-conductor diodes drive the six matched speakers to glorious sparkling sound. A deluxe "Stere-O-Matic"® record player and an AM/FM Stereo radio tuner provide the program sources for this fine instrument. The console offers V•M's unique "Add-A-Recorder" feature and is pre-wired to accept a V•M Model 1482 stereo tape deck.

MODEL 963



Drop us a line in Benton Harbor and we'll see that you get our 16-page booklet with pics and quick specs of the full 1965-66 V•M line. Or just call any one of . . .



The Distributors of
The Voice of Music

Broiler makers use co-op funds to stoke a red-hot market

New manufacturers are warming up the already-hot broiler market—traditionally, one of the most cutthroat pricing areas in the housewares industry. Competition among manufacturers is becoming sharp again, but this time around, the battle is being fought as much with attractive co-op allotments as with low pricing.

New entrants in the field include Trak Inc. and Geiger-James Industries, both of which are offering new lines of toaster-broilers and broiler-ovens for the fall selling season. Bob Geiger, founder of Geiger-James, formerly headed Sunburst Broilmas-

ter, before selling out to Udico about two years ago. He joined Udico for a short period, then left to go with Trak, and is now back in the broiler business—this time on his own.

Ronson Corp., which acquired Fleck Broiler several months ago, also will be making a bid for a share of the broiler business. Another relative newcomer to the field, Hudson Appliance, already is making inroads into the department store-mass merchandise market in many areas, but especially in New York City. Design House and Bradley-Rogers also have stepped into the act.

Cookware producers are jumping into the broiler business one by one; West Bend is the latest entry, with an open-style broiler-rotisserie. Farberware, which innovated the Open-Hearth broiler-rotisserie, is now making a bid for a wider market, with a new smaller-size unit. Farberware already has much of the high-end, open-style, broiler-rotisserie business wrapped up.

The high-end approach is being followed, for the most part, by the newer entrants into the field. They have decided not to fight it out with Roto-Broil Corp. of America on the

promotional level. They believe that Roto-Broil is more vulnerable at the high end.

Price protection is provided by many of the newer entrants, chiefly through "selective distribution," rather than actual fair-trading.

Direct-sell still abounds in the broiler business, although some firms have turned to a distributor setup in recent years. However, trade sources indicate that some producers, after starting to use distributors and then losing some key retail accounts, are sorry they made the switch.

Cutthroat pricing is passing from the broiler business. Although sharp pricing still exists on promotional toaster-broilers, the pricing situation is a far cry from the earlier dog-eat-dog days when the winner survived only through Chapter XI help, and the loser went out of business.

The new, high-end, price-protection approach explains, to a great extent, why the pricing battle now is being fought with co-operative funds—both for newspaper ads and for demonstrators. At the recent Housewares Show, the pricing battle in the broiler field—probably as in no other product category—was fought out with co-op ad money, rather than with low pricing.

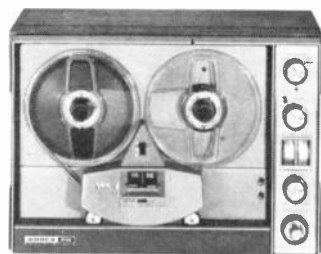
One manufacturer, in particular, was accused of "buying his way into" the department stores with unrealistic co-op ad allotments. Other manufacturers, both old and new in the field, were forced to compete with attractive advertising money. One manufacturer, rather than passing along a cut in prices that should have resulted from the excise tax cuts, reportedly used the money instead to add to his co-op ad fund.

Retailers will benefit from the new approach being taken in the broiler-rotisserie field. They have plenty of promotional money, many high-end models, and price protection, too.

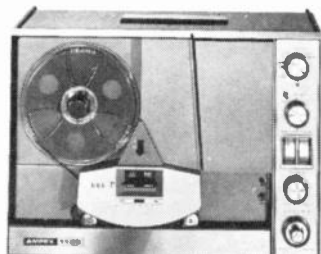
One thing is certain: There will be lots of newspaper ad play for broiler-rotisseries this fall and an army of demonstrators to cook up sales on the retail floor.

Better features...better pricing...AND...Ampex quality!

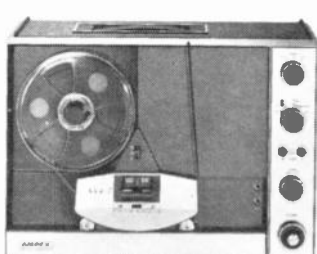
for 1966, Ampex offers a new line of moneymakers



800 SERIES—Lowest priced Ampex ever... the 800 series! Portable, furniture-finish and deck-only versions, with dual capstan drive, solid state circuits, VU meters and slide-on speakers... priced under \$300! Also the 890 with fingertip reverse!



1100 SERIES—New! Ampex 1100 series with automatic threading, auto reversing, VU meters, solid state PLUS exclusive dual capstan drive and die-cast aluminum construction. Deck-only, portable and furniture models available, in the profitable \$350-450 range!



2000 SERIES—Held over by popular demand... our 2000 series, with the automatic features of the 1100 series plus advanced tube circuitry! Also held over: our popular 1070 model, to be featured in future promotions. Ampex gives you more to sell!



And now, Ampex offers a full line of quality speakers like the 3010 series shown here: 3 way systems in fine furniture cabinets, and priced incredibly low at \$149. Others as low as \$29.95 a pair!



plus...
a whole new way
to sell them!

An expandable modular Audio Center that produces \$400-500 in profits in less than 6 square feet of space... fully stocked with Ampex...the line your customers are already sold on.

Start with a single module; expand as space allows. Demonstrate tape recorders through matching speakers or headsets. Sell stereotapes with the same sets; save the cost of listening booths! Sell microphones, blank tapes, accessories, too. Every profit opportunity in tape is built in.

The Ampex Audio Center can be the most profitable space in your store. See your Ampex man or write for information.

tape recorders / speakers / microphones / headsets / blank tape / accessories / stereotapes

AMPEX CORPORATION, 2201 LANDMEIER ROAD, ELK GROVE VILLAGE, ILLINOIS 60007

ask anyone who knows

AMPEX

KEY MOVES

Cory—A. E. Beier is named consumer products territory mgr for the Detroit and Cincinnati marketing areas. Beier was formerly with Hamilton Beach.

Jacobsen—Two district sales mgrs are named: N. Robson, Southeast; John Jansing, Southwest.

Fesco—Frank W. Cooper is appointed president of this subsidiary of Celanese Corp. of America.

Braun—Alfred Auerbach Assoc., New York City, is named advertising and public relations agency for Braun Electric America Inc.

Standard Products—The following reps are named for health and beauty appliances: George E. Douma & Assoc., for Michigan and Toledo, Ohio; Gordon-Thompson Co., for southern California; Tompkins & Madden, for New England drug accounts; Robert E. Pear Assoc. will continue as the housewares rep in New England.

HOUSEWARES

□□□□ **Renewed jeweler interest in housewares** is expected at the Retail Jewelers of America Convention and Trade Show, which is running this week at the New York Hilton Hotel. Housewares manufacturer-exhibitors expect to see increased promotions of electric housewares in jewelry stores this fall and Christmas, especially by the chain outlets, who use electrics as traffic-builders and as account-openers. However, even the independent jewelry stores are returning to the housewares business, thanks to the growing number of price-protected lines available to them.

Some shaver manufacturers, in particular, see a chance to pick up some independent jewelry store accounts, which may have dropped their lines because of price footbaling. In fact the jewelry show is the only trade exhibit at which all of the major shaver manufacturers participate.

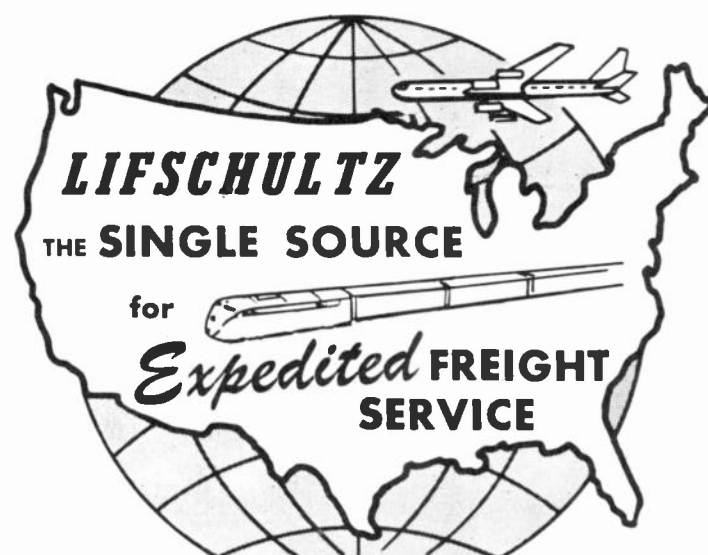
□□□□ **Sunbeam vs. Shetland:** The pricing battle in lightweight vacs is warming up. Up to now, Shetland has had the low-end lightweight vac business pretty much to itself. And Regina and Eureka-Williams do their best above \$20, relying largely on trade-up selling. Master's helped warm up the low-end lightweight vac battle in New York City last week, when it advertised a Sunbeam model for \$16.99. Gone are the days when Shetland and Sunbeam promotional models carried \$19.95 retail tags. And the pricing ramifications may be wider than just sharp pricing on the promotional lightweights. Buyers see the \$16.99 price on lightweights bringing downward pricing pressure to bear on portable vacs—especially GE's MV-1.

□□□□ **West Bend Co. trades engines for plastics.** The Wisconsin-based cookware and electric housewares manufacturer, having recently sold its engine division to Chrysler Corp., has acquired NFC Engineering Co. as a wholly owned subsidiary. NFC markets insulated tumblers and other plastic serving accessories under the Thermo-Serv brand.

"The acquisition is a natural extension of our company's activities in the housewares field—in the new and expanding area of plastics," said J. R. Brown, president of West Bend. Now in the plastic housewares business, West Bend Co. only a few years ago was known as the West Bend Aluminum Co.

□□□□ **The 1966 barbecue lines are being readied** for debuts at the National Hardware Show, in September, and at the National Housewares Exhibit, in January. Tonka Toys Inc., which acquired Mell Manufacturing Co. last fall, is adding seven wagon barbecue models to its expanded 1966 line; the line will total 30 models. The firm uses the Tonka Firebowl brand name. Eric W. Mell, Tonka vice president, said the firm's emphasis on wagon barbecues reflects the consumer trade-up trend—away from bowl-type braziers, to wagons.

□□□□ **Bissell's diversification is underscored** in its newly issued Home Care Catalog, which shows some 90 products outside of its floor care line—its mainstay. The 16-page catalog features barbecues, garden tools, and winter tools—which Bissell picked up through the acquisition of Wood Tool and Shovel Co., and the consumer products division of Union Steel Co.



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LIFSCHULTZ FAST FREIGHT <i>Fastest between the Middle West and Both Coasts</i>
ARROW-LIFSCHULTZ FREIGHT FORWARDERS <i>FASTEST COAST-TO-COAST</i>
TRANS-AIR SYSTEM <i>Domestic and International Air Freight Forwarders</i>
NEW YORK • CHICAGO • PHILADELPHIA • BOSTON • HOLYOKE • BALTIMORE • NEW HAVEN BLOOMFIELD, N. J. • PROVIDENCE • MILWAUKEE • LOS ANGELES • SAN FRANCISCO

Another Honest-Dollar Value from V•M

Solid-state AM/FM-Stereo and amplifier— pure theft at \$159⁹⁵

This one compact unit contains four custom stereophonic high-fidelity functions: AM and FM radio, FM-Stereo, and audio amplification. The only extra needed for magnificent stereo sound is a pair of V•M speakers. The Model 1488 can also be connected to a record changer or tape recorder, and its powerful solid state amplifier will bring out music with new depth and clarity. The instrument offers a full set of controls, and no separate preamplifier is needed. Frequency response is from 20 to 20,000 cps. Controls include bass and treble, function switch, balance, tuning, and "tone-o-matic"® compensated loudness. A stereo indicator light flashes on when the unit is tuned to a stereo broadcast. Metal case finished in wood grained vinyl.



MODEL 1488

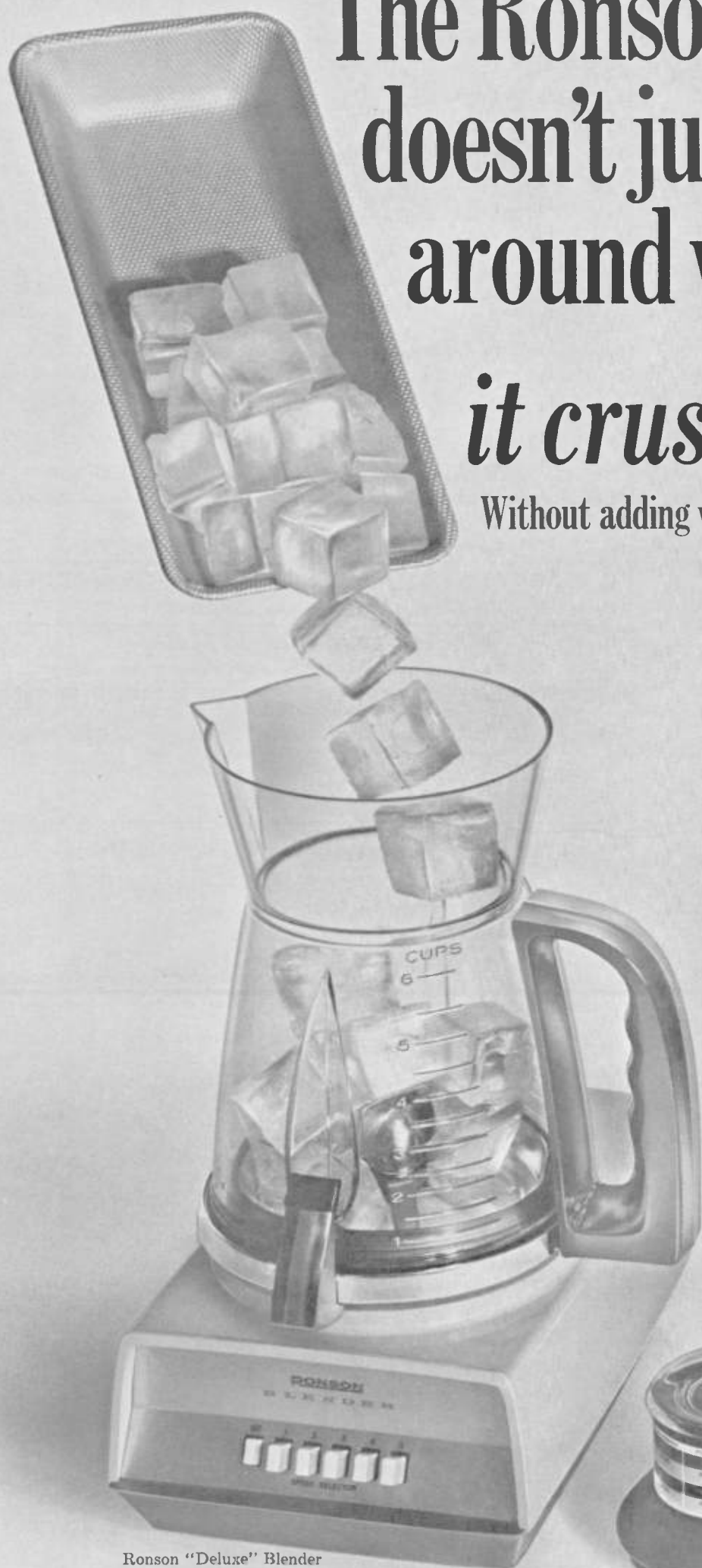


Drop us a line in Benton Harbor and we'll see that you get our 16-page booklet with pics and quick specs of the full 1965-66 V•M line. Or just call any one of...

**The Distributors of
The Voice of Music**

The Ronson Blender doesn't just play around with ice cubes, *it crushes them!*

Without adding water! Without attachments!



Ronson "Deluxe" Blender



Ronson "Carafe" Blender

Swallows whole vegetables

No spatula needed

Most powerful motor

Here's the great Ronson exclusive that blender customers are looking for. The Ronson Blender crushes ice cubes! Without adding water. Without any extra attachments. Extra-large blades and a wide base design let the Ronson Blender crush ice cubes completely. Swallows whole vegetables, too! And no nudging with a spatula needed. Plus the most powerful motor of any blender. Best of all, you'll have two great Ronson Blenders to de-

light customers. The great Ronson Deluxe Blender with five push-button speeds and the New Ronson "Carafe" two speed Blender. Just put them where customers can see them and start telling the whole ice-breaking story. You'll talk yourself into your biggest profit year ever! Remember, if it's from Ronson, you're getting more! More excitement! More sales! More value!

RONSON
RONSON CORP., WOODBRIDGE, N. J.

The old brown box is gone. And good riddance; it never helped retailers sell anything.

Housewares packaging today is different, and tomorrow it will be even more so. The idea: design a package so that it will help retailers move more merchandise. The result: packaging that sells as well as protects.

Just as women are spending more money to package themselves attractively, housewares manufacturers are giving more attention to the cosmetics of product packaging. The package—and the merchandising approach tied to it—is often just as important as what is inside.

Some retailers understand this new fact of housewares marketing and are profiting by it. Some are still behind the times.

Some manufacturers are moving ahead rapidly in integrating product and package to produce a powerful new retail selling force. Some are still back in the "brown box" days.

On this and the following pages is an explanation of what is happening and specific examples of the power of today's new housewares packaging.

The packaging revolution can be traced to the retailing revolution. Modern merchandising needs modern packaging. Self-service needs self-sell products. Quality merchandise demands quality packaging for a quality image. Sophisticated shoppers seek a sophisticated sales pitch.

The package has become a salesman. "At one time," explains David J. Freiman, manager of housewares packaging for Corning Glass Works, "the sales girl was the motivating force in effecting a sale. In our present method of mass merchandising, the sales girl, in many instances, is nothing more than a stock-arranger and an order-taker. It is necessary to either build your product display *into* the package or to provide a *separate display* with your package in order to aid in selling your product."

Modern packaging began with the self-service rack and the blister pack—in the supermarket, the birthplace of much of today's modern merchandising practices. Gadgets were carded for displaying on racks. Then came the refinement of the blister pack, which made possible the expansion of the rack-merchandising concept to additional products.

The arrival of the discounter brought a further growth in the packaging revolution. When he picked up the self-service concept of the supermarket, he, too, needed packaging that would perform a selling job, as well as packaging that would enable him to show his merchandise in mass.

Good packaging became good business when other retailers, especially the department stores, turned to self-service merchandising in housewares. The department store not only demanded a package that would do a selling job but also one which projected a quality image. This led to a further upgrading of housewares packaging.

Once a small-ticket revolution, packaging advances mainly were confined, at the start, to hardware and small housewares items, the gadgets. However, some of the biggest packaging news today is being made in big-ticket merchandise. Electric housewares manufacturers, in particular, are learning the power of packaging and putting it to work for themselves and retailers.

What does good packaging accomplish? How does it help retailers? How can retailers use product packaging more advantageously?

Packaging is advertising, at point-of-purchase. "Our four-color lithographed packages," points out J.J. Torpey, Regina Corp. advertising and sales promotion manager, "give our products the same kind of point-of-sale impact as national magazine advertising, yet still protect the product during shipping, warehousing, and delivery." Regina uses four-color packaging

for its portable hand vacuum cleaner and upholstery shampooer, but not for its Elektrik-brooms, which seldom are displayed in their large cartons on retail sales floors.

The Epic division of Ekco Products Co. uses the term "magazine-cover packaging" to promote its four-color packaging of imported stainless steel flatware to the trade.

Packaging also relates to the consumer. It tells her at a glance about the use of the product or how it will look in her home. Regina's upholstery shampooer package shows the product in use—shampooing a sofa. Epic's packaging shows its flatware in table settings attractive enough to appear on the cover of a woman's magazine. On some of Corning's packaging, the company illustrates the cookware's freezer-to-stove-to-table qualities. Inside its decorative shipping carton, Westclox places its wall clocks against a cardboard backdrop designed to resemble wallpaper. The attractive wallpaper-like background helps the consumer picture the product as it will look in her home, and this is certainly more effectively

than seeing the clock against a retailer's plain pegboard wall.

Packaging encourages tradeups. Epic, for example, shows its lower-priced flatware in informal table settings, its higher-priced, more-decorative flatware in elegant table settings. And Corning and other cookware manufacturers provide retailers with bigger-ticket sales by emphasizing starter sets.

Packaging is now part of the product. In

the housewares industry, this development principally started with shavers. It picked up momentum with those hair dryers that come in hat-box carrying cases. The latest example: the storage-rack package for slicing knives.

Low-end slicing knives come in cardboard display cartons, which, although often designed to do a pictorial selling job, are hardly suitable for dining room use. Trade-up models are shown with deluxe storage trays and cases. The packaging helps the retailer trade up consumers, thus improving his profits.

The package is for household storage, even when the package is only a cardboard carton, such as on a promotional shoe polisher—rather than part of the product itself, such as high-end shoe polishers with deluxe wooden or molded shoe shine kits. The storage aspect of packaging also gives the retailer an additional selling point.

Packaging opens up a wider gift market for housewares products. The starter set in cookware is the oldest example. Often a quality packaging can help give the product the kind of quality look consumers search for when they set out to purchase gifts. Even an inexpensive product can be made to look expensive in a good, quality package. In fact, manufacturers are finding their images are being built on their packaging as well as their products.

Packaging also is for travel, and here, too, improvements in product packaging have opened up a growing market for housewares retailers, especially for personal care products such as travel toothbrushes. Men who become accustomed to using an automatic toothbrush at home want one for use while on business trips, and the package helps sell them.

The fringe benefits of modern packaging also appeal to retailers. When a manufacturer provides a handle as part of the package, customers are likely to take the product with them rather than having the retailer send it. The use of colored packages helps retailers set up at-a-glance color-coded inventory storage, and helps salespeople find the merchandise quickly. Colorful packages also make for more attractive mass displays of product cartons on the retail floor. Some are even attractive enough to build window displays around.

But, most importantly, packaging sells . . . ➡

the **POWER** of packaging in housewares



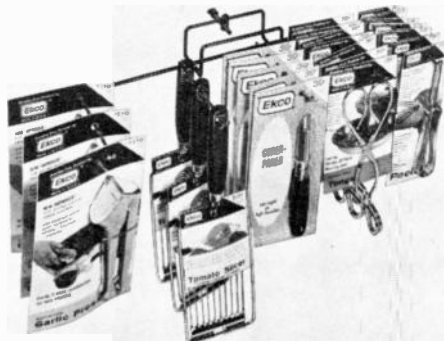
by Ed Dubbs and Bruce Pfau
cover photo by Joe Ruskin



Getting the product package displayed at retail is the goal of an increasing number of housewares manufacturers. Convinced that today's improved packaging, when displayed at retail, can increase sales, manufacturers have embarked on a selling job to get retailers to build displays around their packaging as well as to show their products on the sales floor in opened, self-selling packages. Regina Corp. has encouraged retailers to stack its four-color product packages to create in-store displays (see photo). Regina points out that its upholstery shampooer, especially, needed to be shown in its package because it was the first product of its kind on the market, and consumers, looking at it out in the open, might not have been sure just what it was. The package told the story.

The rack that started the revolution

The self-service rack (below) started the packaging revolution in the housewares industry. Supermarkets turned to rack merchandising as the answer to showing a larger variety of small-ticket merchandise in a small display area. Gadgets were carded, and besides serving a functional purchase, the printed card-



board enabled manufacturers to tell a sales story. The advent of the blister pack opened up a new, unlimited range of products that could be packaged on a piece of cardboard. When the discount industry picked up the self-service merchandising technique of the supermarket industry, the need for self-sell packaging moved into bigger-ticket merchandise. With few sales clerks around, manufacturers soon realized they had to do their own promoting on the retail sales floor. Then de-

partment stores turned to self-service selling, and this brought new demands for improved housewares packaging. Department stores sought packaging that not only told the sales story but also conveyed a quality image. To a certain extent, manufacturers created special deluxe packaging for department stores to help distinguish merchandise they were selling from what discounters were selling. Throughout all this, manufacturers were learning that packaging is a powerful advertising medium at point-of-purchase. They also learned that packaging could be used to trade up the consumer, that packages with handles encouraged customers to carry the merchandise home, that consumers needed some place to store their products, and that packaging was an inexpensive answer. Housewares packaging today has moved far afield from the rack-merchandising approach, to which it really owes its start.

On this and the following pages, you will be taken on a pictorial tour of packaging in the housewares industry. You will see examples of good packaging, illustrated to point up industry trends in packaging design. You also will be given a historical look at the evolution of improvements in packaging. The approach, however, is not aimed solely at packaging. The pictorial tour is designed to show retailers how they can use packaging more advantageously to sell more merchandise.



On-the-sales-floor display of housewares has become old hat in the industry, but, thanks to better packaging, the mass displays are taking on a more attractive look. In this photograph, Macy's demonstrates the mass display of electric housewares on the retail sales floor, as well as pointing up that private-label packaging is being upgraded along with that of the name-brands. For its Supre-Macy private label in electric housewares, Macy's uses a simple but attractive package—all white (instead of brown) with a minimum of printing, in red and black. As expected, Sears has been the leader in moving toward better packaging of private-label merchandise, seeking a coordinated look on all of its private-label packaging. This reportedly has been no easy task, considering the number of suppliers with which Sears deals. Some of the larger chains have turned to outside marketing firms to help them build an image through their product packaging.



The hard-to-display product is a particular challenge to the packaging experts. Corning Ware's Pyrex pie plates are a good case in point. Ordinarily, the pie plates were displayed in unexciting stacks on the shelf or counter. As a solution to this problem, Corning came up with the combination shipping-display carton pictured above. The boxes, attractively designed for display and color-coded for each size plate, may be used in building-block fashion. When opened, the package converts to a ready-made salesman. One dozen pie plates, standing on edge, are in each package. As an additional sales boost, Corning has designed new labels for the plates, using full-color photographs of fruits which may be prepared in the pie plates. This theme is carried to the carton itself where stylized illustrations of the fruit appear. As modular-style units, the new packages should win more display space—and sales—for the plates. The old brown box could never have done such a job.

How packaging sells at retail

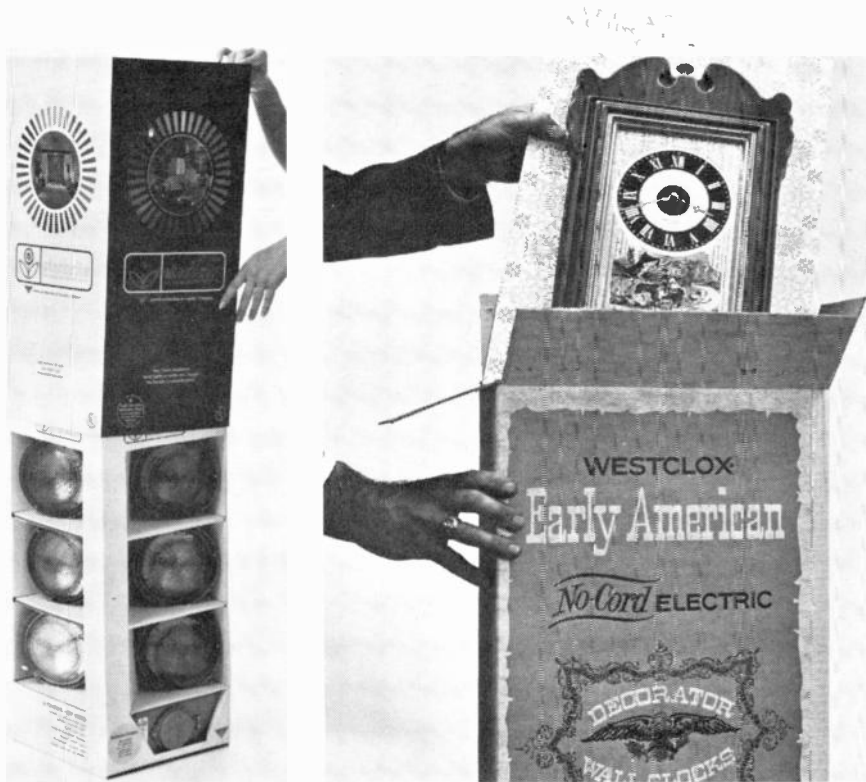
The old brown box generally ended up in the alley behind the retailer's store, but today's modern package has moved out of the stockroom and onto the retail floor. The display package has become an integral part of modern merchandising. Most manufacturers now package their products in cartons which require a minimum of a retailer's effort to convert it into an attractive display, one which not only catches the customer's eye but also tells a sales story. With the proliferation of products available in today's housewares department, good packaging is often the retailer's only way to create order out of the chaos. Display packages present the product to customers, and do it in a compact and orderly manner. And the retailer may often save space by using the compact displays offered by manufacturers.

Through display packages, a sales pitch can often be made more effectively than by a busy or uninformed salesperson. Accordingly, manufacturers are integrating more and more sales aids into their packages: four-color illustrations of the product in use are becoming common; sales literature is often included in the package; colorful and stylized graphics call for the customer's attention. And as the consumer becomes more sophisticated, retailers and manufacturers are learning that top-quality packing often projects a high-quality image for the product.



Sessions' package for its fertility clock, the much-publicized Lady, represented a unique problem in display packaging. With an obviously delicate sales story to tell, Sessions came up with a subtle but effective package. Using a tasteful photograph below a calendar, the sales idea was made: "A modern, new aid to family planning." The package, which opens into a display unit, includes sales literature—with a rack for displaying it—to give a more detailed run-down on the clock's operation. The copy on the display backdrop is kept to a minimum—as befits the delicate theme—but is designed to pique the maximum in consumer interest: "Discreetly keeps your *Personal*

time . . . month after month after month." Sessions' use of a realistic photograph points up another growing direction in modern packaging. The quality photo, packaging experts have found, is a traffic stopper. The color used in the package is another sign of increased packaging sophistication. The Lady's package is predominantly a quiet blue—screaming colors on the package obviously would have distracted from the subtle approach used by the company. Many companies have found that the thought and care that go into the selection of color are just as important as the consideration necessary for the selection of the trademark.



Starbrite packaged a cumbersome set of low-voltage outdoor lamps and a timer in this free-standing display carton. Without this package, a retailer probably would be hard-pressed to find an appropriate and effective way of displaying the system—but modern packaging found the solution. Allowing the product to tell its own story, Starbrite designed the package to give maximum visibility of the lamps, and yet provide protection for the product. At the bottom of the unit, the automatic timer is displayed with appropriate copy to explain its use. On the outside cover of the modular unit, Starbrite uses four-color photographs to illustrate uses of the outdoor lighting system. By its concentration on the product rather than on strident copy, this package is a good example of the increasing sophistication of today's packaging. At a glance, a customer can see how the product will fit her needs.

Westclox has solved a major retail display problem through the packaging of its decorator wall clocks. Many retailers display their clocks against an unattractive pegboard wall. Even the best of clocks can look bad in the wrong situation. To solve this problem, Westclox is mounting its decorator wall clocks against colorful cardboard, which is printed to resemble wallpaper. Westclox' R.L. Shaw points out that the "wallpaper" backdrop helps the consumer see the clock as it will look in her home. Shown here is the company's new line of Early American No-Cord decorator wall clocks. Westclox also has an Early American design on the shipper carton; it is effective for in-store displays. For its new Wee Winkies line of nursery alarm clocks, Westclox is using bright striped "wallpaper" to set off these oversize and brightly colored clocks.



The toothbrush needs good packaging, more so than many other products. Electric toothbrushes cannot be demonstrated very effectively at retail. Therefore, a package is needed that will tell the sales story. In this example, DuPont's package opens up into a sales story—it stresses that the product "gives your whole family cleaner teeth and healthier gums" and that it uses the "approved up-and-down brushing action." (Salesclerks, understandably, have difficulty keeping straight which toothbrushes go up and down and which use other brushing methods.) DuPont also uses its display package to point out that there are "no outlet problems" involved with its product—it uses normal flashlight batteries located in the case rather than the handle. Toothbrush packaging is one product area where the industry's packaging has made good strides.

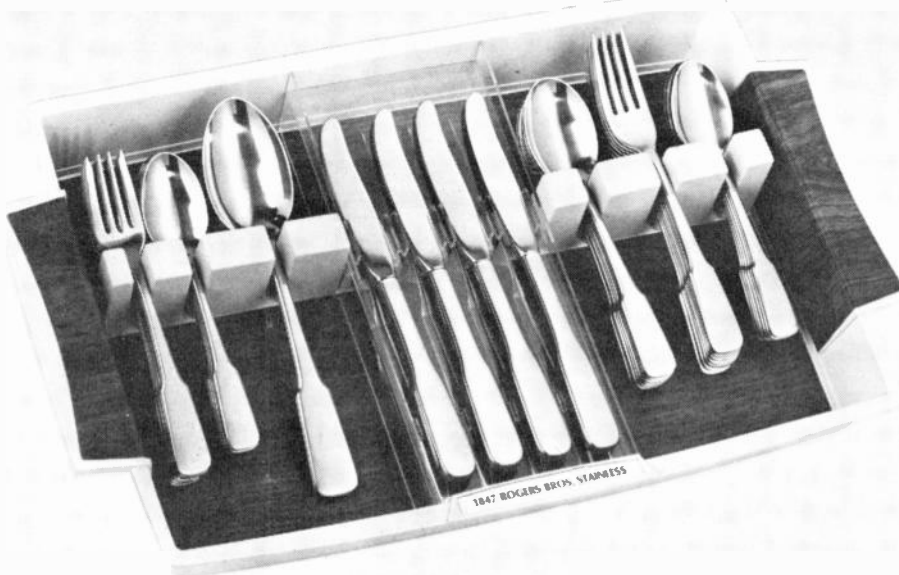
Packages that go home, stay there

The modern package, no longer merely a carton to be discarded at home, is more than something to temporarily contain the product. Today's packages not only help sell the product, but in many cases actually become part of the product. For example, a container will often serve as a permanent storage unit in a consumer's home. While retailers have long known an eye-catching package will stop and sometimes sell a customer, the modern merchandiser now has learned a handle on the package encourages carry-out sales. Today's self-sell, carry-out packaging means more profitable merchandising.

Rogers Bros. Stainless Div. of The International Silver Co. is merchandising its flatware in what is actually a double packaging program. The packaging incorporates both the carry-home and storage-unit concepts. Rogers also is aiming at the gift market—which today's packaging has greatly expanded—with the understated design on flatware carrying cartons. Package producers have learned that packages with few graphics and stylized design may be promoted easily as gift items, and that they generally will—and should—win more retail display space. Along with re-designed containers, companies are learning to package more saleable combinations of items. In Rogers' new program, a 25-piece service for four is offered in all patterns. With this basic unit, the company says, a retailer can offer customers a service for four, eight, or 12, minimizing his inventory by concentrating on one package.

Iona Manufacturing Co. tells its sales story ("The White Glove Way to a Better Shine") on its package. But, more than simply a display piece, the package also serves as a storage unit for the consumer; instructions for use are illustrated on the lid. As an example of inexpensive cardboard packaging with built-in sales appeal, the Iona package actually adds to the appeal of the product through its consumer-oriented design. As in most of today's advanced packaging, this presentation of the product avoids any "just thrown on the counter" approach to retail display. By merely opening the package and placing it on the retail floor, the merchandiser has a compact, attractive, silent salesman. The design of the package has a pick-up-and-carry-home appeal. It also capitalizes the saleable-combination concept of packaging: attachments, polishers, buffers—all necessary for a shoe shining job—are included in the kit.

Gitsware Corp. has adopted the famous—and fabulously successful—six-pack idea of packaging to its line of Jeweltone Thermo Ware glasses. A good example of the housewares industry's ingenuity in new packaging, the Gitsware cartons combine the best of carry-home and saleable-combination concepts of product presentation. Gitsware, in its trade promotion, is referring to the new packages as gift-styled, a statement well supported by the package's subtle but colorful design. As a leading producer of insulated tumblers, Gitsware obviously is attempting to maintain a quality, high-end image (the six-piece sets sell from \$4.95 to \$5.95) and the quiet design of the package steers away from any promotional look. The accent design of the Jeweltone line is repeated on the six-pack carrier. In another quality touch, the company has provided dust covers for the glasses in the package.



Rogers Bros. carton and storage tray



Iona shoeshine kit



Gitsware insulated tumblers



Packaging improvements: the evolution of a revolution

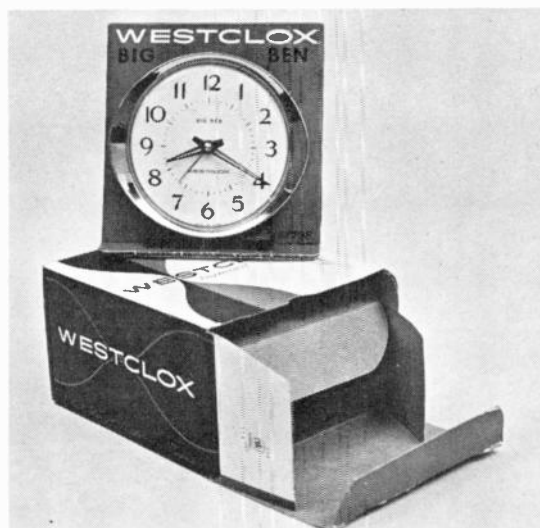
Sunbeam's shaver packaging has evolved through six different stages, as illustrated in the photo above. An indication of the remarkable dynamics of the packaging business, the six containers above offer a comprehensive historical view of one company's packaging revolution. On the far left of the photo is Model R, first introduced by Sunbeam in September 1937. The package for this shaver was a simple zippered leather pouch, which gave the retailer little display assistance. As a storage package, the pouch was subject to wear and offered only partial protection of the shaver. In September 1946, Model S, second from the left in the photo, was in-

troduced. This shaver was packaged in the first of Sunbeam's "clam shell" cases. Although it did a better storage job than the original leather pouch, it still was not a very effective display piece. Model W, third from the left in the photo, was packaged in the first all-plastic Sunbeam shaver case; with the shaver packed upright, the case gave the retailer a better opportunity for display than had the earlier packages. Model 140, introduced in July (third shaver from the right) for the first time offered a consumer benefit in the package: its case could be wall-mounted. Second from the right in the photo is Model 555-II, introduced in June 1963. This case—a re-

turn to clam-shell styling—presented the shaver as a display, but the cloth lining in this case was subject to wear. Finally, on the far right of the photo, is Sunbeam's newest shaver case, which, with its all-plastic, non-wear design, is a consumer-oriented product. And, with its unique pop-up display feature, this Model 777 shaver should be a boon to display-conscious retailers. Other than in these individual examples of packaging, Sunbeam is stressing over-all uniformity in its shipping cartons. In this way, the company hopes to strengthen both its image and trademark, while at the same time reflecting high product quality.



Packaging changes are coming quickly in the housewares industry. So quickly, in fact, that the evolution of packaging adds up to a packaging revolution. Westclox has made two major packaging improvements on its Ben alarm clock line in little more than a year. Above you will see the three different packages Westclox has used since changing the shape of the Ben clock itself. Westclox redesigned the Ben early last year to give it a more modern, oval shape. The first photo shows the oval-shaped Ben in a standard box with a cardboard holder, designed merely to keep the clock from moving around in the



box. The box did little, if anything, to help retailers sell the Ben line. And the retailer had to remove the clock from the box and set it up by itself for display. He also had to save the bulky box to give to the customer when the floor sample was sold. The first improvement (second photo) used the same size box, but the Ben was placed in a self-display cardboard unit that carried Westclox's name and the retail selling price. The retailer still had to store the box of the display unit, but he did have a built-in display. The newest Ben package (third photo) made a big step forward in providing a protective carton that



also serves as a deluxe display unit. The clock is set in a foamed plastic holder that serves to protect the clock, providing shock resistance while being shipped, as well as giving a quality look to the package. The outer package also has been redesigned to add sophistication to the Westclox image. Westclox's name is cut into the plastic foam instead of being printed on cardboard as in the previous package. The price tag also is attached to the plastic holder. For a closer look at how the Westclox Ben packaging opens up into a display unit, to help retailers sell more clocks, turn the page.

Packaging as a marketing force

Housewares manufacturers and packaging experts are taking a broad marketing approach to the problem of designing effective, yet practical, containers for their products.

Sears, which has been up-grading its packaging in the past few years, gave McGraw-Hill's *Modern Packaging* two reasons for its changes in packaging: (1) the increased retail exposure which all packaging receives today, and (2) the general and continuing up-grading of Sears merchandise, which the packaging should reflect.

"Good packaging must satisfy many demands," Sears believes: "Efficient containment of the product, maximum fixturing adaptability, efficient use of floor space, and eye-catching appeal to the customer as well as easy accessibility in this era of self-selection shopping."

This view is seconded by David J. Freiman, manager of housewares packaging at Corning Glass. "In order to do an effective job of packaging and display," he says, "you must be familiar with your consumer and be aware of the specific needs and limitations of your sources of distribution and points-of-sale."

Corning, which now has more than 100 different Pyrex Ware products and 40 different Corning Ware products, has found that no one packaging solution meets the demands of a varied product line. Having done extensive package re-design for Corning in the past year, Freiman has developed a philosophy of what he calls "consumer-market oriented packaging."

Other than the basic functions of packaging such as product protection, product identification, and a look of quality, Freiman thinks the product's consumer justification must be considered before packaging or display work is undertaken. He ticks off a list of problems to be considered in order to help merchandise a product through packaging:

- (1) Is the use of the product self-evident or does it take a lot of explanation?
- (2) Is there a tendency for the product because of its size and competitive nature not to be visible on top of the counter?
- (3) Is this a product that requires a situation of use or mood setting to motivate sales?
- (4) Is this a product that requires full exposure in the package to properly merchandise it—or can an illustration be more effective?
- (5) What is the most effective and economic method to achieve point-of-sale display?

Does packaging really help sales? If manufacturers and packagers are studying the packaging problem in such detail as outlined above, what are the results?

When Sunbeam re-designed its packages in 1963 in an effort to give their containers a more effective, yet uniform look, it reported that its products got a substantially larger amount of retail display than previously. Sales? While sales cannot be directly tracked to a change in packaging, Sunbeam sales went up 10% that year over the previous year.

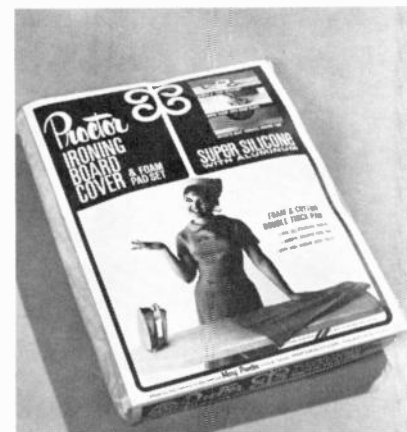
Regina, with its new packaging program that incorporates extensive use of four-color photographs, reports that the packages are receiving extremely good dealer reaction throughout the country. And good dealer reaction is probably directly related to good sales. It is no secret—or should not be—to retailers that good packaging is helping boost their sales in the booming housewares market.

Where does packaging go from here? "Super-realism is the coming trend," one packaging executive told *MERCHANDISING WEEK*. "Packages that talk—packages that actually demonstrate—packages with moving pictures. These are not far away."

The old brown box is gone.



Oster's deluxe package for a high-end item, the top-of-line Classic 8 Osterizer, points up the strides being made in the electric housewares field toward improved packaging. One side of the package contains a four-color illustration of the product. The carton is a display unit as well as a shipper. The white-lined corrugated carton uses two-color lettering. Oster's ad-promotion director, Larry Kabins, points out that the package "solves our display problem and aids the retailer."



An ironing board cover makes a difference in ironing—that's the message Proctor-Silex is getting across in its new packaging for ironing board cover sets. The package uses a full-color photograph of a model. Alan Berni & Associates, New York City industrial and marketing designers, developed the package for P-S. The Berni firm serves a number of housewares manufacturers. Berni did Epic's flatware packages and Irvingware's new packaging for its gift housewares line.



Westclox promotes its new Ben packaging to retailers as the Profit Improvement Package (PIP). The series of photographs (above) show how the Westclox package for its Big Ben alarm clock opens easily into its own display unit. First, you see the package as it is shipped to the retailer. The outer carton has been designed so it can be displayed attractively in mass on the retail sales floor. To make the package into a display, the retailer simply removes the outer lid (second photo), exposing the clock in its foamed plastic base. The lid is inverted (third photo) and the retailer has a display unit. The styrofoam

base is designed largely to protect the clock, by providing shock resistance, in shipping. Westclox' name has been cut into the front of the plastic foam, immediately below the clock, to keep it from looking entirely functional (last photo). The use of plastic foam, besides providing protection, also is believed to give the package a quality look. When the retailer makes a sale of the Westclox Big Ben, all he has to do is close up the package, and wrap it. He does not have to store an empty box for the clock being displayed, or bother to hunt for it once he has completed the sale.

The big tie-up in electrics: how to unravel the traffic jam

The electric housewares industry is caught in a traffic jam. Just as there are too many automobiles on the highways, there are too many products clogging the distribution system for electric housewares.

A parking problem also exists. There are only so many retail shelves around, and finding a "place to park" is becoming increasingly difficult in electrics.

MERCHANDISING WEEK uses the term "product proliferation" to define the problem in terms of the great growth of manufacturer product lines within the last five years. Product proliferation has replaced price footbal-ling as the industry's No. 1 problem—as least in the opinion of a growing number of industry sources. But in many ways, the two problems are tied together: product proliferation leads to a breakdown in orderly marketing and pricing.

Proliferation developed in two basic ways: the entry of new firms into the electric housewares industry, and the expansion of product lines. The housewares industry thrives on new items, and it craves hot items. Knock-off artists abound.

General Electric counts 253 firms in the electric housewares industry. GE admits its definition of the industry is a broad one, and includes many marginal producers and im- porters. GE contrasts the 253 firms in the electric housewares business today to only 11 producers in the industry during the 1930s.

The official directory of the National Housewares Exhibit lists 138 exhibitors showing electric house- wares. Most major producers are represented—with the Hoover Co. and North American Philips (No- relco) among the key exceptions.

Product growth is astounding. GE points out that it now has 44 major product classifications—against only 15 five years ago. The bulk of GE's housewares business now comes from products introduced within the last five years. GE is not an exception; other manufacturers have similar growth records.

Some cases in point: Just 2½ years ago, only GE's electric slicing knife had been introduced at retail. At the recent Housewares Show, MERCHAN- DISING WEEK counted more than 100 slicing knives (MW, 19 July, p.35).

When GE introduced the first iron with a teflon-coated soleplate, a GE spokesman indicated that the firm expected a 90-day headstart, at best, on its product innovation. Actually, GE got less than a two-week jump on the competition.

New products are only half the story, not to mention the great growth in the number of firms in the industry. Today electric housewares manufacturers do not have one line, but several: each designed for a dif- ferent type of retailer. As a mini- mum, there are two lines: the pro- motional line and the regular line. In addition, however, there may be a department store line, a distribu- tor line, a consigned line, or a "high- style" line.

Often, the styling between lines is similar—often too similar: theoret- ically, the lines are made up of differ-

ent products—that is, they at least carry different model numbers. Then, too, here are the specials that are dropped in from time to time on a limited-time basis that usually is not very limited. And the number of lim- ited time specials is anything but limited.

Retailing complications add to the problem of product proliferation. Al- though there are more types of re- tail outlets selling electric house- wares today than ever before, the key account has managed to assume an all-important role, despite in- creasing competition. In the house- wares industry, it is not unusual for a manufacturer to find 20% of his accounts doing 80% of his total vol- ume. To a large extent, the key ac- counts—big department stores and mass merchandisers—have been able to capitalize to the hilt on their im- portance—to the point of milking manufacturers for co-op money, dem- onstrators, and other "fringe bene- fits."

Gaining exposure at retail is a growing concern among manufacturers, especially since everyone seems to be trying to sell the same key accounts—that select 20%. This key group has just so much floor space. The 20% may do 80% of the business, but they do not have anywhere near 80% of the display space.

Retail shelves are full. Display space is at a premium. When a new item comes along, or when an assortment in a particular product category must be expanded to meet consumer demand, something's got to give. A slow mover must move off the shelf to make way for the newcomer. There are fewer and fewer products that retailers feel they *must* carry to meet consumer demand. New- comers have whittled away at the position of strength and share of market of some of the traditional leaders. Even GE's toehold on the iron business has been loosened. So has Toastmaster's on the toaster.

The distributor is trapped in the middle. He is caught between manu- facturer product proliferation—which adds to his overhead—and re- tail pressure for "cost-plus" ("plus" standing for service)—which cuts into his profits. He is being squeezed to the breaking point. He complains loudly about product proliferation; he knows his salesmen cannot pos- sibly do a good job selling all the products he is forced to handle.

The situation will get worse before it gets better. However, there are signs that the industry is beginning to face up to the problem. Marketing changes will have to come, and some trade sources predict: more direct- selling by manufacturers to key ac- counts; increased use of distributor franchising, enabling manufacturers to work more closely with fewer dis- tributors; increased efforts on the part of manufacturers to concentrate on building up past and present product strengths before going into new product areas. Something has to give. The traffic appliance in- dustry cannot remain bogged down in its own traffic jam and still ex- pect to make progress.

—Ed Dubbs

□ □ □ □ **How to sell multi-purpose appliances** is a prob- lem that is popping up again in the housewares indus- try. Multi-purpose appliances have a long history of sales flops in this country, even though they sell well in the European market.

Braun Electric America is grappling with the prob- lem of how it will market its all-purpose food prepara- tion units: Braun's units are now available in three sizes. Ronson knows the problem well from its experi- ences with its Can-Do unit, and recently introduced a revamped Can-Do. Hamilton Beach also has a big stake in multi-purpose appliances with its Gourmet Center. GE, too, is using the multi-purpose concept in its new line of power tools.

Best bet for marketing multi-purpose products, in the opinion of some trade sources: aim at the young market—newlyweds, for example—rather than older homemakers who already have been sold, and own, sep- arate appliances.

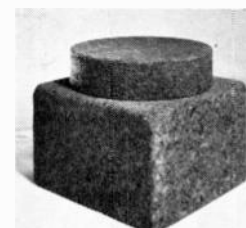
□ □ □ □ **More variable-speed floor polishers** are in the works. Hoover Co. got the jump on other producers last year, when it introduced the industry's first vari- able-speed polisher. Other manufacturers are expected to put units on the market soon after the first of the year. Hoover, meanwhile, plans to move ahead with additional variable speed products. Despite a cost breakthrough in silicon rectifiers, products with vari- able-speed controls are expected to remain in the trade- up category. When Hoover first added a rheostat con- trol to its polisher, it boosted the retail price by \$10.

□ □ □ □ **Vac sales gains double the pleasure:** Unit sales of vacuum cleaners for the first six months of 1965 soared by 10.48%, compared to the corresponding period in 1964. At midyear in 1964, vacuum cleaner sales were running 5.63% ahead of the 1963 level. Sales for the 1965 six-month period totaled 2,394,138 units compared to 2,167,072 units in the first six months of 1964, reports the Vacuum Cleaner Manu- facturers Assn.

June, 1965, sales of vacuum cleaners also ran ahead of the June pace in 1964. June sales totaled 367,916 units in 1965—up 9.77% from the 335,166 units in June, 1964.

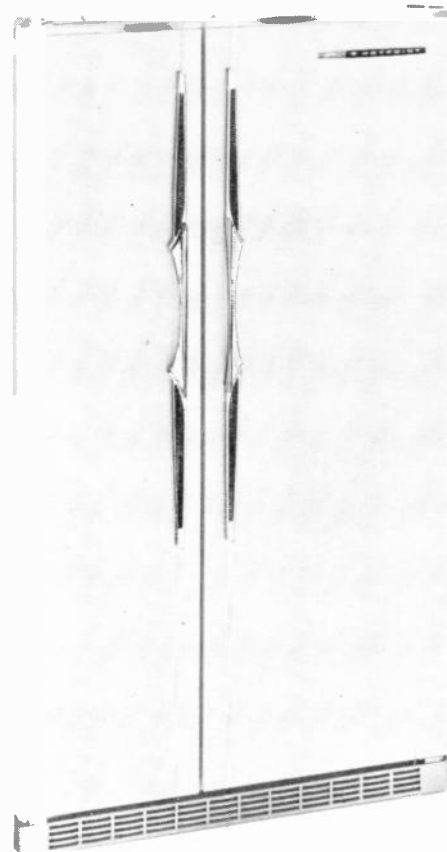
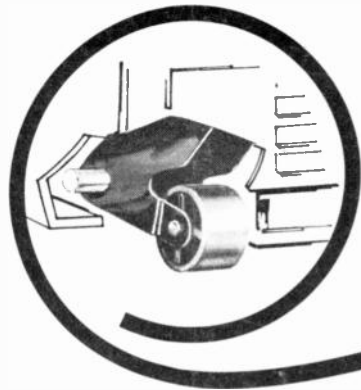
Sales of floor polishers for the first six months of 1965 are running only slightly ahead of the 1964 period —581,686 units, compared to 575,984 units—for a .99% gain. At midyear in 1964, polisher sales were running 10.1% ahead of the 1963 pace. Polisher sales in June, 1965, totaled 83,579 units, compared to 86,- 012 units in June, 1964—a 2.83% decrease.

□ □ □ □ **A sales flop that won an award for design:** This cork ice bucket won the silver medal at the in- ternational 13th Triennale di Milano, and is getting a second chance to prove itself at retail. Mort N. Marton, of New York City, has decided to reinstate the ice bucket in his firm's line. The bucket also has been selected by the Museum of Modern Art for inclu- sion in its permanent collection. With such honors, Marton believes it may now even sell at retail—where it will carry a price of \$29.95.



Award-winner

This new Hotpoint "21" rolls out on wheels



and it's sized to sell

(just 35 $\frac{3}{4}$ " wide,
only 65 $\frac{1}{2}$ " high—
20.8 cu. ft. big!)



No other side-by-side measures up to this new Hotpoint "21". It's easier to sell because it holds so much, yet still comes *under* the critical 36" wide mark. Fits practically every kitchen. And it rolls out on wheels for easy cleaning in back. The big vertical freezer section has 6 shelves, plus 7 in the door for neat, convenient storage. The refrigerator has 3 sliding shelves (1 adjustable), 2 deep door-shelves, plus lots of other luxury features. Specifics: refrigerator is 12.88 cu. ft....freezer is 7.87 cu. ft. And both refrigerator *and* freezer defrost themselves. Isn't that about everything your customers could ask for? So sell 'em the Hotpoint "21" money-maker. Call your Hotpoint Representative today.

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See Hotpoint appliances
sold this week on The Tonight Show,
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