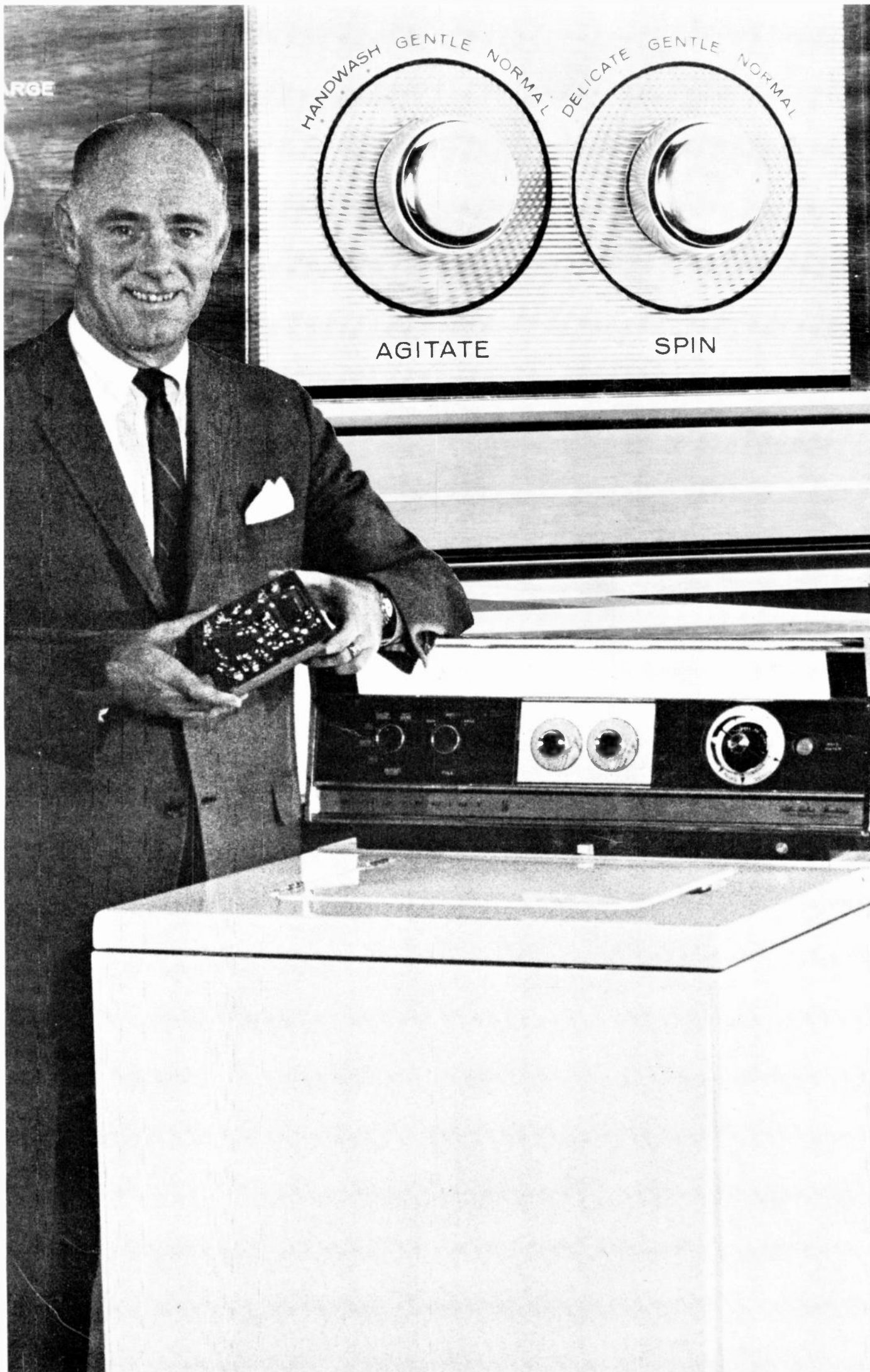


MERCHANDISING WEEK

EDITED FOR THE HOME GOODS RETAILER/A MCGRAW-HILL PUBLICATION/50 CENTS/VOL. 97 NO. 43/OCTOBER 25, 1965



◀ ◻ ◻ ◻ **Space age appliances** took the center of the stage last week as Hotpoint's Jack Clarke unveiled its new LW795 washer, a high-end unit claimed to "wash by hand." To find out why Hotpoint invested \$½ million into researching a new approach to controls and what this may mean to the industry, see.....p.14

AT PRESSTIME ◻

◻ ◻ ◻ ◻ **GE vs. GM:** In the U.S. District Court in Dayton, Ohio, last week, General Motors filed a denial that self-cleaning ovens produced by its Frigidaire Division violate General Electric patents. General Motors also filed a counter-suit requesting dismissal of the patent-infringement action filed last May by GE. The denial and counter-suit say the patents on GE's P-7 range, which GE claims were violated, are invalid and void.

Frigidaire introduced its first Electri-Clean range with a self-cleaning oven last spring, following GE's self-cleaner by about two years. Marketing men in the industry are carefully watching the outcome because self-cleaning ovens are on the high-priority list of retailers and their customers.

◻ ◻ ◻ ◻ **The guessing is over.** The man who will replace Herman F. Lehman as general manager of the Frigidaire Division of General Motors next week will be Richard L. Terrell. Terrell has been a vice president of GM and general manager of the Electro-Motive Division since 1959. Lehman will retire Nov. 30.

◻ ◻ ◻ ◻ **Muntz embraces Lear:** by Christmas, Ford dealers will have a supply of Muntz pre-recorded 4-track tape cartridges on
continued on p.3

Arvin SOLID STATE STEREO

The Solid Profit Line with the
**BIG TICKET
 BEST SELLERS**



Arvin Solid State Stereo Phonograph with FM/AM/FM Stereo Radio
 Fine furniture styling and detail in a magnificent 58" cabinet of genuine Walnut veneer and selected hardwoods.
Arvin Model 86P58 Sugg. retail \$359.95



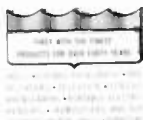
Arvin Solid State Stereo Phonograph with FM/AM/FM Stereo Radio
 An exciting concept in contemporary styling, a 52" cabinet of genuine Walnut veneer and selected hardwoods.
Arvin Model 86P48 Sugg. retail \$329.95

New extra length Solid State Stereo Phonographs with FM/AM/FM radio in Genuine Walnut Veneer Cabinets

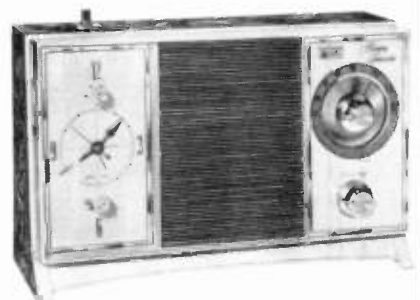
Arvin gives you more to offer your big-ticket console customers! Two new top of the line Stereo combinations with quality performance at a price which is realistic for *them*—and more profitable for *you*! With Arvin you can offer luxury-length cabinets of genuine Walnut veneer and selected hardwoods; acoustically balanced 6-speaker sound system; advanced solid state circuitry for instant play, cooler operation; 4-speed deluxe automatic changer with Diamond needle; six separate controls including bass, treble, volume, and stereo-balance for personalized tuning—PLUS superb FM/AM/FM Stereo radio.

Here are the outstanding models in an entire line of Arvin all wood Walnut veneer Stereo Consoles, priced from \$94.95 to \$359.95. Step up to Arvin Stereo . . . your big-ticket line to solid profits.

Visit these permanent show spaces:
 Chicago, Merchandise Mart—1477
 New York, 230 Fifth Ave.—612
 San Francisco, Merchandise Mart
 Hollywood, 1025 N. Highland Ave.
 Arvin Sales Dept., Columbus, Ind.



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



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.

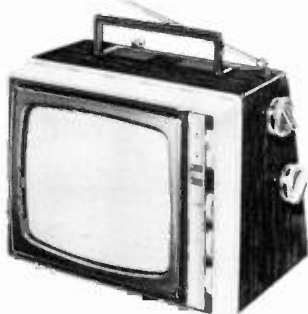
Arvin Model 56R38 Sugg. retail \$29.95



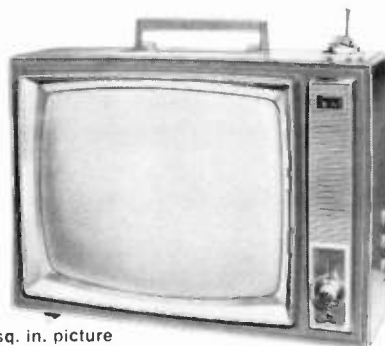
Arvin SOLID STATE HI-FI TAPE RECORDER AND PLAYER

Best buy under \$50! Weighs only 5 lbs., records and plays back at 3 3/4 or 1 1/2 ips. Transistorized Solid State chassis for instant play, cool operation. Capstan drive for accurate tape speed, utmost fidelity. High impact black plastic case. Comes complete with microphone, 225 ft. tape, two 3" reels, 1 roll splicing tape.

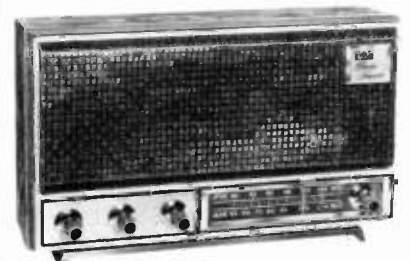
Arvin Model 86L19 Sugg. retail \$49.95



Arvin SOLID STATE 9" TV 39 sq. in. picture
 Plays Anywhere—On battery or AC
 Sell TV's newest portable market. This new ARVIN all-channel TV goes anywhere, plays anywhere. Operates on rechargeable battery pack (optional) or regular AC power. Weighs only 11 1/2 lbs. Super-bright picture locked in with AGC. High gain IF amplification for top fringe area reception. In Wood Grain finish.
Arvin Model 66K18 Sugg. retail \$139.95



172 sq. in. picture
Arvin 19" ALL-CHANNEL PORTABLE TV
 Big screen portable TV at its best. Keyed AGC for steady picture. One time VHF "memory tuner". Front facing 5" Velvet Voice speaker. 3-stage high gain IF amplification for sparkling clear pictures even from hard-to-get stations. Slim, clean lined on-the-go styling in Two Tone Beige with Gold Trim.
Arvin Model 66K48 Sugg. retail \$139.95



Arvin Solid State FM-AM RADIO
 in Deluxe Walnut Wood-Grain Finish

A delight to demonstrate! Powerful 11 transistor Solid State instant play chassis, AC powered for finest AM and FM reception. Special push-pull output for extra power. Variable tone control. Switchable AFC. Lighted slide rule dial. Big 5" speaker. Slim line molded plastic cabinet.

Arvin Model 36R48 Sugg. retail \$54.95

sale for playback on the Motorola tape player now in Ford cars. But the cartridge will come from Lear, not from Telepro, as Muntz cartridges usually do. Telepro's Fidelipac cartridge cannot operate on the Motorola machine. So Earl Muntz will make his entire catalog of 45 labels available at \$2.98 to \$4.98 on both Fidelipac cartridges and a 4-track version of the usually 8-track Lear cartridge. By February, Muntz hopes to have an automobile unit capable of playing both of the heretofore incompatible cartridges at his usual price of \$79.95, including installation.

□ □ □ □ **RCA is working on a 22-inch color tube** with Corning Glass, MERCHANDISING WEEK learned at presstime. Diagonal measurement of the rectangular tube is reportedly 21-9/16 inches, enough to push into the 22-inch classification for advertising. While RCA admits it is evaluating picture tube sizes between 19- and 25-inches, the company "is not in a position to make any comment on dimensions, prices or availability at this time," said H.R. Seelen, head of the tube division.

Publicly, the industry has not had much reaction to the new tube, but privately it was getting a mixed reception, particularly because its development closely follows Motorola and Admiral announcements of a new 21-inch rectangular tube. RCA evidently feels it now needs an intermediate tube to fill in between 19s and 25s.

□ □ □ □ **A 14-day home trial on GE dehumidifiers** is being offered by GE's housewares div. The program will run from Jan. 1 to Sept. 15. GE also is offering retailers a free premium of an executive desk set by accepting shipment on six or more GE dehumidifiers by Apr. 30. A compact retail display fixture also is available.

□ □ □ □ **GE's new fans feature five plastic blades**—instead of the usual three metal ones. GE says the five-blade element made of polypropylene provides higher velocity as well as cuts weight by 20% from similar models in the 1965 line. Distributor cost reportedly is up slightly on two of the three new fans—all of which

are 3-speed, 20-inch window-box models. All three feature the five blades.

The basic model is W-22. It is available as model W-23 with electrically reversible blade control and as model PS-7 with roll-around stand. Pricing remains unchanged on the roll-around unit. Four fans are carried over from this year.

Dating of Aug. 10, on a net basis, is available on orders placed by Dec. 31 and shipped between Jan. 1 and Apr. 29. There also is an early-buy distributor discount, and a new retail display fixture.

□ □ □ □ **Ampex is entering the tape cartridge arena.** Last week, the California-based company signed an agreement with Orrtronic to manufacture and market Orrtronic 8-track stereo cartridges and an 8-track continuous loop cartridge recorder-player. The Ampex version of the Orrtronic cartridge will be one-third smaller than cartridges now on the market, but will play both on the Ampex machine and on the automobile cartridge player Orrtronic will make and market.

□ □ □ □ **Flat-screen tv prospects:** a solid-state electroluminescent scanner that can replace cathode-ray tubes and lead to flat, picture-on-the-wall displays will be available in working model form in three years, in the opinion of George J. Pandapas, president of Electro-Tec Corp. The company has been working for 4½ years on a solid-state visual indicator that will allow the scanning of electroluminescent surfaces in one or two axes. A two-axis scanner, he said, would replace crt tubes in tv sets. Monsanto Co., which recently diversified into electronics, has obtained an exclusive license for all two-axis applications. Pandapas said he was not authorized to speak for Monsanto, but he declared that an acceptable tv screen employing the Electro-Tec concept could be developed within three to five years.

□ □ □ □ **Robert J. Theis resigned** as president of Sylvania Entertainment Products Corp. last week to become head of ITT's international consumer products div. His replacement at Sylvania: John Morgan.

The Federal Trade Commission opens a can of worms

The Federal Trade Commission has revived an issue it presumably killed exactly a year ago—disclosure of foreign origin in radios, tv sets, phonographs, tape recorders, and their components.

In a move that surprised the industry, the commission scheduled a public hearing to begin Dec. 6 in Washington, D.C. on the entire problem. Representatives of labor, industry, consumer groups and other interested parties have been invited to submit their views at the hearing or in writing. The full commission will sit at the hearing.

A year ago, the FTC terminated a long inquiry into the use of foreign components by American tv and radio receiver manufacturers by deciding that disclosure of imported components was not necessary. The rule-making procedure grew out of the

misrepresentation and false advertising case brought against Motorola by the FTC.

Ticklish questions. After that decision, the FTC downgraded the whole matter of labeling foreign components on the grounds that it raised too many ticklish questions and was time consuming. Set makers breathed a sigh of relief because, almost without exception, U.S. manufacturers are using some imported parts in their equipment. As one executive summed up the situation, it was "a can of worms."

The rule-making inquiry split the Electronic Industries Assn. down the middle, just as the forthcoming hearings are certain to do. The consumer products division argued successfully against the need for disclosure, while EIA's parts division demanded disclosure protection.

Behind the FTC decision. In recent months, Philco has revealed its intentions to build a plant in Taiwan, and Zenith-ITT are preparing to open a factory in Hong Kong by the end of the year. These and other recent events, said an FTC spokesman, have convinced the commission that a broad study of the disclosure problem is necessary.

Not only does the public-hearing technique represent a relatively new approach for the FTC, but the upcoming hearings promise to be even broader in scope than last year's inquiry.

Written submissions must be filed with the Secretary of the commission by Nov. 29; this also is the deadline for requesting an appearance at the hearing. The hearing will be open for pertinent comment, but the commission is seeking information in

these five specific problem areas:

1. Extent of penetration of the U.S. market by imported tv, radio, phonographs, tape recorders and components;

2. Volume in which these items are imported, production of U.S. brand-name sets or components by American manufacturers in foreign countries, and the possible effect on domestic production and employment;

3. Whether purchasers have a preference for domestically produced items, including domestically built components;

4. Whether the public interest requires disclosure of foreign origin; and, if so, how this best can be accomplished;

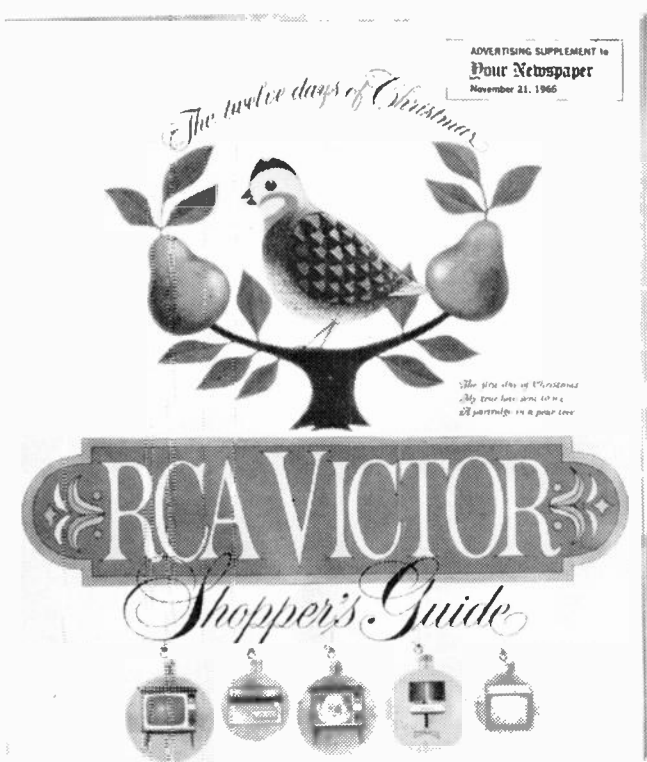
5. Whether failure to disclose foreign origin in home electronic products or components constitutes a material deception of the purchaser.

They'll be lined-up around the block at RCA Victor





dealerships when the Christmas shopper's guide breaks.



It all starts Sunday, November 21, when this 8-page, four-color insert-- "The Twelve Days of Christmas"-- will appear in more than 300 newspapers all across the country. From that time on, watch the steady stream of prospects parade into your store during the year's biggest buying spree. (P.S. Better get in early Monday morning.)



The Most Trusted Name in Electronics

The world renowned organization
with an International reputation for
leadership in research, engineering
and precision craftsmanship

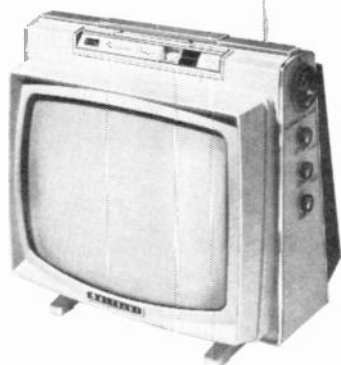
Hitachi

Puts it on the line for Christmas Selling

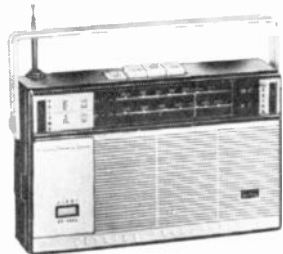
THE LINE OF UNBEATABLE QUALITY LEADERS



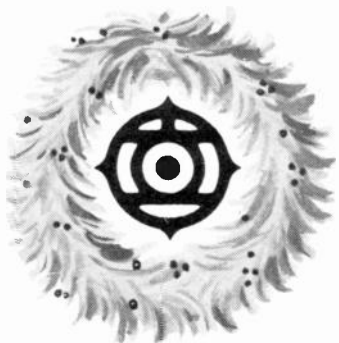
**Model TRQ-330: SOLID-STATE
TAPE PORTABLE RECORDER**
Distortion-free recording "Levelmatic". Two
speeds, 3 3/4 and 1 7/8 ips. 4" x 2 3/4" PM
speaker. Operates on 6 "C" cell batteries.
3" recording reels. Level light for recording
and batteries.
With Dynamic Microphone, Remote
Control Switch and Tape **49.95**



**Model TWA-1000: SOLID STATE
12" ELECTRIC/BATTERY PORT. TV**
Goes everywhere, plays anywhere! Operates on
AC or 12 volt battery. All channel, UHF/VHF
reception. Only 16 pounds. Oval 5" x 3" speak-
er. 2 earphone jacks. Telescoping antenna.
Battery, Case, Charger, **159.95**
Adaptor for Car or Boat Available.



**Model KH-1005R: 10 TRANSISTOR
FM/AM PORTABLE RADIO**
Push-button controls. 4" PM speaker. Adapt-
able for FM stereo reception AFC. Bass/
Treble tone control. Telescoping rod an-
tenna. Operates on 4 "C" cell batteries.
Complete with Batteries & Earphone **49.95**
All prices suggested retail list.



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THE LINE OF UNBEATABLE PROMOTIONAL VALUE LEADERS

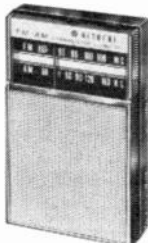
Built to the Highest
Traditions of Hitachi Quality



**Model TH-890: 8 Transistor AM
Pocket Portable** **17.95**



**Model TH-610:
6 Transistor AM
Pocket Portable** **11.95**



**Model KH-811:
8 Trans. FM/AM
Pocket Portable** **34.95**

Above models complete with battery, earphone,
leather carrying case with strap.

WASHINGTON NEWS

□ □ □ □ The new housing market for home appliances will continue to be good through 1966, according to federal statisticians. Although they have not yet compiled official forecasts for the coming year, they unofficially expect private and public housing starts next year to exceed 1.5 million units—for the third successive year.

Housing starts hit a recent-year peak in 1963, giving a sizeable push to home appliance sales. They have been slightly off that peak in 1964 and 1965, and much the same level is expected for the coming year. However, there has recently been a turn in the market toward higher-priced homes—including more appliances. As one economist put it: "The sales thrust is toward Oldsmobile owners, not Chevy owners."

□ □ □ □ 'No inflation ahead' is the firm forecast of President Johnson's top economic advisers. Just six months ago, talk of possible recession by early 1966 dominated predictions. Now the big worry is that inflation psychology will take hold—and the Administration is trying to talk it right out of the air.

Inflation worries result from increased government spending in the offing—perhaps about \$5 billion next year—and a 10% rise in business investment in new plants and equipment. On top of this, the consumer keeps spending more and more. The most recent survey of his intentions shows that he is less fearful of recession and unemployment, and that his spending plans are more optimistic than they've been in ten years.

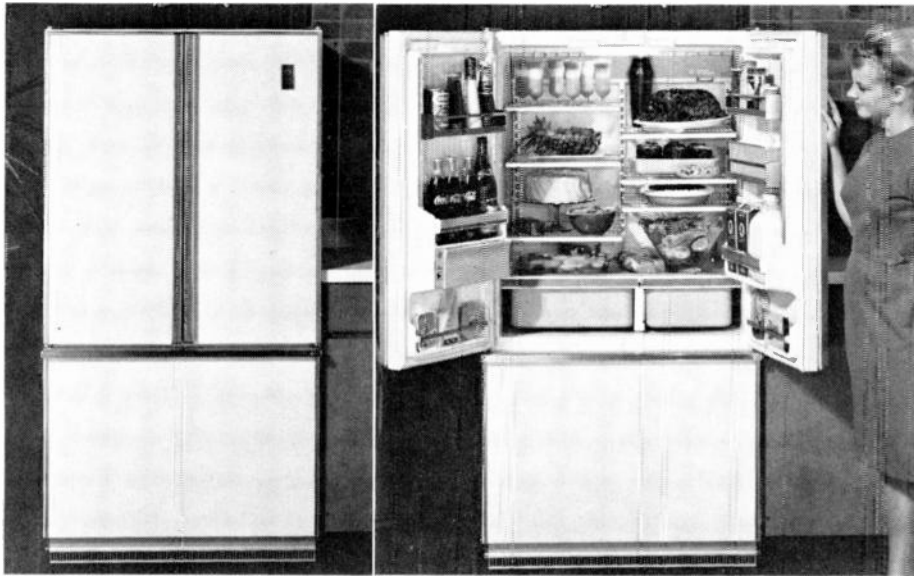
Other factors point to stability, however. Industrial production and manufacturing employment are expected to level off, and auto output may have hit the peak of its long climb. Putting all factors together, the Administration predicts: "No inflation ahead."

□ □ □ □ Plans to expand U.S. trade with East Europe are getting top-level attention in Washington these days. This could lead to large increases in consumer goods exports, but the Communist countries obviously have little to sell U.S. consumers. Components for consumer items may be another story, however.

The dispute over easing East-West trade restrictions has been going on for some time. Recently, the Administration has been moving more boldly in support of such a policy. This came to light last week when three cabinet officers—Secretaries of State Dean Rusk, Defense Robert McNamara, and Commerce John Connor—came to the defense of six cigarette companies.

The firms had been threatened with consumer boycotts by some organizations if they did not halt purchases of tobacco from Yugoslavia. The cabinet members described this action as "capricious interference with . . . our constitutional government." This is in sharp contrast to the Administration's lack of support last spring when Firestone Tire and Rubber Co. was threatened with a similar boycott for negotiations to build a synthetic rubber plant in Romania. Firestone broke off the negotiations.

Next year, President Johnson will ask Congress for authority to extend most favored nation tariff treatment to European Communist nations. This would afford the Communist countries the same tariff treatment the U.S. grants its trading partners.



Westinghouse's vertical-door 18 cu. ft. refrigerator with pull-out freezer

Westinghouse opens 1966 doors, shows new refrigerator features

The 1966 Westinghouse refrigerator line reflects a determined effort to tune in on industry trends. The company is introducing nine new no-frost refrigerator-freezer combinations, topped by an 18 cu. ft. vertical-door model with a pull-out bottom freezer.

First-time features in the line include three models with automatic-filling ice trays and an adjoining ice storage bin accommodating up to 175 cubes, and six models mounted on rollers for easy cleaning.

Centerpiece of the line, the French Door Continental (RDG88) photos above, has vertical doors on the fresh-food compartment, cantilevered, adjustable shelves in each section; an automatic ice tray; and a 175-lb. bottom freezer. Thus Westinghouse joins the small, hardy band of manufacturers who have introduced multi-door refrigerators in the

past few years. It is expected that the company will join the side-by-side refrigerator-freezer combination scramble by the end of this year or early 1966.

The move to larger capacity and no-frost is evident in the new line. Combined with carryovers, the no-frost total comes to 13 models in the 18-model line. The company now offers four units that have 18 cu. ft. capacities. Seven models have foam-in-place insulation.

The new leader, a 13.6 cu. ft. top mount (model RJG42) will show up on retail floors tagged at around \$260—a very competitive ticket.

Cantilevered, adjustable shelves are available in six models, and a 7-day meat-keeper is in 10 models.

The nine carryover models are topped by the center drawer unit (RBF66) which has dropped to the \$465 retail price range.

U.S. Steel measures the punch of major appliance promotions

Industry promotions make a measurable difference in major appliance sales. Retailers say so (MW, 18 Oct., p. 13-15), and U.S. Steel has the figures to prove it.

Retail sales climbed spectacularly in the 15 major markets—representing about 25% of all appliance sales in the U.S.—where U.S. Steel concentrated its promotional efforts last year. George C. Shenk, consumer products manager at U.S. Steel, told the story with numbers in a speech to the International Assn. of Electrical Leagues earlier this month.

Citing refrigerator and freezers as an example, Shenk said, "In the 15 markets we entered, retail sales were up 20% over the same period in 1963. This compares to an 11.02% increase nationally for these appliances as reported by the National Electrical Manufacturers Assn."

Following each promotion, U.S. Steel representatives make personal calls on retailers. "They ask permission to check the dealer's books with him," Shenk said, "and they ask one question—'How many units did you sell during this promotion month compared to the same month last year?'"

"Some dealers won't let us look at their sales records," Shenk admitted, "but over 75% of them do. And that 75% represents about 80%-95% of the retail sales in any given area."

The statistics compiled over a two-year period show: during industry-wide promotions, range sales increased 6% in 1963 over 1962, 23% in 1964 over 1963; home laundry equipment sales were boosted 19% in 1963 over 1962, 16% in 1964 over 1963; dryer sales went up during the promotion 22% in 1963 over 1962, and 23% for 1964 over 1963.

Another comparison also supports Shenk's story. "You will note," he said, "that Indianapolis had no utility support, no consumer incentive, no dealer program, no distributor help, no united front, and—no sales increases in refrigerator-freezers. St. Paul, on the other hand, a promotion-minded city, showed a 54% increase in refrigerator-freezer sales."

The aim of the promotions is primarily to influence the consumer to buy an appliance, said Shenk. "Before someone decides to buy brand 'A' or brand 'B,' she must decide to buy an *appliance*—rather than new carpeting or a new lawn."

□□□□ **Ampex will test the videotape market** this week when company executives launch a pre-selling test campaign at the Princess Kaiulani Hotel in Hawaii. The 9,000 guests invited to the preview will help the Ampex sales force test the effectiveness of tv tape mixes, models, brochures and displays, as well as get some practice in for the initial sales drive set for Jan. 1, 1966. The videotape line to be launched includes a \$1,095 tv tape deck without tv or camera (MW, 28 Jun., p.8) and a set of tv tape consoles from \$1,795 to \$2,500, including tv and camera.

□□□□ **A new microwave oven for home use** is on the drawing boards. Metalab Equipment Co., a wholly owned subsidiary of the many-armed Crescent Corp., is already producing a \$600 commercial model, and a company spokesman says a consumer version is in the development stage. Crescent recently acquired Matrix Research and Development Corp., which, through its OmniVend division, developed the new oven. In another recent move, which also could make Crescent's name familiar in the appliance-radio-tv industry, Crescent bought two sister electronic companies in Scandinavia for its partially owned subsidiary, Eastern Air Devices. The European companies produce and distribute speakers, speaker cones, magnets and other electronic equipment; Eastern Air Devices is presently producing components and electronic equipment for industrial uses.

□□□□ **Every state now has stereo broadcasting**, reports the National Assn. of Broadcasters. A total of 370 radio stations throughout the nation, including Alaska, Hawaii, and Puerto Rico, beam stereo broadcasts. And the number of FM stations in the country now totals more than 1,205 (MW, 20 Sep., p.8).

□□□□ **An all-expenses-paid 7-day jet vacation** to Tokyo in October, 1966, is the prize Admiral will award dealers whose room air conditioner purchases qualify them before May 31, 1966. This year's winners went to Lisbon, Portugal.

□□□□ **Price on RCA's new 15-inch color tv tube** has been set at \$90 for a laminated version and \$85.50 for a non-laminated type. These prices, which about match the prices tentatively announced earlier by RCA, will become effective during the first quarter of 1966 when the tubes are made available to manufacturers. Development samples of the 15-inch tube will be ready in limited quantities late this year at a price of \$150 each.

□□□□ **Viking of Minneapolis has cut prices** on all of its tape cartridges. The smallest M4 cartridge is reduced from \$4.25 to \$3.75. Intermediate size M6 drops from \$6.75 to \$6, and the large M8 is cut down to \$6.50 from \$7.25.

□□□□ **National Electronics Week** will be held in San Francisco for the first time in 1966. From June 3 to 5, the Civic Auditorium will house industry exhibits, while neighboring hotels harbor conference suites, and the San Francisco Hilton hosts business forums, including lectures, round tables, a sales training program, and a session on small business and EDP.

□□□□ **Color tv paid off for NBC** in the first Nielsen ratings of the new season, covering the two weeks ending Sept. 26. NBC, with more color shows slated than CBS or ABC, finished first in the race for viewers with a rating of 18.7. CBS scored 17.9; ABC, 17.

Privately, some NBC officials indicate that the network might not have finished first in the great ratings war without color. The networks now figure color tv is worth about a point in the ratings.

In the four weeks from Sept. 13 to Oct. 10, between 7:30 p.m. and 11:30 p.m., NBC did 175 half hours of color. Both CBS and ABC did 77 half hours of color in the same period.

□□□□ **The other sales boom in tv:** With the glamor and the gold of color tv dominating the industry's thinking, Motorola's S. W. Herkes took time out last week to say a few kind words about an old friend—black-and-white tv. "Our five-year projections for black and white tv are going up," he said. "We originally thought the industry would sell 8 to 8.1 million black-and-white sets this year. The industry is going to sell over 8,250,000."

The outlook for 1966 is even brighter. Motorola had projected industry sales of 8,250,000 b&w units next year, but Herkes believes the figures will have to be revised—upward.

□□□□ **Westinghouse pre-season orders** for air conditioners are running "about 143% ahead of the same period last year," according to R. W. Gibson, national sales manager. Gibson said that this is "significant when you consider that we are comparing against an all-time record year." Westinghouse claims that retailers in New York, Pittsburgh, Detroit, and California markets showed strong sales responses to the company's new room units for sliding windows.

□□□□ **Better tv reception means better tv sales—** this is the argument of the American Institute for Better Television Reception, a group formed by six antenna manufacturers. By last weekend, more than 700 retailers had been awarded Accredited Reception Specialists certificates by the institute in its drive—with the cooperation of 64 television stations—for better tv reception. A new merchandising aid provided the retailer by the institute is a manual "Adequate Antenna Installation—The Key to Good Television Reception."

□□□□ **Amana has issued the first of a series** of sales training records for its products. The 6½ minute disc, for distributor salesmen, pitches the company's new side-by-side refrigerator-freezer. The recording features a dialogue between a husband and wife who are shopping for a new refrigerator.

□□□□ **Sony tuned in a record August** with portable tv and radio sales up 70% over the same month in 1964, according to S. Inagaki, Sony's executive vp.

□□□□ **Admiral is moving its radio production** from Harvard, Ill., to a planned 150,000-sq.-ft. building in Dixon, Ill. The move will free space in the Harvard plant for increased tv production.

The color tv shortage— how the numbers add up

The actual dimensions of the color tv shortage were put in fresh perspective last week by Motorola's S.W. Herkes.

The situation is so bad, he said, that dealers are taking distributors to lunch. "I know of a case," Herkes said, "where a dealer even offered a distributor a trip to the Bahamas if the dealer could get 50 color sets now." (See p.10, for what another dealer did.)

The size of the shortage: The industry will be cleaned out of inventory early next month. From November until late next spring, distributors, retailers, and the public will have to buy color as it comes off the assembly line. There just will not be enough sets to satisfy demand.

In the baldest of terms, Herkes pointed out that while sales of color sets since the opening of September have been hitting 110,000 to 120,000 a week, the industry can build only between 60,000 and 70,000 a week.

Poor executive judgment. Only last May, Herkes observed, "many in this industry, including ourselves, were predicting an acute shortage of color prior to Christmas of this year."

"For some strange reason, however, most everyone immediately started to clear out his color inventory ahead of the market with promotional pricing, which continued until the end of August. You've seen companies move from sales in August to price increases in September."

Herkes believes there is little doubt that these summer clearances encouraged by manufacturers and wholesalers, created a false sense of security at retail.

"The sales," he explained, "indicated that warnings of short supply . . . were unwarranted and encour-

aged the dealer to not only refrain from purchasing adequate supplies for the fall—after all, sale prices mean unlimited supply—but influenced him to sell what little stock he had at bargain prices on the premise there was a lot more where that came from."

There are more problems ahead, Herkes said. The end of the color picture tube shortage is not in sight. Undoubtedly the boom will prolong the life of the 21-inch round tube, Herkes implied. Only four months ago, RCA reportedly told set makers that only 10% of its tube production—all coming in the first quarter—would be devoted to round tubes in 1966. Herkes now expects a much larger number of round tubes next year because time spent converting lines for rectangular production would cut down volume.

Tubes are not the only problem. Supplies of cabinets and components (such as yokes) are equally critical. Furniture manufacturers are barely able to fulfill industry requirements today, said Herkes.

The result of the cabinet shortage: more color sets will be housed in metal or plastic cabinets. There is little question that some 21-inch (the new tube Motorola and Admiral will use next year) and all 19-inch-and-smaller tubes will come in something other than wood cabinets, according to Herkes. Another problem: shortage of trained servicemen.

Consolation prize. Despite these problems, Herkes consoled the industry. "What's so bad about being associated with a seller's market during the next few years? It will certainly be a welcome relief from what existed in our industry during most of the past decade."

How to succeed in discounting: Vornado reveals its formula

How important are private labels to the Vornado operation?

"The Vornado brand is growing in importance, both in the Two Guys stores and in our wholesale operation. Private labels in general are growing more important in the appliance industry. They mean higher profits, for one thing," said Frederick Zissu, chairman of the board, Vornado, Inc., before the New York Society of Security Analysts.

Upgrade the image and broaden the line—this, Zissu feels, is the way the discounter can flourish. "We have broadened our appeal to include the white-collar, high-end shopper, without losing our base of low-end customers."

One-stop shopping is another key to the chain's success, Zissu said. The Two Guys stores try to have something for everyone. The stores have room for something for everyone; only one store in the chain is less than 100,000 sq.ft.

Fewer leased departments has meant that Vornado management can control its merchandising. "When you

have leased departments, everyone wants the other guy to be the leader," said Zissu. "Also, we find that when we take a leased department over, it does better in sales."

Central warehousing means that Vornado can buy seasonable items out of season, at a good price, and can restock stores overnight. No store in the chain is more than five truck hours from the warehouse.

Some figures: The chain will have 25 stores by the end of 1965, will open five more in 1966. The chain has now 3,277,000 sq.ft. of selling space, 1,250,000 sq.ft. of warehouse space.

Zissu said that five years ago the total sales of all discounters were \$2 billion; by the end of this year sales will be over \$12 billion. He thinks there will be fewer discount chains in the future as a result of mergers, consolidations, and acquisitions.

Vornado's sales, said Zissu, are up dramatically. The chain expects \$250 million in sales by the end of this year. He said, for example, August's sales were up 32.53% over last August; September's were up 35%.

Every month Family Circle tells 7,500,000* homemakers how to play house.



All illustrations reprinted from Family Circle.

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Playing house is a serious business. To the homemaker. To you. And to Family Circle. That's why Family Circle is the only one of the four leading women's service magazines that has no fiction, no exposés, no nonsense. Family Circle is strictly home service, strictly business. Take household equipment, for example. Last

year Family Circle devoted a greater percentage of its editorial content to household equipment than any of the other leading women's magazines. No wonder 7,500,000 homemakers a month look into Family Circle for tips on how to apply themselves. No wonder more and more appliance advertisers are looking into Family Circle, too.

Family Circle. A magazine only a homemaker could love.

*Some circulation guarantees to play around with: McCall's 8,400,000; Family Circle 7,500,000; Ladies' Home Journal 6,500,000; Good Housekeeping 5,400,000.

LA retailer tells the public what's happening with color

On Sunday, Oct. 10, readers of the Los Angeles Times were warned that "color television sets will be in drastically short supply during the next 5 years." In a full-page titled "The black and white truth of color television!" retailer Raymond M. Hacker wrote, "We invite you to take these few short moments to read the facts behind what may become the biggest 'Rationing Scare' since World War II."

"The ad achieved what I wanted it to," says Hacker, owner of Hacker's, a tv and appliance store in Sherman Oaks, Calif. He says he ran the

ad, which cost him \$4,000, to "straighten out" other dealers, particularly the smaller ones, and customers—to give them information on the tube situation.

What the ad said: "Throughout the nation there were more color sets sold this year by the end of August than during all of the 1963 and 1964. This unprecedented boom in sales has developed practically over night. The industry anticipated its production for the coming year, 1965, at slightly under 2 million sets per year—sufficient to meet the demands of buyers . . . Today, the going sales

rate is over 6 million sets a year and climbing rapidly . . .

"One eastern distributor has described the oversold situation on color tv as worse than shortages during a war period. According to reliable industry sources, even though production of 21-inch and the new 25-inch rectangular tubes has doubled over last year, manufacturers are not producing anywhere near what the retail dealers have already ordered. One prominent national company executive has predicted up to a 600% sales increase for his firm and forecasts a 'Color Boom' lasting for at

least 10 years.

"How does this predicament affect you?"

"Now that all dealers are on limited allocation by every major distributor including RCA-Victor, Zenith, Motorola, Packard-Bell, Admiral, Philco. Even with our tremendous buying-power and fantastic sales record as Southern California's largest independent television and appliance dealer, we will be affected as will all local retailers. We intend to fill every order as fast as backorder purchases will allow; when we ask you to please be patient and understand that this problem of supply and demand is nation-wide and will not be solved overnight.

"As a matter of fact, we sincerely urge all who are even slightly interested in having color television in their homes by Christmas to contact your neighborhood tv dealer. Perhaps you'll be one of the luckier ones to get exactly what you'd like."

What Hacker says: "There is a shortage of color sets, particularly in the 23-inch and 25-inch models. We weren't notified of this shortage by distributors so we took orders for the sets. Now we can't get them. I've got about 200-250 sets loaned out." Hacker has a policy of loaning a color set to a customer until the customer's set arrives.

Customers have come in since the ad, says Hacker, "anxious to buy what we have in stock without waiting for a special model or tube size. If they want a color tv set, they buy it without worrying about the cabinet."

Hacker says he sells about 200-300 sets per month, and has been unable to get inexpensive metal and hard-wood 21-inch models, and most 19-, 23-, and 25-inch models.

Hacker blames distributors for this situation. "People will be bootlegging sets by Christmas, and it will be the distributor's fault. If they would give California its fair share of the sets, this wouldn't have happened. After all, color tv was pioneered here."

What others say. One smaller dealer says, "We appreciate Mr. Hacker's ad. After reading it, many of our customers who have given us deposits on sets we can't get are now ready to wait or take something else."

"It's his money, and a free country," says Ed Dymek of Sues, Young and Brown, a Los Angeles distributor. "Anyone in the industry knows what is going on—there is a terrific shortage of color sets and will be for the balance of this year and the early part of next year. Al Hacker is a loquacious guy, so he ran the ad. It didn't hurt anyone. He just put his money where his mouth is on this subject."

"I never saw an ad that has received so much response," says Ken Johnson, vp of Packard-Bell's consumer products division. "I think it did a lot of good and made everyone see the light." Johnson adds, however, that he thinks Hacker diluted his public service approach with a second full-page ad, which appeared in the Los Angeles Herald-Examiner on Oct. 17. "After spending all that money on the ads, he finished with a hard sell," says Johnson.

—Ron Lovell,
Los Angeles News Bureau



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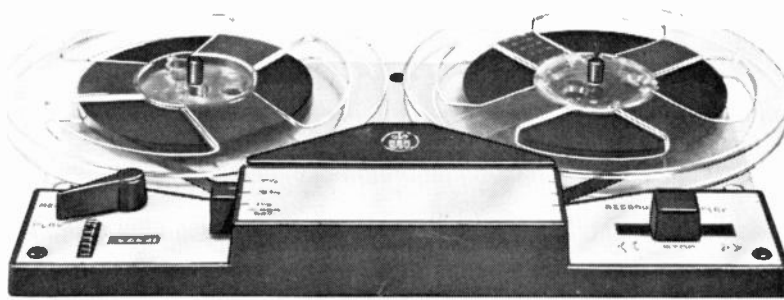
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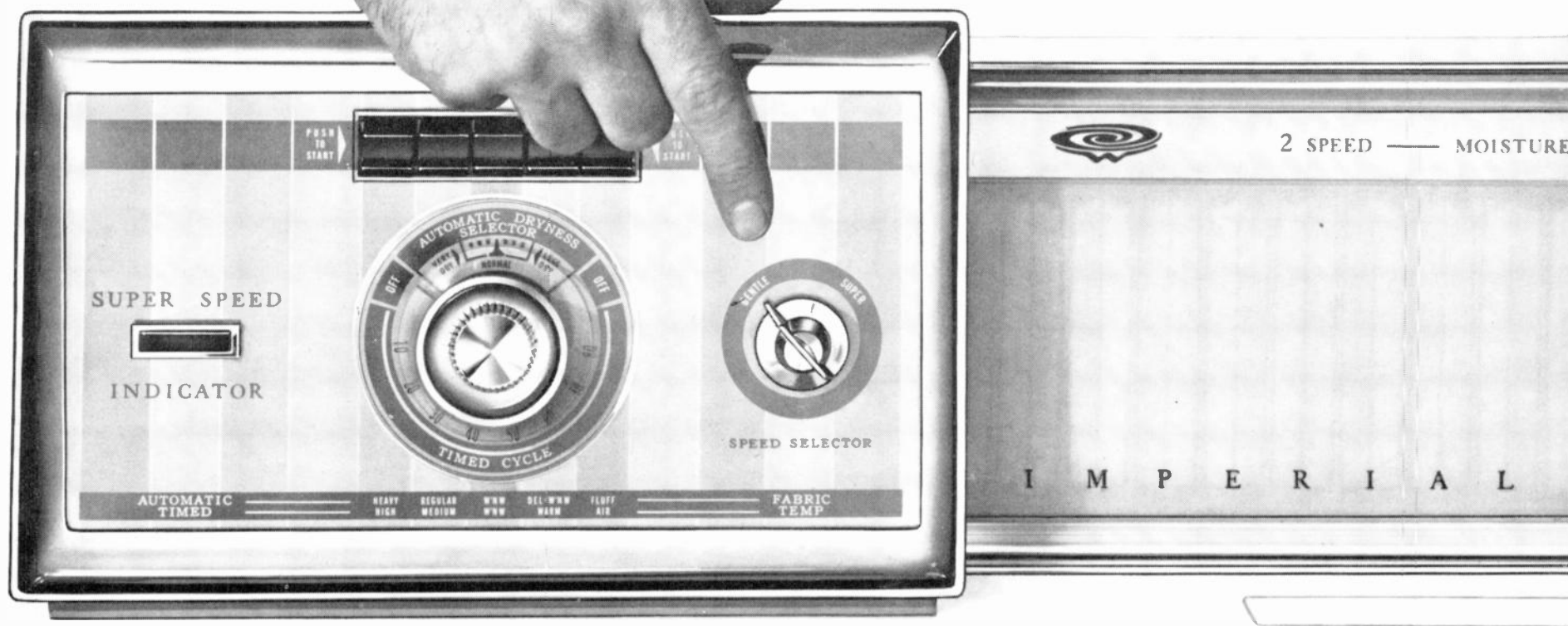


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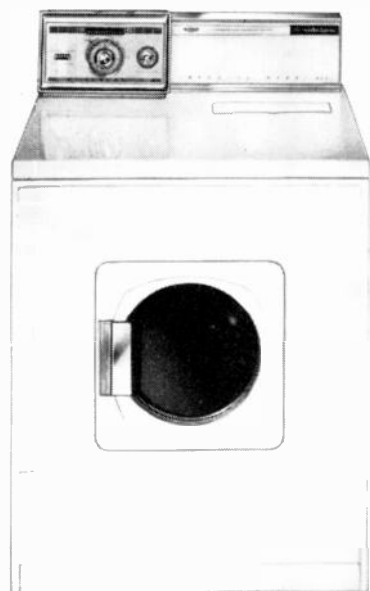


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only dryer that
has 2 speeds...



Model LPE 992-0



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synthetics, sheers and wash 'n wears.

Don't settle for anything less. Buy the dryer with 2 speeds . . . an RCA WHIRLPOOL!

Dealers: Use this proven sales closer on your next prospect. Demonstrate this feature . . . actually turn dial to SUPER and GENTLE. Show 'em and you'll sell 'em.



It's easier to sell an RCA WHIRLPOOL than sell against it!

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British start calling names in color tv controversy

Great Britain's search for a color television system is developing like a soap opera plot—with some old Laurel and Hardy movies thrown in for good measure. But it is anybody's guess when British viewers will actually have color television in their living rooms.

The current episode in the controversy, reports McGraw-Hill World News from London, began in the traditional forum for British views, the Letters-to-the-Editor columns in the *London Times*.

Color tv is a waste of time and resources, suggested a letter from Sid-

ney L. Bernstein, chairman of Granada Television Ltd., one of the major English independent television producing companies.

"Surely the fundamental decision today," wrote Bernstein, "is not which system to use, but whether we need color television at all at the present time. Where does it come on our priority list?"

Electronic manufacturing capacity might better be deployed to make computers, X-ray gear, and other electronic devices which Britain needs and "so amazingly lacks," said Bernstein.

Bernstein really kicked off controversy, though, by suggesting that the drive for color tv comes from set manufacturers and a few advertisers. "Our national resources cannot be deployed to please them," he said.

"Obvious Luddism*," replied Sydney E. Allechurch, director of the British Radio Equipment Manufacturers' Assn., also in a letter to the *Times*. "It is a well recognized fact," said Allechurch, "that the program companies have done exceptionally well out of monochrome television and may not welcome a change in the status quo."

The controversy raged for some days. "Frankly, as a viewer, I don't think it is worth the bother and expense," said one *Times* letter.

"Comments from many of my customers over the past few years make it quite clear that the public does want color television," wrote London retailer C.H. Carmichael, "but enthusiasm is likely to evaporate as soon as the long-term cost is known."

From D.M. Keegan, director of the Radio and Television Retailers' Assn.: "The association speaks for nearly 7,000 dealers on Britain's High Streets, and their overwhelming opinion—and that of their customers—appears to be 'the sooner the better.'"

At the heart of the controversy is Britain's indecision on which of three color systems—France's SECAM, Germany's PAL, or the American NTSC—to approve (MW, 5Apr., p.8). As the arguments boil, France has been adding fuel to the fire.

Earlier this year, French press reports had stirred rumors in Britain that British support of the American NTSC system was waning, while interest in the French SECAM system was gaining strength. These rumors became so prevalent that Postmaster General Anthony Wedgwood Benn, who is more or less the czar of British television, asserted in the House of Commons that the rumors were without foundation.

A special advisory body, the Television Advisory Committee, has been investigating the competing systems and, apparently, reports McGraw-Hill's World News, has been leaning toward NTSC (because it has had a decade of operating experience in the U.S.) or the closely related German PAL system. Some critics of SECAM complain that its compatibility (color set reproduction of black-and-white pictures) is poor compared with PAL or NTSC. But the committee has made no decision.

Meanwhile, with a deftness more diplomatic than technical, the French have lined up the Russians to go along with the SECAM system. Both aim for color tv by 1967.

This gives SECAM a running headstart on the European continent and puts pressure on the British to go along. However, there is little enthusiasm for SECAM in Britain, and it is pointed out that converters now make it possible to use SECAM transmissions on the NTSC system.

Said the British publication *Electronics Weekly* in an editorial: "We have had to watch the spectacle of U.K. commitment first to a system which the rest of Europe has virtually rejected, whether wisely or not, and the constant ill-graced feeding to the non-technical press of half-truths by organizations which should know better."

Still no decision has come on what system Britain wants, and the plot is now about as thick as it can be. Government officials unofficially hope that Britain can also be broadcasting color by 1967. The decision will have to come soon to hit that target.

*An English half-wit, Ned Ludd, gave his name to the language in 1779 when he won fame for trying to prevent progress by smashing a new machine of the day, stocking frames; a later group of English workmen (1811-16) took the name "Luddites," when, as a protest against 19th century automation, they broke labor-saving machinery and burned factories.

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A TOTAL MARKETING STORY From

This is not a "once upon a time" story; rather, it is an "in the very near future" report.

The following is a narrative of an industry (home laundry) very much concerned with motion—in the products it builds, and in itself. Specifically, this is an account of innovation, from conception to fulfillment on the retail floor—the arena where all new products face the moment of truth.

The products in research and development laboratories of major appliance manufacturers around the country are about to step out into the space age—a place where the consumer electronics industry has been for the past few years. Key to the coming excitement in majors is the mighty-mite of dependable performance, the transistor, and its hard-working family—silicon rectifiers, diodes, etc.

To see why the major appliance industry, and in particular the home laundry segment, is turning to solid-state applications, it is necessary to examine the winds that augur change.

A change in direction

When nylon and glass fiber burst on the fabric scene in 1938, no one could foresee the long-range effect on the home laundry industry; the first automatic washer had just been introduced the year before.

Since the introduction of synthetics, the list of man-made fibers has multiplied several times, and at present there are well over 200 synthetics on the market. (The terms "man-made" and "synthetic" when applied to fibers, mean any fiber that is manufactured, not grown.)

The proliferation of synthetics and conse-

quent harassment that the home laundry industry felt in coping with these new fabrics was relieved somewhat in 1960. At that time, the Textile Fiber Products Identification Act, a federal labeling law, was enacted. It enabled consumers to find out exactly what they were buying; but, more importantly, housewives could determine how to launder their synthetic garments and linens.

In step with the growth of new fibers is the trend for these synthetics to appear in more and more garments. A look at the chart (at left, below) confirms this.

U.S. production of man-made fibers are rocketing upward. Latest available figures show that production through 1963 was up 42.4% over 1960. Man-made is carving out an ever-larger share of an increasing fiber production. In two key areas—women's, misses', and juniors' wear; and girls', children's, and infants' wear—man-made production poundage had increased 38% and 71%, respectively, from 1960 to 1963. In the same period, cotton production increased only 3.6% in the girls', children's, and infants' wear category, while cotton poundage slipped 5% in the all-important women's, misses' and junior's wear category.

Man-made fiber's share of market in 1960 was 21.7% of a total 2,829,000,000 lbs. of garment production. By 1963 man-made increased to 28% of a total production of 3,135,000,000 pounds. This trend has since accelerated and will continue to gather momentum. And, as various home laundry spokesmen have said, the fiber industry "is increasing its dictating."

First signs of home laundry makers reacting to the challenge have appeared; others are about to spring from the labs. These are attempts to handle the laundry needs of customers who are becoming synthetic-fiber oriented.

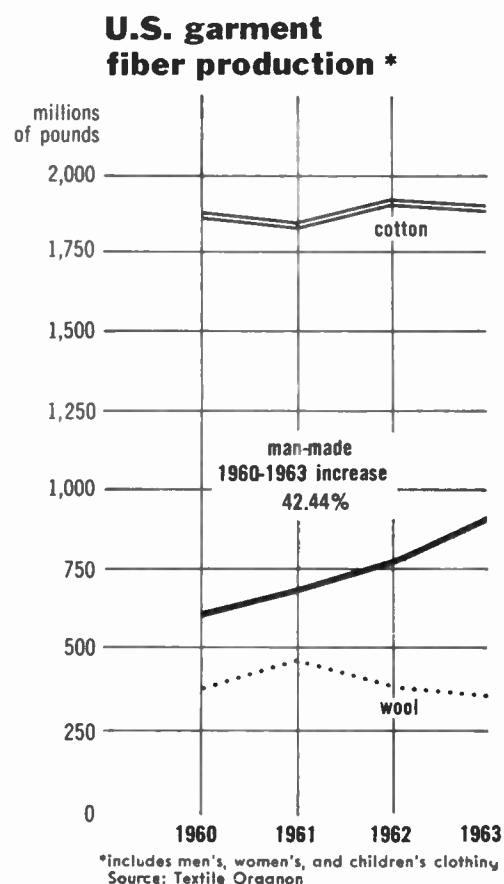
The industry, in order to satisfy this need, must introduce controls able to cater to the new "miracle fabrics." One movement to fill this need has been the increase in the number of cycles available on new washers. Still another has been the introduction of 2- and 3-speed washers. Another has been the introduction of programmed washer controls, now available on a few top-end models in some manufacturers' lines.

Programmed controls are those which have been pre-set by the manufacturer to automatically provide certain separate and different laundering cycles. By means of a push-button arrangement on the backsplash of her automatic washer, the housewife can select the correct cycle for her wash.

Another movement would fill this marketing need via solid-state controls that offer a housewife an "infinite" choice of speed settings on her washer while assuring her that the agitate and spin speeds can handle the most delicate fabrics, ones ordinarily washed by hand.

First steps to solid-state

In 1960, the Mallory Timer Co., a division of P. R. Mallory & Co., Inc., showed laundry manufacturers a new device that the company claimed would solve the problem of washing machine controls for new fibers. It was a timer switch labeled with a space-age word, "electronics," and had no motors, cams, contacts, or other mechanical parts. Its major components were an electric clock, a series of solid-state switching modules, transistor-powered amplifiers, and a series of programming selector switches. Like most pilot projects, the Mallory



by Martin R. Miller

an industry in motion

solid-state timer was expensive—about \$100 a unit. In addition, it was too big to be practical. But manufacturers were enthusiastic.

In the fall of 1961, Maytag introduced a new word and concept to the dryer business, when it incorporated an electronic “sensing device” in its line. This device, which is now in almost everybody’s line under one name or another, automatically controls the cycle of a dryer by continually measuring the moisture content of clothes in the unit. It shuts the unit off when the clothes are properly dried.

In 1963, Whirlpool began test-marketing, in selected cities, a top-of-the-line washer with solid-state controls. The compact control which substituted semi-conductors for electron tubes and electromechanical switches was made by Texas Instruments at a manufacturing cost of \$15 to \$20 a unit. The Whirlpool washer control reportedly gave the housewife an infinite number of settings within these outside limits: 28 to 60 rpm for agitation and 330 to 500 rpm for spin. Whirlpool says that its customers, who paid in the price range of \$300 for a washer with solid-state controls, liked the variable speed control. But the company has since introduced 3-speed units which are “essentially less expensive.”

Hotpoint’s current move

Today, Hotpoint is taking the marketing wraps off its personal response to the challenge of change. The company is introducing a top-of-the-line washer, dubbed the LW795, which utilizes a solid-state control offering infinite settings for spin and agitate speed within certain outside limits.

According to Jack Clarke (the man on the cover), general manager of Hotpoint’s home laundry department and marketing veteran on the retail, distributor, and manufacturer levels of the major appliance business, “The LW795 is a washing machine that can wash by hand.”

Clarke (whose experience stretches back to the late 1930s when he was selling the first automatic, the old Bendix) said that “We have added a new dimension to an old function . . . the LW795 has fulfilled a need.”

Hotpoint’s LW795 has been carefully nurtured for two and a half years, according to Clarke. Total development cost over half a million dollars and has been a team effort all the way. The four departments that put together the LW795 are: Hotpoint’s home laundry department, in Chicago; GE’s semi-conductor products department, in Auburn, N.Y.; GE’s appliance controls division, in Morrison, Ill.; and GE’s small motor division, in DeKalb, Ill.

The company field-tested a number of the units for six months. According to Clarke, the LW795 has the lowest service-call rate of any Hotpoint product that has gone to market. That statement should help erase some of the bad memories of Hotpoint retailers and servicemen who remember the company’s troubles with its first combination washer-dryer some years back.

Full production of the LW795 will begin within a month, and units should reach retailers’ floors with price tags ranging from \$329.95 to \$349.95, depending on individual market situations. Initially, there will be one 16-lb. capacity model with matching dryer in two flavors. The company plans more models in 1967.

Commenting on the high-end price tag, Clarke said, “We will be able to get out of the \$169 category.” Elaborating, he added, “If a dealer sees something he likes, he’ll sell it.”

His examples were side-by-side refrigerators and eye-level ranges—majors which still carry big tickets.

Marketing the LW795 Clarke said, would involve giving away blankets or spiffs with it. We will sell it on breakthrough alone.”

Clarke cited the 1948 refrigerator (model NH10) which offered two temperatures for the first time. The unit sold for \$599 and “GE could not make enough of them.” The LW795 will not be offered to any of Hotpoint’s private-label customers, notably J. C. Penney and Easy, until Hotpoint has had a good opportunity to run with the ball.

Clarke would not comment on retail margins, but smilingly pointed out: “The dealer can make money with these products. It will have better than average top-of-the-line margins. The unit will come into the top price range of programmed washers and is aimed at the second- and third-time buyer market.”

Chuck Krewson, Hotpoint’s marketing manager for home laundry, reiterated the high-end philosophy by saying that the LW795 will be “sold like a Cadillac.” He said the company will back the unit “with every damned thing.”

This is scheduled to include a comprehensive instruction booklet, large working point-of-purchase displays, and a new advertising approach. The consumer ads will begin in the first quarter of 1966, according to Krewson, with shelter magazine ads hitting consumers in December. Also tentative are plans for selling the unit in pairs with special package deals.

The technical aspects of the LW795: the solid-state control allows from 32 to 72 oscillations (strokes) per minute of the agitator, and from 400 to 600 rpm for the spin speed. For data on the new motor, see the box below. For results of tests conducted by Hotpoint’s Home Economics Institute, see the chart below.

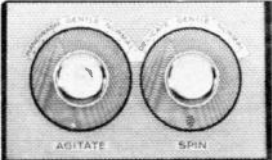
What’s behind Hotpoint’s control panel

Behind the outer chrome and cosmetics of some new products there may or may not be inner engineering and technical breakthroughs. But when inside and outside changes are practically combined, marketing-magic sparks fly.

Looking in back of the new control panel on Hotpoint’s LW795 washer (see picture at upper right), one sees marketable engineering know-how.

The heart of every washer is the motor. The standard in the industry is an a.c. 1/3 horsepower unit. Some companies use a 1/2 hp unit for large-capacity models. For top-of-the-line automatics with more than one speed, a fractional horsepower motor with stops for each speed is utilized.

The heart of the LW795 is new. This motor was developed and is produced by General



Electric’s small motor department, in DeKalb, Ill. It is a single speed 1/2 hp unit a.c. with a capacitor.

Because a variable-speed motor is fundamentally a single-speed unit, speed control is maintained through the use of solid-state electronic components—including GE’s new silicon rectifier (SCR)—which regulate or “throttle” the amount of energy the motor is allowed to receive. This “throttling” is accomplished by a signal generator at the base of the motor. It generates a small signal current, the voltage of which is proportionate to the speed of the motor. The speed of the motor is selected from the continuously variable spin and agitator controls on the washer’s backsplash panel. There are between 10 and 15 transistors used in the control panel.

How Hotpoint’s solid state infinite control affects laundry

	Conventional washer	Hotpoint washer	hand wash
Boy's washable 100% wool slacks	20% shrinkage, fabric nubby, fuzzy, felted	3% shrinkage, good appearance	5% shrinkage, good appearance
Girl's washable 100% wool skirts	10% shrinkage, fuzzy felted, causing change in appearance of plaid design	3% shrinkage, good appearance	1% shrinkage, good appearance
100% nylon all-lace slips	Good appearance, with some slight tearing of lace indicating that sub- sequent washing would do additional damage	Good appearance, no damage	Good appearance, fabric “stiff” due to improper rinsing

SWEET NOTES AND SOUR

If you listen carefully, you may hear a crescendo of cash registers as they ring up hi-fi component sales. Then, again, you may not. The Institute of High Fidelity (IHF) does. The Electronic Industries Assn. (EIA) does not.

"The annual growth rate of the component industry ranges between 10% and 15%," says Institute president Walter O. Stanton, who is also president of Pickering & Co. Last year's sales were an estimated \$100 million, says the Institute, and they are going to be more than that this year.

Not quite, says EIA; 1964's factory hi-fi component sales to distributors, reported in the 1965 EIA Year Book, were an estimated \$50 million. The rate of growth from 1962 to 1963 was only .42%; from 1963 to 1964 the rate was 4.17%. And there are indications that sales this year are somewhat off.

But whether component sales are up or off, the manufacturers and retailers interviewed by **MERCHANDISING WEEK** are obviously in an expansive mood at present.

"We're very bullish. We've just opened a new plant and doubled our ad budget"—Lawrence LeKashman, sales manager, Electro-Voice, Inc.

"Our sales for the 1964-65 fiscal year were up 25%, and we see another 25% boost for the 1965-66 fiscal year"—Victor H. Pomper, vice president, H. H. Scott, Inc.

"Sales this year are far ahead of last year's"—Avery Fisher, president, Fisher Radio Corp.

Many component retailers had a fine first half this year and feel that, as long as the economic boom lasts, business will continue to be good.

"Our component sales are 33% over last year"—Michael Sheehan, component salesman, Del Padre Music Shops, Springfield, Mass.

"The market is growing and our sales are going up"—Jay Schwab, audio department head, Sam Goody, Inc., New York City.

But not everything is "lovely:" "Our sales would probably be higher if it weren't for color television"—Sheehan.

"Lots of audio dealers have died

out in the last few years because of the package. The number of people who buy components is fewer"—Leon J. Knize, general manager, Bentley Audio Corp.

"Color tv is going to hurt us for awhile, but there are a lot of people who are not interested in color"—Ambrose B. Fields, sales manager, Sherwood Electronic Labs., Inc.

"I doubt color will be anything big before Christmas. Of course, if it is it could hurt the component market because the limited entertainment dollars will be won by the enthusiasm for color tv"—Norman Sanders, director of marketing for hi-fi products, Bogen Communications.

Some component manufacturers seem to be holding their breath. They are afraid that if people buy color tv they will not be able to buy components. At the same time they are hoping that, because few people want two consoles in the living room—a color tv and a stereo—today's booming color sales will mean tomorrow's booming component sales. "These people who are buying color sets will get tired of watching and want some music. That's when we'll sell components," says one retailer.

And Herb Horowitz, president of Empire Scientific Corp., says, "What about color tv? What about cars? Color is about as much competition to us as boats. It's an affluent country and there's enough money to go around."

THE HIGHER FI BUYER

"There's been a complete change in the market. It used to belong to the audiophile; now the customer is reasonably young and reasonably affluent, and he's come to us from the console dealers and low-quality record player manufacturers," says Kenneth Silverbush, component sales manager, KLH.

Manufacturers and dealers agree the audiophile is no longer the significant force in the market—the significant force is women. "The audiophiles are still there," says Raymond E. Ward, sales manager of Shure Brothers, "and there are just as many of them as ever, but their share of the market has shrunk."

"We can tell from our warranty

cards that 80% of our buyers are not audiophiles," said Sherwood's Fields. "The buyers complain about things like, 'The instruction manual was too technical.'"

"Of course the real market is the average person who doesn't know too much," says Sanders, at Bogen. "The hobbyist market has not grown. We want to appeal to a mass audience."

Of course, companies that want to appeal to a mass audience—and virtually all of the hi-fi component manufacturers do—have to make a different product and sell it a different way than the company appealing to a hobbyist.

Not everyone, though, is sure of the market. "We really don't know where the market is going," says Gordon Gow, sales manager of McIntosh Laboratory, Inc. "We're in the process of doing a survey in the New York area to find out. We hear a lot of talk about the market going to the consumer instead of the hobbyist but we don't know if it's true, or what it means. We find out dealers only sell complete systems in the fourth quarter—around Christmas. The rest of the time most sales are single components. Now, are those fourth quarter sales to hobbyists stepping up, or to first-time consumers, or what?"

"The component business is fragmented," says Bentley's Knize. "There are two different markets now: the hobbyist and the consumer. Fragmentation started with the packages—the appearance package and the price package—and the growth in the package area is terrific. From the packages come new outlets, and the manufacturers' packages opened a whole new market that emphasizes ease and inexpensiveness to the consumer." Knize and others feel that part of this growth in pre-matched components has come at the expense of the console.

"I don't think we've even scratched the market for components," says Harry E. Norman, sales manager of Fisher Radio's component division. "The majority of the people who buy Fisher are just people who love music."

It is only a matter of time until all amplifiers, tuners, and receivers are fully transistorized. The transistor

has meant smaller components, easier installation, and modules (an amplifier and changer in a single compact package).

SOLID STATE IN SOLID

"People are beginning to replace tubes with transistors," says Gershon Thalberg, sales manager of Benjamin Electric Sound Corp., "and that will help a lot of components because it is simpler to replace a single component than a package or a console."

"Since we were formed in 1960, we've never made tube equipment, and already we're running into our own replacement market."

Still, there are problems with transistors. "We're spending a lot of money trying to convert to the transistor, but we're caught in the three-needs bottleneck: how to produce performance and reliability at the right price," says McIntosh's Gow. "If you work on only two of them, you've got a simple problem. But to get all three is extremely difficult, and no one has solved the problem in the market in which we exist." McIntosh, with Marantz, is often regarded as the Rolls Royce of the component industry.

Marantz's regional sales manager, Mathew A. Alessi, says, "We've got a transistorized preamp ready to come out in November and, when we can, we'll come out with a solid state line. We've always depended on style, but function is most important."

There are those manufacturers and retailers who will argue that style is just as important as function. "A man seldom buys a component his wife doesn't approve of," says Harry Norman at Fisher. "Once we have the woman, we have the sale. As a result, we are working very hard to show our components in room settings at our high fidelity shows around the country so people can visualize how they will look."

"The emphasis is on styling, because of women," says LeKashman at Electro-Voice.

"A man comes in and shops," says Sheehan at Del Padre. "Once he's got something picked out, he goes and gets his wife."

"Styling is only new to the man-

Components in the marketplace

ufacturers," says Knize. "The customer always wanted a good looking instrument, and many didn't buy because they couldn't get it. Now the manufacturer is catching on."

BLACK BOX SOUND

There are at least two kinds of packages, the manufacturer's and the retailer's. The manufacturer's package or module cartridge, changer, amplifier, and speakers—was originated by KLH. "KLH bridged the gap between the component market and the low-end package with its stereo portable modular music system—a hybrid modular music system. Up until then, KLH was a little guy, but with the new unit, we made major inroads in the market, and last year Singer bought us," says Silverbush. "When the big boys—Fisher, Scott, Magnavox, RCA—came out with modular units, they really broadened the market."

The manufacturer's package has meant, "It is easier to train the salesman, easier to train the customer. But it also means a certain flexibility is lost; the customer does not have a chance to pick out another set of speakers, another cartridge, or changer," Norman points out.

"The package system is getting popular today because of the attractive pricing. For only \$30 to \$40 more than you'd pay for the amplifier, you can get a whole package," says Thalberg at Benjamin.

Typical of retailers' packages is the one Sam Goody advertised recently. For \$174.50 the customer could buy a Bogen AT 400 stereo amplifier, a Garrard Model 50 changer with a base, an Audio Dynamics stereo cartridge and two SMG Model 9 speakers.

Goody, E. J. Korvette (which advertises packages with XAM speakers), and other large retailers are large enough to buy inexpensive speakers and enclosures—the "black boxes"—and use them to put a low price on what is otherwise a brand name package. Brand name speaker manufacturers have some strong feelings on the practice.

Jay Schwab at Goody's does not pretend the SMG speakers are the greatest in the world. He does feel

that the speakers represent a good value for the money. And the customer is always given a chance to step up to better speakers.

As Bogen's Sanders points out, "It is the package that gets people into the store. They're confused by pricing and frightened and don't know how to buy. Cost ads get them into the store."

"Consumers are attracted by package and price, but after they've listened, they make changes or additions," says Sol Baxt, vp of Terminal Hudson. "For the most part they don't just buy packages."

"We're going to compete with the black boxes by introducing systems that are lower in price," says LeKashman at Electro-Voice. "We are introducing the EV3, a speaker that will have a retail list of \$33.50. This will give the small dealer a standard brand speaker competitive with Korvette."

"The way we can compete with the black box is to pick high quality dealers who can answer questions. And of course an established image helps a speaker manufacturer," says Robert B. Perkins, sales manager of James B. Lansing Sound, Inc.

This is echoed by Leon Knize, who says, "To combat the black box, the speaker manufacturer will have to find outlets that can educate people and tell them there's no point in downgrading basically good equipment with a poor speaker."

THE MARKET'S PLACE

Someone is going to make components. And someone is going to sell them. The proof of the first is the interest companies such as RCA, Sylvania, Magnavox, Voice of Music, Arvin, GE, and Bulova have shown in components or modules, or both. "While we have a package, we will not sell the components separately," says Magnavox. "The people who buy our components are people who don't have the space for a console, but 99% of the people who come into our New York City showroom look at a console."

"GE came out with components to get a hi-fi unit with flexibility and portability into the line," says a GE spokesman. "It was not a reaction

to color tv. Our sales results so far are better than we expected."

"We introduced our components in June," says a Sylvania spokesman, "and it is too early to tell how they are doing. But we expect to sell them to people with a space problem. They give the dealer some flexibility when he sells, because while the custom module lists for \$359.50, there are three sets of speakers, ranging from \$99.50 to \$229.50 that go with the module. We feel the custom module is for young people. It falls in price in the middle of the low end of our stereo line."

"At the moment," says KLH's Silverbush, "the component industry is an industry of protest against the bad quality of most units. But if it grows too large, the Sylvania-type manufacturers might enter the quality race and change the whole market. Then only the major manufacturers would survive."

No one can point to statistics and say exactly what is happening among component retailers. Harry Norman at Fisher says, "The tendency in the past is toward chains. In the last two years there has been a shakeout of little guys—primarily because they were undercapitalized. It is no longer enough to love good music and know something about high fidelity to set up a store."

Leon Knize says, "The audio store is still there, but in fewer numbers," while Walter Stanton says, "I don't think we're losing marginal dealers at any greater rate than we ever were. There are no fewer smaller dealers than there ever were. More merchandise is being sold by the mass merchandisers, however, like A&S, in Brooklyn, and Korvette."

"Korvette has been successful," says one manufacturer, "because they train their salesmen and take the time to sell. Components are not a mass merchandise item like records, and Korvette, which has 30 audio departments, doesn't sell them like records."

"We still sell to audio shops," says John Koss, president of Koss/Rek-O-Kut, "but the big accounts like department stores can capitalize on the traffic coming through. A husband can expose his wife to components and do a selling job on her.

But what the small shop can do that the big one can't is take the time and interest to explain and sell. I'd say outlets are expanding, rather than that the market pattern is changing."

"The real deterrent to expanding sales is the lack of trained sales help," says LeKashman. "The only solution will come when the market is large enough that a department in a store can be staffed by specialists."

Some have pointed to the success of Terminal Hudson's leased department in Macy's as one solution to staffing a department with specialists. "Macy's couldn't make an audio department go by itself," says one manufacturer, "because it couldn't train salesmen adequately. Terminal Hudson can train its people, and this is what has made the difference." Macy stores on the West Coast will shortly have leased audio departments, too.

Component prices are almost certain to come down. Price cuts that came with the excise tax repeal were offset by new, higher-priced transistor equipment unaffected by the tax change. "Prices have gone up," says Fields at Sherwood, "because of the higher cost of skilled labor and because of transistors. But the price of transistors will probably come down in the future, so that the next trends will be: lower prices, reliable units, and good looks."

Scott and Fisher are about to introduce low-priced (under \$300) receivers, the first in this price range. "In general, prices have come down while volume has increased—and that's especially true in the cartridge field," says Ward at Shure Brothers. And John Koss adds, "The government helped bring the transistor into its own by bringing the price down with huge quantity purchases. Now the transistor can be pretty competitive with the tube. The big jump downwards has already been made for transistor prices, but component prices will still go further down."

Whether the lower prices will actually broaden the component market remains to be seen. But as Electric-Voice's LeKashman says, surveying the possibilities for future sales, "There are a lot of consumers who are going to want music."

A SPECIAL REPORT ON THE STATE OF THE HI-FI INDUSTRY TODAY

by Wallis E. Wood
and Amei Wallach



Craig sound control recorder

Craig is marketing a new solid-state tape recorder with an automatic sound level control to equalize volumes, record only average loudness, and reduce background noise.

The AC-operated Vista 525 (shown at left) has six transistors, two speeds of 1 7/8 and 3 3/4 ips, and four hours tape time on maximum 5-inch reels. The capstan-driven unit comes with inputs for microphone, radio, and AC power, and outputs for ear-phones and external speaker. The unit is 5 1/2 by 11 3/4 by 9 inches and weighs 8 lbs. Suggested retail price is \$69.95. *Craig Panorama Inc., 3412 S. La Cienega Blvd., Los Angeles, Calif. 90016.*



Concord portable tape recorder

First deliveries on Concord's new Model 350 solid-state portable tape recorder will be made this week.

The battery-operated unit (shown at left) features an automatic reverse mechanism that allows a six hour maximum of continuous playing or recording. A sound trigger cuts in for sound and out for silence. Model 350 follows in the engineering footsteps of the semi-automatic Model 330 Concord marketed two years ago. Model 350's reverse system is completely automatic.

"It has everything in it but the kitchen sink," commented Don Hassler, Concord's marketing manager. "We find people seem to like the kitchen sink in their tape recorders."

Concord dealers will be furnished a counter display, a mobile streamer, ad mats for co-op newspaper advertising, and other standard promotion materials.

Hassler stated, "The public is aware of tape recorders more than ever. The initial investment is small to get started, then go on. People can step up right in our line—17 models ranging from \$20 to \$600. But we insist on a reason for each machine too." Hassler hopes to sell 50% more 350s than the reportedly successful 330.

The monaural unit features a remote control dynamic microphone, pushbutton control, digital counter, and a cue and edit control. Also included are a VU meter/battery life indicator and two flux field heads. The 9-transistor unit has two speeds: 1 7/8 and 3 3/4 ips. In its vinyl and chrome housing, the unit weighs 10 lbs. Suggested retail price of the unit is \$149.50. *Concord Electronics Corp., 1935 Armacost Ave., Los Angeles, Calif. 90025.*



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Here's the line that will shake all the leaves off the money tree, starting right now! Round at the bottom, oval at the top, these unique percolators have the only new-departure styling in the industry. Brooks Stevens styling. Plus distinctive Charcoal Blue trim. Best of all, they're just the leaders of a full, matched-set selection, shown below.

Backed by the NEMA Sweepstakes, promoted in full color in *Holiday* and *Family Circle* and by full color MIRRO ads in *Good Housekeeping* and *Farm Journal*, Deluxe MIRRO Electrics will earn up-front display and active promotion, now till New Year's Day.

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M-0471
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M-0471-50
11" ELECTRIC FRY PAN
TEFLON FINISHED
\$19.95 Fair Traded



M-0472
10-CUP CHROME PERCOLATOR
\$14.95 Fair Traded



M-0479
22-CUP CHROME PARTY PERCOLATOR
\$14.95 Fair Traded



M-0474
35-CUP PARTY PERCOLATOR
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M-0475
9 1/2" BROILER
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Tappan slide-in electric ranges

A three-model line of slide-in electric ranges is currently being marketed by Tappan.

Units in the new Profile 300 series can be installed between or beside cabinets, or as island units. The ranges fit flush with cabinet fronts. Each model features insulated side panels and a 25-inch oven with lift-off door and one-piece, lift-off top. Speed-flex elements allow varied temperature settings.

Optional attractions are Teflon-coated oven liners, rotisserie kits, and backsplash panels. Models are available in turquoise, white, copper-tone, and yellow. All come with leveling legs installed and black base to match cabinets. *Tappan Co., 250 Wayne St., Mansfield, Ohio.*

A sales closer only RCA WHIRLPOOL dealers can use:



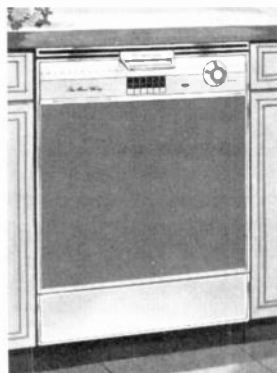
**So who wants to
wash dishes 10½ feet
in the air?**

(No one! But, the fact we can, proves a point!)

How'd you like to try doing dishes like this? Well, we've got the pressure if you've got the ladder. Pressure enough to shoot a jet of water 13 feet high. And that's a lot of pressure! But Whirlpool engineers have controlled it, by channeling it through two full-size revolving spray arms . . . put it to work to wash dishes cleaner than you've ever seen. And tamed it, too, so you can wash even your best crystal without a qualm. This powerful action is like washing dishes with a powerful jet stream from the nozzle of a hose instead of sloshing them with the same amount of lazy water. That's the real difference between washing dishes in an RCA WHIRLPOOL and other dish-

washers. The reason why you don't have to bother with scraping or pre-rinsing. Or with special loading patterns. And because of this tremendous, controlled pressure there are no *water-starved* areas. All that water, directed through scientifically aimed nozzles in the two spray arms, sweeps every corner, scours every dish. And both wash and rinse waters are constantly circulated through a self-cleaning filter. Your dishes have to be clean. Every drop of water that touches them has been filtered clean.

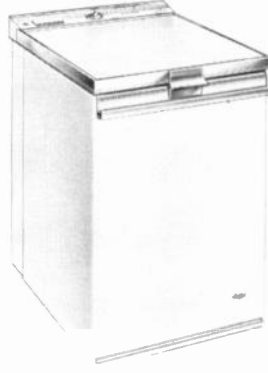
Dealers: Use this successful sales closer on the next prospect who comes into your store for a dishwasher. Let them see the powerful water action through the "bubble-top" display. Show the dishwashers in our great new colors and you'll create even more excitement. See your RCA WHIRLPOOL distributor for the complete details on the new dishwasher line.



Model SPU-90



Model SPC-300



Model SPP-85

RCA WHIRLPOOL Appliances are Products of Whirlpool Corporation, Benton Harbor, Michigan.



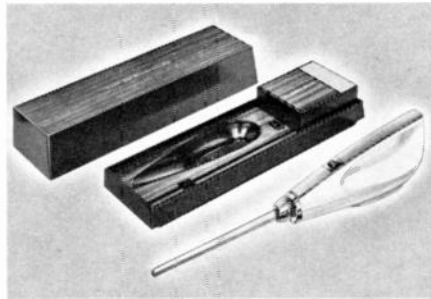
Trademarks ® and RCA used by authority of trademark owner, Radio Corporation of America.

**GE Nite Lite displays**

General Electric introduces two new Christmas displays to brighten sales of Mickey Mouse and Donald Duck Nite Lites.

A 30-inch replica of a Mickey Mouse clubhouse capped by a 20-inch smokestack serves as a dump display. The clubhouse roof is filled with individually carded Nite Lites. On the smokestack, the two cartoon figures call attention to the "stocking stuffers" holiday motif.

A 9- by 12-inch wall card display (shown at left) holds ten Nite Lites, again keynoting the Christmas theme. *General Electric, Wiring Device Dept., 95 Hathaway St., Providence, R.I.*

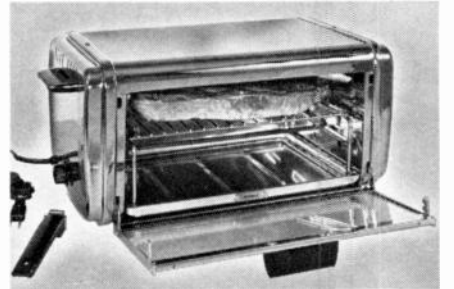
**Hamilton Beach convertible knife**

A knife that operates with or without a cord is being marketed by Hamilton Beach (MW, 19 Jul., pp.1, 33,35).

The Convertible, weighing less than two pounds, operates on four rechargeable nickel-cadmium bat-

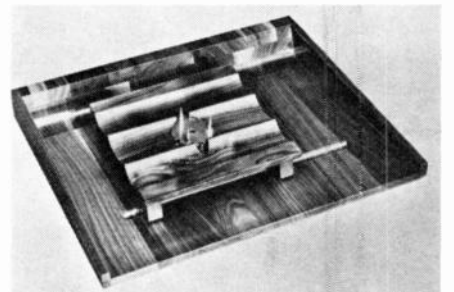
teries or on AC current. A pushbutton safety device and blade release button are two features. The plastic and metal storage case and recharger is trimmed in wood veneer. When the case is plugged into an AC outlet, the knife recharges. Included with the unit are a 6½-ft. detachable cord and a 6-ft. recharger cord.

Hamilton Beach guarantees the knife for five years, excluding batteries, blades, tray and cord sets. Suggested retail price is \$59.95. *Hamilton Beach, Div. of Scovill Mfg. Co., 1509 Rapids Dr., Racine, Wis. 53404.*

**International broiler-baker**

Production is underway on International's new No-Turn broiler-baker, model 865.

The unit's two 825w, 120v AC removable heating elements—one above and one below the cooking rack—permit simultaneous broiling of both sides of the food. The thermostatically controlled broiler has an aluminum pan to catch drippings and a two-position oven door. The 19½-lb. unit is 21 by 11 by 9½ inches. Suggested retail price is \$34.95. *International Appliance Corp., 918-40 Stanley Ave., Brooklyn, N.Y.*

**Jafco carving board**

Jafco introduces the Space-Carver, a new carving and serving board.

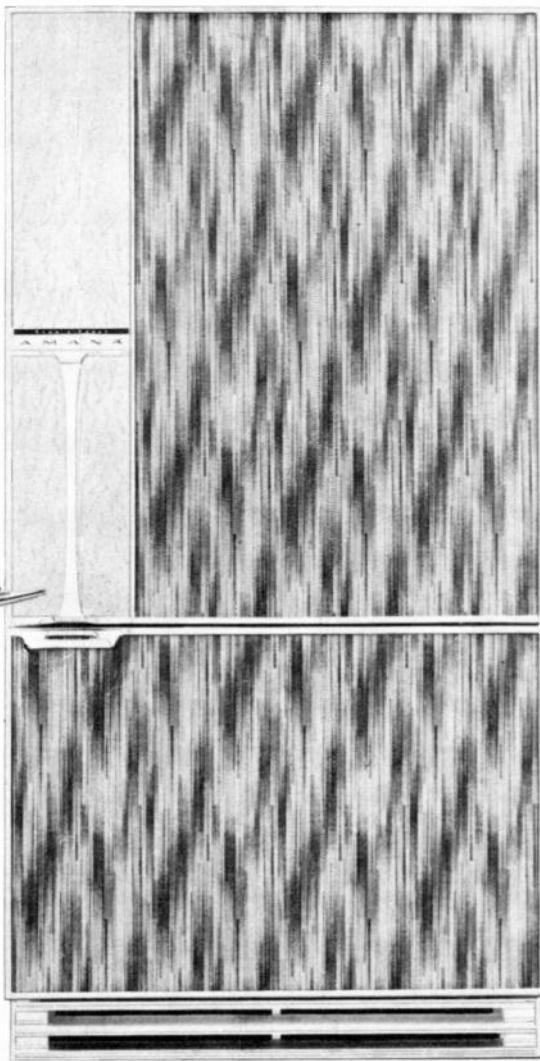
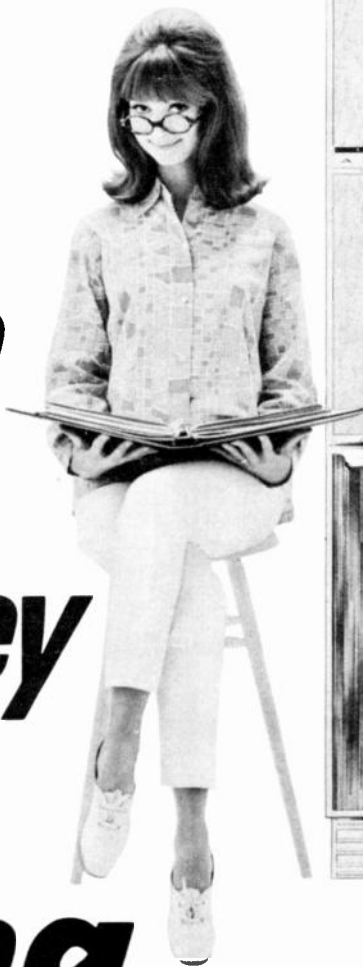
The Space-Carver's carving platform is raised and designed with three deep grooves. A tri-pronged removable meat anchor is fitted in the center. The carving platform moves in a channel across the meat board below it. The unit slants down to a gravy well. Space-Carver, 16 by 14 inches comes in solid black walnut with a hand-rubbed lacquer finish. Its suggested retail price is \$24.95. *Jafco, 520 Westlake Ave. N., Seattle, Wash.*

Eveready rechargeable flashlight

A new AC-rechargeable flashlight is announced by Union Carbide.

The Eveready Captain flashlight operates on nickel-cadmium batteries that can be recharged in 16 to 18 hours in any 110v AC outlet. Each charge yields one hour of use. The 10-ounce flashlight is 5½ inches long, and is available in black, oyster white, pebble brown, and harbor blue. It carries a two-year guarantee against defects. Suggested retail price is \$14.95. *Union Carbide Corp., Consumer Products Div., 270 Park Ave., New York, N.Y.*

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Co-op growth sets the stage as hardware wholesalers meet

When independent hardware-housewares wholesalers get together in private in Atlantic City this week, one topic is sure to dominate the cloak-room discussions: the dramatic growth within the last year of dealer-owned cooperatives and other hardware buying groups.

At the National Hardware Convention's open business and panel sessions, the main theme will be that business has been good and what can be done to further improve it, but...

Co-ops loom in the background, and so does the fear of increased use of direct-sell by manufacturers.

The co-op growth has been dramatic within the last year. Cotter & Co. opened its first Eastern warehouse, moving into Philadelphia, an area where independent distributors have found it tough to survive. Ace Hardware, a buying group, has moved westward into southern California, lining up independent retailers and taking business away from independent wholesalers.

Some independent wholesalers have countered the co-op movement by combining forces under the Sentry Hardware Corp. banner, a program begun by the George Worthington Co. in Cleveland. Sentry provides a merchandising program, including private-label merchandise, to retailers serviced by independent wholesalers in 16 marketing areas across the country.

Business has been good for independent hardware wholesalers so far this year. The industry's healthy sales chart shows hardware distributor sales up 8% in September, while the 9-month reading is up 6% over the corresponding period last year, according to the National Wholesale Hardware Assn.

About 2,000 wholesalers and manufacturers, anxious to maintain the present sales pace, are expected to attend the four-day Atlantic City meeting. About the same number came to the 1964 convention.

H.L. Compton Jr., NWHHA president and president of Bostwick-Braun Co., Toledo, Ohio, will be the keynote speaker. Compton will lay stress on industry efforts to educate its members to improve sales methods. He also will emphasize the importance of keeping the trade press alerted to internal industry developments. In addition, Compton will urge closer manufacturer-distributor relations.

A change in NWHHA's sales seminars for 1966 will be explained by Richard R. Neville, a consultant with Harbridge House Inc., the Boston firm handling the annual seminar program. Eight times a year sales and management personnel come to discussion sessions in their regions. Harbridge agents lead roundtable examinations of industry problems.

The new approach next year will

be to employ a single study case rather than random problems suggested by participants. The groups will criticize the case and indicate how they would improve on the sales techniques it presents. Neville expects that this format will elicit greater participation and result in concrete, workable suggestions to improve sales and management.

Another innovation in the seminar program will be take-home materials provided to participants for further study.

The manufacturer's viewpoint on sales and merchandising improvements will be discussed by James H. Bier, vice president and general manager, consumer products division, Corning Glass Works. He strongly endorses the entire industry development effort aimed at exchange of wholesaler and manufacturer operational information and personnel education. But Bier questions the omission of the retailer, whom he sees as an important third party in making the industry-wide effort realistically complete and valid. Another key point is his aim to increase the flow of information on industry problems between wholesaler and manufacturer.

Convention business sessions will be held Tuesday and Wednesday morning. Manufacturer booth conference periods are scheduled for Monday and Tuesday afternoon.

Next year, when the hardware wholesalers come to Atlantic City, they undoubtedly will be arriving directly from the National Hardware Show in New York City. The management of the Hardware Show has arranged with the New York Coliseum to switch its previously scheduled dates with the New York Premium Show.

The Premium Show will open Sept. 26, while the Hardware Show moves back to the week of Oct. 10. Both shows will gain in the amount of space available to exhibitors by the move. The Premium Show will be able to book all four floors of the Coliseum instead of three, and, by Oct. 10, the Coliseum should be larger in floor space through a major internal improvement—the covering up of a “well” that opens up into the fourth floor, cutting into usable floor space.

The Hardware Show has had a long list of manufacturers seeking to enter the exhibit but unable to book the space. The show also should benefit in manufacturer and wholesaler attendance because both the National Hardware Show and National Hardware Convention will take place within a 10-day period in New York City and Atlantic City. Wholesalers have objected in the past to making two trips—one to New York City in September and then to Atlantic City in October.

□ □ □ □ **Fall promotions are running well ahead** of last year's sales pace for most retailers, judging from a MERCHANDISING WEEK spot survey of key retail chains. Strong September activity has carried over well into October, generally a slow month. Electric housewares sales have been particularly strong, often “across the board.” Teflon-coated cookware remains the best-seller in basic housewares. Bath shop items also are moving well.

□ □ □ □ **Broilers and blenders are hot** and taking some of the best-selling luster away from slicing knives. Buyers like the markups they are getting on both broilers and blenders—particularly on blenders, where up-trading the customer is easier.

In broilers, Farberware has a new winner in its apartment-size Open-Hearth broiler-rotisserie. Farberware innovated the much-copied open-style broiler. Teflon-coated trays also have helped brighten the broiler field, much in the same manner Teflon coatings have put new life in electric skillets and waffle iron-sandwich grills.

In blenders, Ronson is coming up strong thanks to the ice-crushing feature on its two models. Retailers also are preparing to push Ronson's new Cook N'Stir model. Oster and Waring continue to pace the sales. Waring's fair-traded model at \$17.88 also looks like a winner.

□ □ □ □ **Sunbeam has come up fast in knife sales**, putting some sales pressure on General Electric and Hamilton Beach, which continue to lead the sales activity. Being hurt the most by newer name-brand entrants are the promotional firms, which reaped the benefits of a slicing knife shortage last fall.

□ □ □ □ **Strong activity on basic electrics**—irons, mixers, toasters—has particularly pleased many buyers. Some retailers report a strong trade-up trend in the basic electrics, taking some pressure off the advertised loss-leaders. Four-slice toasters are moving well; better coffeemakers and even party percs are turning in good results; GE's Teflon-coated iron looks like it is headed for short supplies; and there is good mixer activity in the medium-to-better price area in basics.

□ □ □ □ **Vacuum cleaner sales have picked up** considerably for most retailers, but floor polishers remain a disappointment for many buyers. Regina's upright-styled lightweight vac has turned in good performance in its limited retail exposure so far; Sunbeam's new Courier series looks like a winner; some buyers report surprisingly good sales on Eureka's \$125 canister. Shetland and GE are fighting it out on low-end canisters. Buyers also report Eureka's Cordaway feature and premium offers have helped this manufacturers sales picture.

□ □ □ □ **NEMA will honor Oster president Bob Draper** this Thursday in ceremonies in Madison, Wis. Gov. Warren P. Knowles will present the award—citing Draper for his civic activities—on behalf of the State of Wisconsin and the National Electrical Manufacturers Assn.

KEY MOVES

Westinghouse—Harold H. Birney is named district mgr for the portable appliance div in northern California and Reno, Nev. Birney succeeds A.D.

McClenahan Jr., recently appointed appliance sales mgr for R.D. Schwalb, Westinghouse's distributor in northern California.

Gift potential for clocks:

Once upon a time, every house in the land had a slightly grimy kitchen clock and a loud-ticking alarm next to mother's bed. But just as surely as tempus fugit, the past has been swept away in a swirl of style.

And this season's style-conscious Christmas shopper will see, more than ever before, a vast array of clocks and shapes for every room and everyone: decorator cordless clocks for all rooms, including the bath; football-shaped clocks; birth-control clocks; electronic tuning-bar clocks; whimsical clocks for kids; clocks, clocks, and more clocks—ticking and humming as their hands point toward an expected sales record this Christmas.

"Style is king," said one housewares distributor. It is also the key to gift appeal, and perhaps more precisely, appeals to an innate feminine decorating desire instead of a utilitarian need.

With the clock industry's ever-increasing stress on style and gift appeal, retailers are likely to find a sharper seasonal sales curve—without volume loss during the rest of the year.

Electric clocks: estimated retail sales by month

January 8%	February 8%	March 6%
April 6%	May 6%	June 6%
July 5%	August 6%	September 8%
October 8%	November 10%	December 23%

(battery-operated & plug-in)

As the chart above indicates, December sales account for an estimated 23% of retailers' annual volume. Stepped-up emphasis of Christmas clock merchandising will mean a larger slice of a bigger pie. And large-ticket gift clocks are accelerating large profits.

How high Christmas sales for clocks climb this year will depend on how much retailers realize the growing gift potential and sales appeal of clocks and actively promote them.

Retailers can cash in by looking at clocks as an electric housewares product, and adopting some promotional techniques suggested by trade sources:

1. Build a one-price clock promotion. Select a number of cordless decorator clocks that can be advertised and shown at the same retail price, say \$19.95. Offer an assortment that will appeal to everyone, a clock that will fit into any decor—modern, traditional, Early American,

Mediterranean, among others. Widen the sales appeal by including a clock designed for the bath. Retailers also can put a clock into one-price ads that feature a wide range of electric housewares products, from toasters to mixers. Automatic 24-hour timers can also be included in these one-price pushes.

2. Use clocks to draw traffic. Price a low-end kitchen and an electric alarm at the same low price in a "your-choice" promotion. Cotter & Co., the Chicago-based dealer-owned hardware co-op, featured this technique in its fall mailer, showing a Sunbeam alarm and Lazy Susan kitchen clock for \$1.99 each.

3. Use mass displays on the sales floor. Get the clocks down off the wall—in housewares departments they often are above eye-level—and put them in traffic locations. Stack the clocks in their cartons at the ends of aisles. Clock manufacturers have worked on improving their packaging to enable clocks to be shown in mass displays.

4. Aim clocks at the male gift market. In building an ad for the male market, include a clock along with shoe polishers, shavers, blenders, and other products that appeal to male gift giving. Session's new football-shaped clock is ideal for a male promotion, as well as travel alarms. Also, do not overlook the children's market for clocks.

5. Coordinate clocks into displays and into the housewares shops. Show a clock above the mantel in the fireplace shop; display a bathroom model in a bath shop vignette; place a clock in a room setting for wall-shelf units or unpainted furniture; and show a high-end kitchen clock in the gourmet housewares shop.

6. Decorate a tree with clocks (see sketch). This display idea is adaptable for window or in-store use.

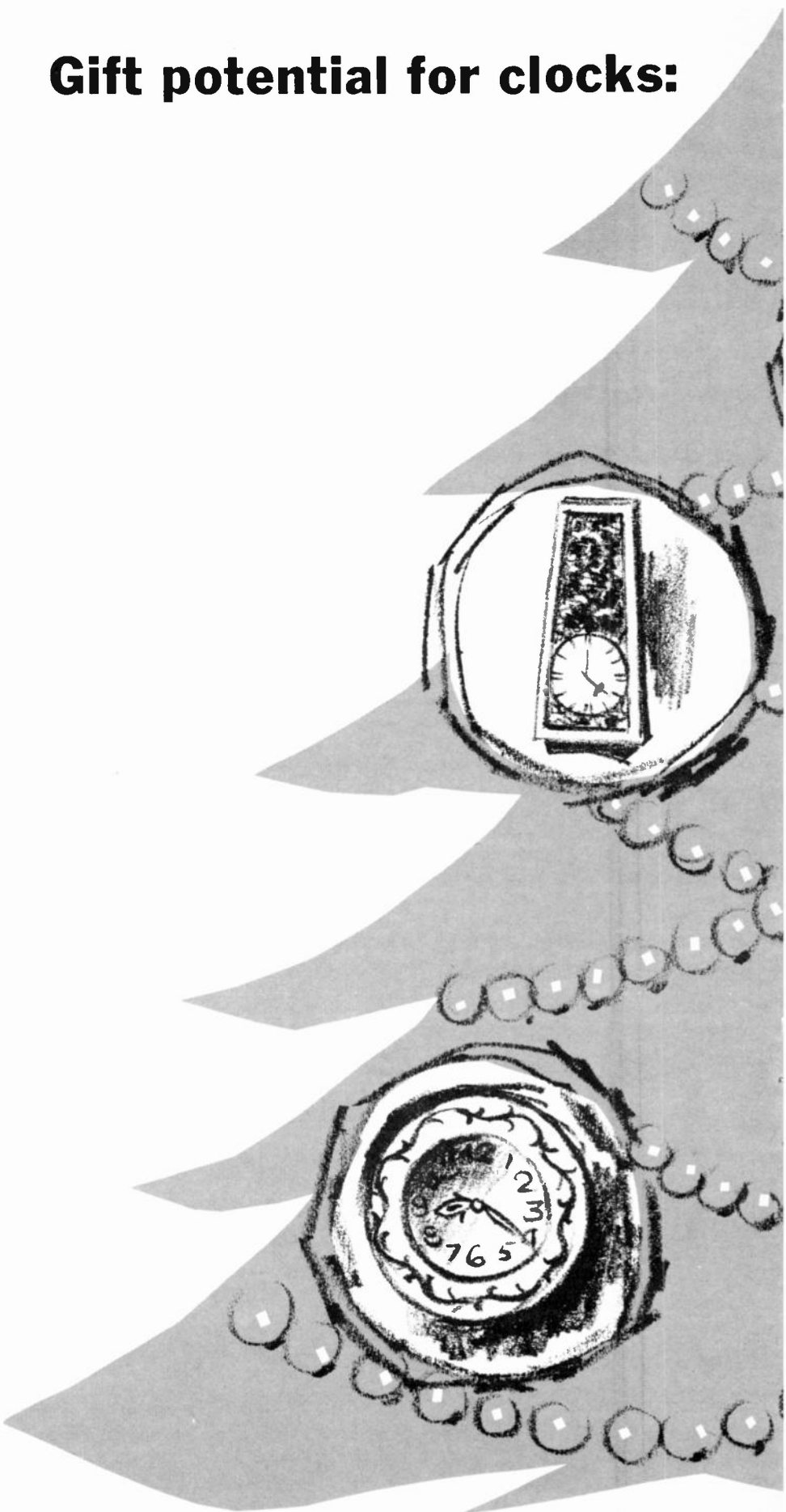
7. Use a one-cent sale for clocks: Offer, for example, a low-end alarm for one cent with a cordless, decorator clock at \$19.99, or both for \$20.

Manufacturer assistance for holiday selling is largely confined to co-op advertising funds, but most manufacturers will be backing up retailers with increased national advertising budgets this fall.

Manufacturer promotions include the GE offer of a record album with the purchase of any GE product, including clocks. The premium promotion ties in with GE's repeat of its "Rudolph the Red-Nosed Reindeer" color program, Dec. 5, on NBC-TV. Counter cards and record racks are available to retailers.

Westclox's holiday consumer incentive—a pop-up decoration called The Merry Mansion—is being given free with the purchase of any clock from the #19124 assortment.

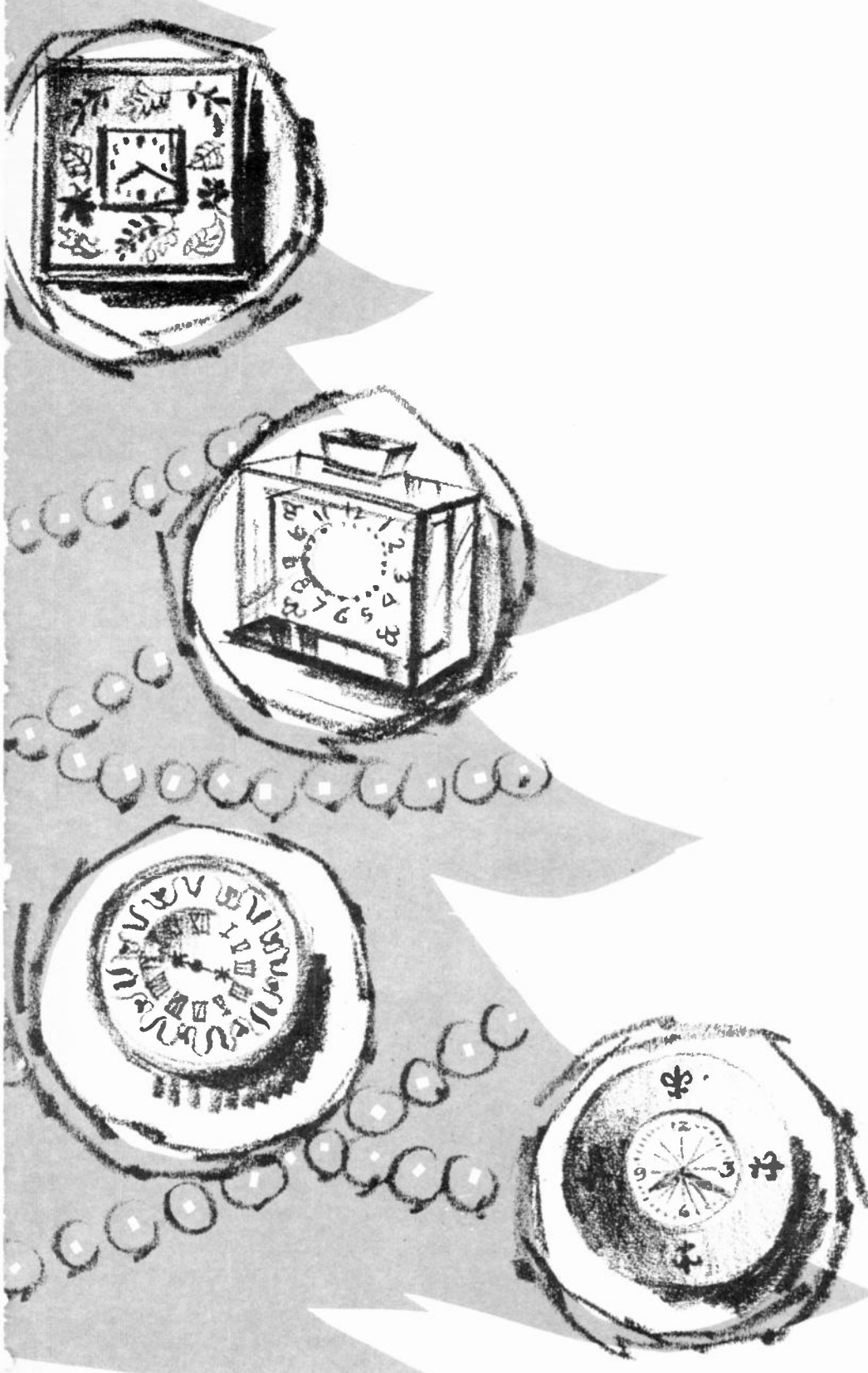
A goal for the clock industry was presented by General Time vice president Forrest W. Price in a re-



The growth of clocks:

1964			
	Units Shipped	Retail Value	Average Price
Alarms, plug-in	6,800,000	\$ 41,517,000	\$6.11
Wall, kitchen—total	2,800,000	18,900,000	6.75
plug-in	2,600,000	16,900,000	6.50
battery	200,000	2,000,000	10.00
Wall, decorative—total	2,100,000	37,635,000	17.92
plug-in	800,000	12,480,000	15.60
battery	1,300,000	25,155,000	19.35
Desk, Table, Occasional	300,000	3,555,000	11.85
TOTAL—all types	12,000,000	\$101,607,000	\$8.47

bright as a Christmas tree



a three-year summary

1963			1962		
Units Shipped	Retail Value	Average Price	Units Shipped	Retail Value	Average Price
6,285,000	\$38,590,000	\$6.14	5,600,000	\$36,120,000	\$6.45
2,610,000	16,479,000	6.31	2,550,000	17,286,000	6.78
2,460,000	15,252,000	6.20	—	—	—
150,000	1,227,000	8.18	—	—	—
1,950,000	34,975,000	17.94	1,528,000	25,738,000	16.84
1,000,000	15,500,000	15.50	1,250,000	20,325,000	16.26
950,000	19,475,000	20.50	278,000	5,413,000	19.47
190,000	2,552,000	13.43	150,000	1,892,000	12.61
11,035,000	\$92,596,000	\$8.39	9,828,000	\$81,036,000	\$8.25

cent interview (MW, 4 Oct., p.41): more clocks than radios in the average home. An important factor in achieving this aim will be the extent to which battery-operated movements spread into all clock categories.

Just as radio sales received a spurt from battery-powered units, clock sales' recent robust climb is largely attributable to battery-operated models. Future growth increasingly will be affected by cordless power and clock styling.

The strategy of Price's goal for more clocks than radios might best be examined by the industry's "divide and conquer" technique: divide the average home into its major rooms—living, dining, kitchen, bath and bedroom; and conquer consumer sales resistance to additional clocks by designing a timepiece for each room.

Decorator clocks designed for living and dining rooms account for a giant share of the cordless market, because these are the rooms where dangling cords clash with whatever style the room has been done in and catch guests' glances.

Kitchen clocks have much less need for battery operation than living-room or dining room clocks, because many kitchens have electric outlets specifically for clocks. Thus, style, color, and legibility are most important.

Still, kitchen cordless clocks continue to gain sales momentum. One of Syroco's executives revealed they are selling more cordless than plug-in kitchen models, despite the higher price.

Bedroom clocks, principally designed to wake people, have taken on new methods, notably the use of lights, bells and chimes—in an attempt to make pleasant that which is not.

Bath clocks are riding on the coattails of the bath shop boom (more like an explosion, according to many retailers). Once, bath clocks were as unlikely as bath telephones. Now, both are beginning to make the scene. Color coordination (everything in bath shop articles, from towels to tissue boxes, is coordinated) is the key to selecting bath clocks. Seth Thomas cordless bath clocks are coordinated with the popular bath-merchandise colors. They are being "well accepted," according to company spokesman Ron Weaver.

Nursery clocks, specifically the Westclox Wee Winkies, are the biggest news in kids' timepieces since someone pasted Mickey Mouse's face on a wristwatch. Introduced at July's Housewares Show, subsequent response to Wee Winkies has been excellent, according to key buyers.

In addition, the Howard Miller Clock Co. has a line of animal-shaped clocks, and Spartus has its "Pussy-

cat" model. That's what's new.

Two unusual clocks were introduced to the industry this year—Session's birth-control unit, The Lady; and Seth Thomas' tuning-bar operated Accrotyne mantel clock.

The Lady has stirred interest in and out of the housewares industry, garnering publicity throughout the country. Early sales were reported as excellent. However it is not exactly a gift item.

Less spectacular, but expected to sell well at the high-end, is the Accrotyne. Promotion is being limited to a few major markets until inventories catch up with demand. Eventually, the movement, which provides increased accuracy for cordless clocks, is expected to be available in less expensive cases for lower retail pricing. The Accrotyne now lists at \$75.

Clocks led housewares volume last year with sales of 12 million units. In retail value, clocks are among the best sellers. In 1964, clocks' \$101.6 million retail value closely followed irons (\$132.2 million) and coffeemakers (\$108.7 million).

The most important aspect of growth in the clock industry during the last three years has been the phenomenal rise in the sale of battery-operated units. In an article on cordless power (MW, 5 Apr., p.16), three major manufacturers reported that cordless clocks accounted for less than 10% of their decorator clock sales in 1962; but all three estimated that cordless clocks will take the lion's share of decorator-model sales this year.

Seth Thomas has doubled its sales of cordless clocks since last year. Even commercial clocks will appear with battery-operated movements, a company official predicted.

Sunbeam clock division vice president James Myers reports over-all sales are "very substantially ahead of last year," paced by cordless clocks and the trend to higher-ticket units.

Another clock manufacturer, Robert Shaw (Lux), has recently introduced battery-powered wall clocks.

General Time (Seth Thomas, Westclox) accounts for the bulk of cordless movements produced in this country, with Ingraham in second place. Most other clock manufacturers, including the two full-line housewares producers, GE and Sunbeam, import their battery-operated movements.

Heading into the Christmas season, retailers have cause for glee—clocks have become a decorative accessory, a distinctive gift. And, cheeriest of all, clock profits and sales are moving up—fast.

by Robert C. Rowe

Did you see this story last week?

"Water softener sales can open a virtually untapped reservoir of hard profits for appliance retailers. Norfolk, Va., retailer H. B. Price III found this out in just two years. To learn what he learned, what the market is, who the manufacturers are, and what they offer . . ."

. . . write Lindsay's General Sales Manager.

The Lindsay Company

Division — Union Tank Car Company
1381 Marshall Ave., St. Paul, Minn. 55104



How to help keep freedom ringing from every mountainside

High up on a mountainside in South Dakota, there's a famous tribute to four American patriots who did much to mold the shape of freedom.

But even if there were no Mt. Rushmore, we'd remember men like Washington, Jefferson, Roosevelt, and Lincoln. For the landscape of freedom is shaped by what they did, not by the mountainside that pays tribute.

Even today, freedom is shaped by the work of individuals — men and women, like you. Of course, only a few Americans will ever have their faces up on a mountain. But millions of Americans are playing a real part in the defense of freedom today simply by buying U. S. Savings Bonds.

When you invest in U. S. Savings Bonds, you put some money to work for your country right now. At the same time you're putting it to work for your own future. Aren't those good reasons to buy one soon?

Keep freedom in your future with U. S. SAVINGS BONDS



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MARKETING

Japanese color tv manufacturers jump to fill gaps in U.S. market

Japan is listening attentively to reports of color tv shortages throughout the U.S. And as the cries for more color sets grow louder, at least five Japanese firms stand ready to help supply the demand.

Tokyo Shibaura Electric Co. (Toshiba), which has been supplying Sears with 3,000 16-inch color tv sets monthly, is reportedly boosting deliveries to 4,000 sets a month, says McGraw-Hill World News from Tokyo. The company also is moving into the export of 19-inch color sets.

Matsushita Electric Co., which has been shipping several hundred 19-inch color sets a month to the U.S. for sales under its own Panasonic trademark, plans to steadily increase exports.

Hayakawa Electric Co. (Sharp) will ship 300 of its 19-inch color sets monthly beginning in November. And, reportedly, the company is looking for more customers.

Victor Co. of Japan will begin producing 16- and 19-inch color sets for Delmonico on Jan. 1.

Sanyo Electric Co., which is supplying Symphonic with its new 19-inch color tv line, has reportedly signed contracts with several U.S. firms. Sanyo expects to deliver 6,000 color 19-inch sets during the August-October period and another 30,000

sets next year.

Some manufacturers are hesitant about jumping on the color bandwagon, however. Sony Corp., for instance, is not planning to accelerate its plans for introduction of its chromatron-type set in the U.S., and probably will not be shipping for another year.

Mitsubishi Electric Corp. has been investigating establishment of a servicing network in the U.S. as a preliminary step toward entering the U.S. color tv market. But, says McGraw-Hill World News, Mitsubishi is in no hurry. Neither are Yaou Electric Co. and Hitachi.

The cautious companies figure that U.S. manufacturers will soon catch up with demand, which could mean the Japanese sets would be nudged out of the market. And, because the profit margins in the U.S. are on the slim side, some of the Japanese companies do not feel inclined to risk a rapid buildup in production.

Movements of Toshiba, Victor, and Sanyo in the U.S. are considered relatively safe because their sales depend on contracts with private-label companies.

But Matsushita and Hayakawa are apparently gambling that they can establish and maintain color tv sales in the U.S.

KEY MOVES

Admiral Corp.—New regional sales manager covering distributors in New England and upper New York State is John F. Bohr, formerly with Remington's air conditioner division. Phillip H. Weil, formerly with Magnavox, Norge, and GE, takes over the newly created position of sales manager for eastern branches.

Caloric Corp.—William Messic, new supervisor of service in the New York metro region, comes from a similar position with Philco's parts and service division.

RCA Victor Record Division—E.O. Welker moves from manager of

magnetic tape products to the new position of manager of recorded tape sales. Morton E. Barnett, formerly manager of Red Seal promotion, moves to the newly created position of manager of advertising and promotion of RCA Stereo-8 tape cartridge products.

Tappan Co.—Fred E. McGuire becomes manager of national accounts. He comes to Tappan from positions with Westinghouse and Hupp Corp.

Zenith Sales Corp.—Joel K. Lee is the new district sales rep covering Pittsburgh and Johnstown, Pa.; Buffalo, N.Y.; Cleveland and Columbus, Ohio.

DISTRIBUTOR APPOINTMENTS

Chancellor—F.A. Daugherty Co. of Cleveland for the state of Ohio; Cooper-Daugherty Co. of McMurray, Pa., for western Pennsylvania and the state of West Virginia; McLoud & Raymond Co. of Denver for the Colorado, New Mexico, and Wyoming territory.

Dube—Karl Heitz Inc. of New York City as United States distributor.

Hamilton—Trans America Industries of Irving, Texas, for the Dallas marketing area; the Covington Distributing Corp. of San Antonio, Texas, for the San Antonio marketing area; and the McDonald Sales Corp. of New Orleans for the New Orleans marketing area, including southern Louisiana and southern Mississippi.

Martel—Donald R. Evans Assoc. of Buffalo, N.Y., as sales rep for UHER

tape recorders in New York State.

Norelco—The following distributors are appointed for the multi-band portable radio line: Cardinal Electronics Co. of New York City; Eastern Supply Co. Inc. of Boston; Lou Johnson Co. of Portland, Ore.; Elec. Specialties of Detroit; Leff Elec. Co. of Cleveland; Hamburg Bros. of Pittsburgh; Geo. Rosen Co. of Baltimore; Samuel Jacobs Dist. Co. of Philadelphia; Cali-West Distributors of Los Angeles; Eli Witt Co. of Florida; Dymac Dist. of Buffalo; Morris Dist. Co. of upstate New York; Salina Electronics of Syracuse; Graybar Electric of Spokane; Sacramento Electronics of Sacramento; and Manar Sales Co. of Seattle.

Olympic—Hutch & Son Inc. of Evansville, Ind., for counties in the states of Indiana, Kentucky and Illinois.

Charlie Vondran tells you how to clean up in the washer business with Westinghouse



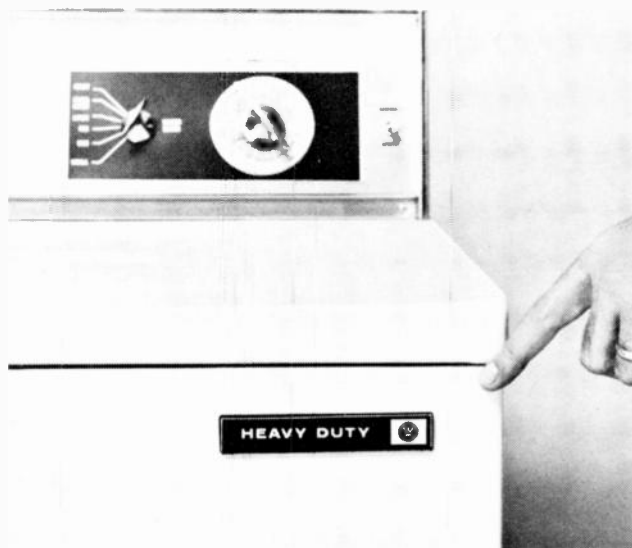
"I'm Marketing Manager of Westinghouse Home Laundry Equipment. There's a basketful of washer business and we've got 25 years of experience in it to help you get your share.



"Something special for your automatic washer customers is our Silver Anniversary Model — LAF 590—a new addition to the top loader line. Make it your 'Waltz Through Washday' special.



"It's designed to help you get a big piece of the washer business with 'top of the line' features at a price that young families can afford.



"Heavy Duty is what prospects are looking for. Here it is...with a big 15-pound capacity...especially engineered for long, dependable service.



"It handles unbalanced, problem loads...like this big shag rug. A Heavy Duty suspension system makes this washer a real 'big job' washer, a true Heavy Duty machine just like it says.



"Another work saver feature is this automatic fabric softener dispenser. Eliminates going back to the washer to add softener during the rinse cycle.



"Crazy way to display this washer? Not really! Let your prospects see the Westinghouse Heavy Duty features by showing the washer open. We supply the 'feature' stickers to help you sell your customers.



"Here's added proof of reliability. Westinghouse washers come with a 5-year transmission guarantee plus a 2-year parts guarantee,* and service is available everywhere.




"It's backed by the Westinghouse Appliance Sales and Service Company. That means merchandising programs and local advertising support. Let your Westinghouse distributor help you to 'clean up' in Home Laundry."

*Washer or dryer must be installed and serviced by authorized Westinghouse dealer or service agency which will repair or replace, at its option, operational parts which fail under normal and proper use. (Guarantee does not apply to electric bulbs, porcelain enamel of interior or exterior finish of the appliance.) First year labor furnished by authorized dealer or distributor...second year labor not included. There is also a 5-year parts guarantee on the washer transmission and tub drive parts, subject to the same conditions.

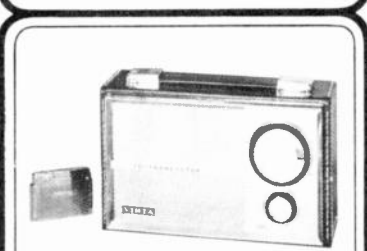
You can be sure if it's Westinghouse





FOUNDER AGNES FURNDOC

Craig Panorama University has been asked by the U.S. Treasury Department to limit its number of students. Too many people have been learning how to increase tape recorder and radio sales and now there is a shortage of \$1000 bills.



VISTA LTR-106
10-Transistor AM Portable Radio

- built-in genuine leather case
- easy-eye magnified tuning dial
- big sound 4" PM speaker
- measures: 4 1/4" x 7 1/4" x 2 5/8"
- earphone, batteries included

Full profit at less than \$25 retail



VISTA 3000
Citizens' Band Transceiver Units

- 1/4-mile range, no license required
- single push-talk switch control
- crystal-controlled transmitting
- telescoping antenna, 9 v. battery • 0.5 lbs. each, 3 transistors • Full profit at less than \$25 per pr. retail



VISTA 650
AM-FM, FM Stereo Radio

- walnut cabinet, vernier tuning
- FM stereo-eye indicator, AFC
- balance and tone control, external jacks
- 2 (7" x 4") detachable speakers
- phono, tape and speaker jacks

Full profit at less than \$140 retail

OK! I'm willing to listen to your pitch and get learned. Send man ☐ Send info ☐

To Craig Panorama, Inc., Dept. MW-1025
 3412 South La Cienega Blvd.
 Los Angeles, California 90016

Dealer's name _____

Buyer _____

Dealer's street address _____

Dealer's city _____ state _____ zip _____

INDUSTRY TRENDS

An up-to-the-minute tabulation of estimated industry shipments of 18 key products. New figures this week in bold-face type.

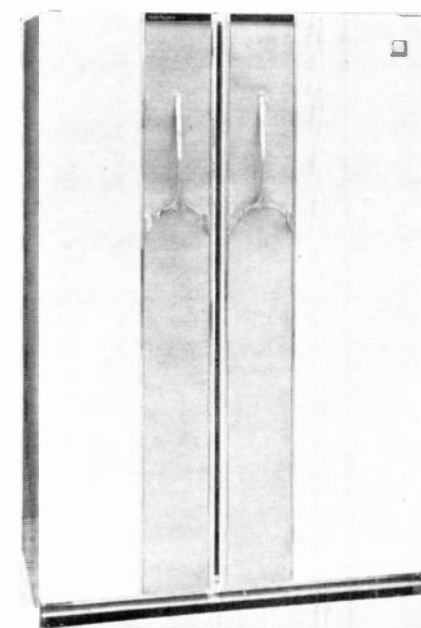
	date	1965	1964	% change
FLOOR CARE PRODUCTS				
floor polishers	August	91,589	92,492	— .98
	8 Months	740,233	738,553	+ .23
vacuum cleaners	August	376,644	389,895	— 3.40
	8 Months	3,099,952	2,851,844	+ 8.70
HOME LAUNDRY				
dryers, clothes, elec.	August	142,796	115,200	+ 23.96
	8 Months	712,899	619,887	+ 15.00
dryers, clothes, gas	August	70,463	56,761	+ 24.14
	8 Months	357,237	330,200	+ 8.19
washers, auto. & semi-auto.	August	347,965	324,721	+ 7.16
	8 Months	2,401,943	2,249,285	+ 6.79
wringer & spinner	August	50,635	59,994	— 15.60
	8 Months	389,842	437,431	— 10.88

OTHER MAJOR APPLIANCES				
air conditioners, room	August	101,900	128,000	— 20.39
	8 Months	2,472,800	2,214,000	+ 11.69
dehumidifiers	August	10,800	22,600	— 52.21
	8 Months	189,400	191,000	— .84
dishwashers, portable	August	26,600	18,700	+ 42.25
	8 Months	218,300	170,800	+ 27.81
dishwashers, under-counter, etc.	August	69,700	53,600	+ 30.04
	8 Months	515,500	446,200	+ 15.53
disposers, food waste	August	123,400	112,900	+ 9.30
	8 Months	867,000	838,200	+ 3.44
freezers, chest	August	48,700	40,500	+ 20.25
	8 Months	313,200	302,300	+ 3.61
freezers, upright	August	69,100	63,100	+ 9.51
	8 Months	467,200	466,000	+ .26
ranges, elec., free-standing	August	101,100	87,400	+ 15.68
	8 Months	814,300	740,400	+ 9.98
ranges, elec., built-in	August	62,300	64,900	— 4.01
	8 Months	508,300	533,400	— 4.71
ranges, gas, total	August	193,100*	193,500	— .21
	8 Months	1,421,300	1,424,000	— .19
refrigerators	August	415,400	399,300	+ 4.03
	8 Months	3,191,100	3,050,800	+ 4.60
water heaters, elec. (storage)	August	98,400	86,900	+ 13.23
	8 Months	720,700	666,700	+ 8.10
water heaters, gas (storage)	August	199,620	216,390	— 17.75
	8 Months	1,698,380	1,838,850	— 7.64

CONSUMER ELECTRONICS				
phonos, port.—table, distrib. sales	Oct. 8	115,911	99,520	+ 16.47
	40 Weeks	2,493,589	1,943,942	+ 28.27
monthly distributor sales	September	510,781	393,326	+ 29.86
	9 Months	2,377,678	1,827,651	+ 30.09
phonos, console, distrib. sales	Oct. 8	42,459	43,883	— 3.25
	40 Weeks	1,111,385	1,152,922	— 3.60
monthly distributor sales	September	179,930	214,947	— 16.29
	9 Months	1,068,926	1,109,039	— 3.62
radio (ex auto), distrib. sales	Oct. 8	321,089	274,744	+ 16.87
	40 Weeks	9,111,244	7,255,589	+ 25.58
monthly distributor sales	September	1,485,591	1,297,571	+ 14.49
	9 Months	8,790,155	6,980,845	+ 25.92
b&w television, distrib. sales	September	935,475	839,863	+ 11.38
	9 Months	5,628,856	5,402,301	+ 4.19
monthly distributor sales	Oct. 8	189,475	191,155	— .88
	40 Weeks	5,818,331	5,593,456	+ 4.02
color television, distrib. sales	Oct. 8	78,700	43,257	+ 81.94
	40 Weeks	1,862,652	848,103	+119.63

*August total includes 134,400 conventional free-standing ranges, 16,900 high-oven models, 26,000 built-ins, and 15,800 set-ins. Sources: NEMA, AHLMA, VCMA, GAMA, EIA.

APPLIANCE-TV



Kelvinator's "Tiffany-look" model

From Kelvinator: A decorator look for 1966 appliances

Kelvinator's 1966 line of refrigerators, freezers, electric ranges, room air conditioners, and dishwashers puts the emphasis on styling and convenience. Linen-look vinyl, wood grain, stainless steel, and pastel colors get the full work-out, and no-frost refrigerators, icemakers, easy-clean ovens, and simple-installation air conditioners are the word of the day.

The refrigerator line follows the decorative trend set by last season's Originals. Sculptured handles and a linen-like silver trim on the door give the new refrigerators what Kelvinator has chosen to call the "Tiffany" look. Four Trimwall models, with foamed-in-place urethane insulation to reduce the width of cabinet walls, head the line. The high-end Foodarama Trimwall with side-by-side no-frost refrigerator-freezer has a 22 cu.ft. capacity in a 41-by-65-inch cabinet; the New York fair-trade retail price is \$599.95. The leader model is priced at \$549.95.

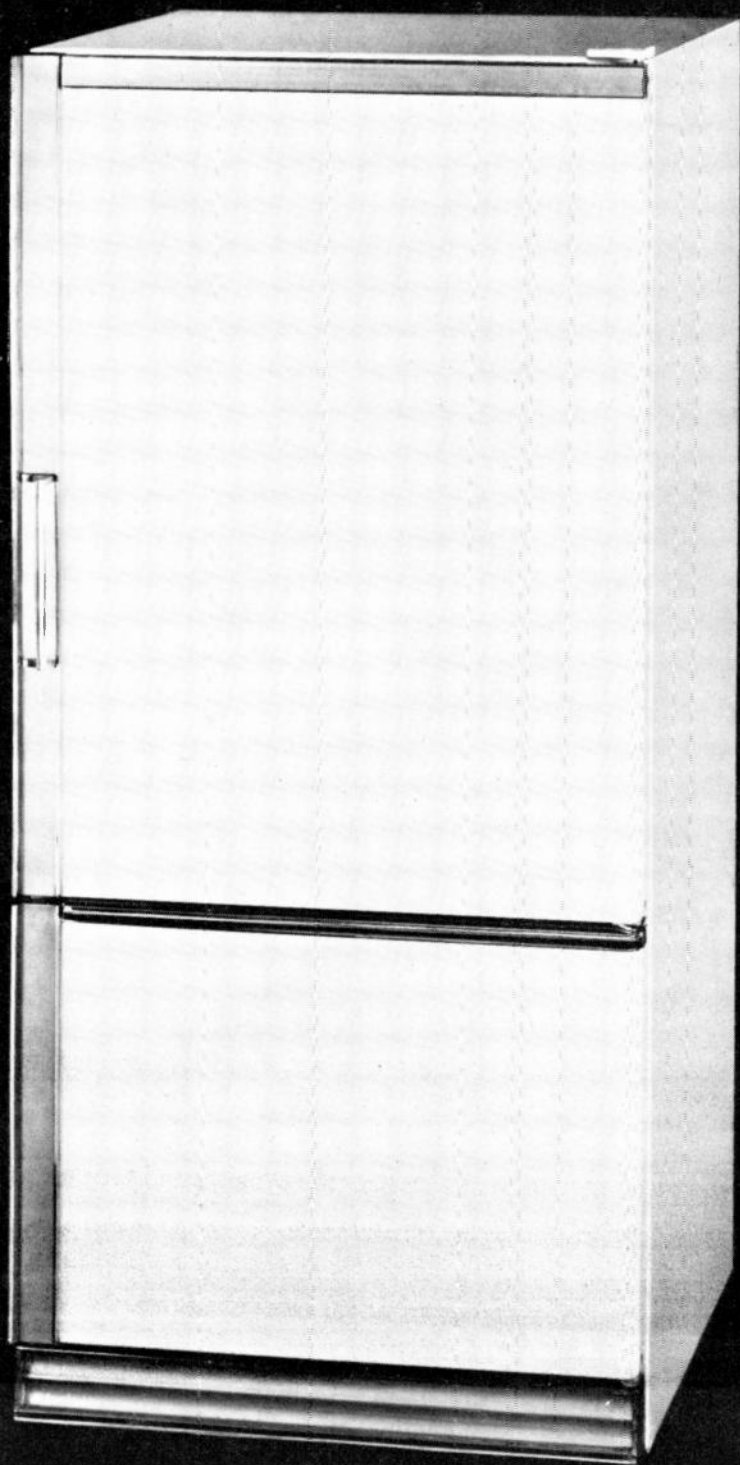
Other Trimwalls include a no-frost two-door model with 16.3 cu.ft. capacity (fair-traded in New York for \$399.95) and an undercounter model with wood grain finished handle. Other non-Trimwall units include a two-door, no-frost model priced to sell for \$289.95 in New York.

The air conditioner line introduces a Speedy Mount series ranging from 4,500 to 7,500 Btu capacity and styled with a wood grain control panel. Other new units: a 12,000 Btu Custom model with slide-in, slide-out chassis and a 34,000 Btu unit in the Giant series.

The electric range line reflects a Kelvinator finding that women rank cleaning-ease as a top range requirement. The 11 free standing models in the line offer disposable foil oven linings, lift-off oven doors, and removable surface units for easy cleaning. A deluxe 30-inch Tri-Level model with two ovens fair-trades for \$419.95 in New York, and another unit with Pan-O-Matic surface cooking sells at \$299.95.

The upright home freezer line, restyled to resemble the refrigerator line, is highlighted by no-frost features and "Trimwall" walls.

In the space taken up by one \$320 refrigerator (profit: approx. \$80.00)



you can display a complete Eureka Floor Care line (profit: approx. \$313.94) with a minimum of profit-cutting service, delivery, installation, smaller capital tie-up and less warehousing space.



Get with the line with higher profits!

Floor care products are big, profitable business . . . and Eureka's the big one in floor care products. For 4 years running, Eureka sales growth has outrun the industry's in every important category . . . uprights, canisters, lightweights and polisher-scrubbers. Simple reason.

Eureka has the big lineup. The solid lineup, from \$19.95 to \$129.95, with no more than \$10 separating most models. Pick any price range; there's a Eureka to fill it profitably.

Eureka has the features. Demonstrable features for profitable

step-up sales. Even on low-priced models, Eureka has the big features that pack a real punch in retail ads.

Eureka has the name. Big advertising. Big promotions. Right now, for example, Eureka vacuum cleaners are being demonstrated on CBS and NBC's most popular daytime TV shows.

More than 1 of every 8 families will buy a floor care product in the next twelve months. Get your share of this profitable business. For franchise information, contact R. C. Connell, Eureka Williams Company, Bloomington, Illinois.

Get with Eureka

Eureka Williams Company, Division of National Union Electric Corp. In Canada, Eureka Division, Onward Mfg. Co., Ltd., Kitchener, Ontario

A sales closer only RCA WHIRLPOOL dealers can use:

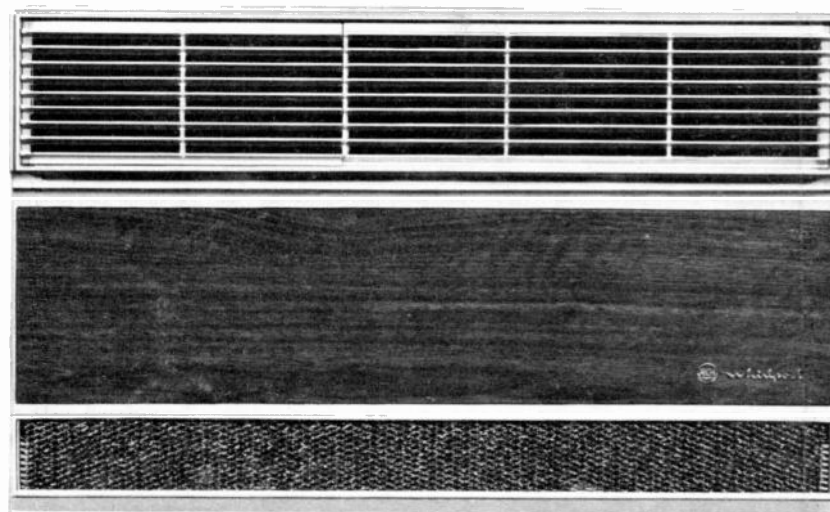


**COMFORT GUARD[®] control
starts where thermostats stop...
cuts too-hot-too-cold changes
as much as 30%**

**...and only an RCA WHIRLPOOL
air conditioner has it!**

Here's a space age invention that prevents not only air conditioner overdose but underdose, too. Sure. Any air conditioner can cool you. In fact, it can freeze you one minute . . . and the next, you can be uncomfortably hot. But now exclusive COMFORT GUARD control "thinks" comfort . . . anticipates room temperature changes before you feel them . . . maintains that wonderful, even coolness you want . . . actually puts the words "pure comfort" in air conditioning today. All by itself, COMFORT GUARD control is enough reason to buy an RCA WHIRLPOOL . . . but, as you'd expect, there's more. Much more. The handsome simulated oiled walnut finishes . . . smart styling. The kitten-quiet operation that's a sure sign of true quality and fine engineering. The rugged, weatherproofed cabinets. The wide choice of models and capacities. The great values . . . no matter which RCA WHIRLPOOL you select!

Dealers: Use this successful sales closer on the next prospect who comes into your store for an air conditioner. After all, who'd want cooling without COMFORT GUARD? An Eskimo?



Model APC-140-5



It's easier to sell an RCA WHIRLPOOL than sell against it!

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