

MERCHANDISING WEEK

★EDITED FOR THE HOME GOODS RETAILER/A MCGRAW-HILL PUBLICATION/50 CENTS/VOL. 97 NO. 44/NOVEMBER 1, 1965

IS THERE (GULP)
ROOM ENOUGH FOR EVERYBODY
IN THE NEW SCRAMBLE
FOR DECORATOR REFRIGERATORS?

SEE P. 9

AT PRESSTIME □

□□□□ Average retail price of color tv last month was \$538, according to an on-the-spot survey by Daniel Starch and Staff, a business research organization. At the end of 1964, color's average price was \$609. The average retail price of black-and-white tv also declined, dropping from \$200 at the end of 1964 to \$182 last September. The Starch report also showed that retail selling prices on the same color set could vary as much as \$200. The selling price, however, does include optional equipment and installation charges.

Fifty models and eight brands represented 43% of all color sales made during the week Starch conducted its survey. More than 500 color models were available at retail at that time.

Color's share of all tv sales for the week ended Sept. 25 rose to a record 62%, while its share of retail dollars climbed to 83%. During the comparable week a year ago, color accounted for 23% of the tv sales mix.

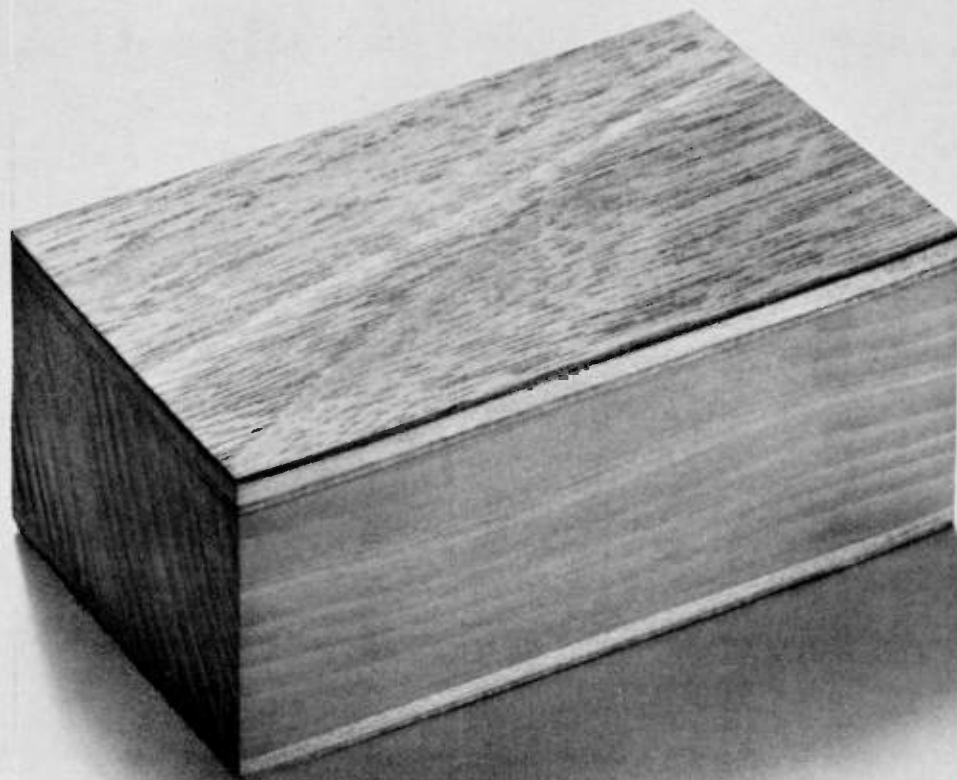
The Starch report is based on a weighted sample of 1,534 retail outlets across the U.S. for the week ending Sept. 25.

□□□□ Solid-state color tv: Admiral will unveil 15- and 19-inch color tv sets early next year with everything but the deflection circuits

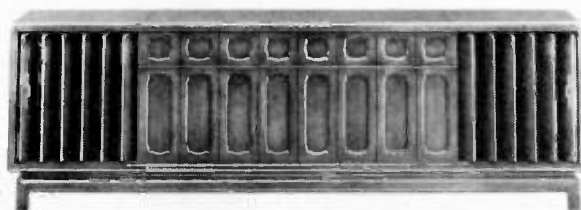
continued on p.3

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transistorized. The video-demodulator circuit will be an integrated circuit—the first commercial use of this type of semiconductor.

Reasons behind the semiconductor push: new packaging styles which are slim and actually portable; less power is required—only 150 watts versus 265 for a tube-type 19-inch receiver; increased reliability with transistors and integrated circuits, compared to vacuum tubes, at the same cost but with fewer components.

Price is reliably reported to be competitive with tube sets. Set size, total volume, width and height will be much less for the 15-inch Admiral color set than for General Electric's 11-inch color portable.

If the new circuitry clicks with the buying public, the same electronic package will be used in all of Admiral's color sets, including the 25-inch consoles. The reason: less heat produced even in the bigger cabinets will prolong set life.

□ □ □ □ **A distributor-owned single-line store**, the first of several, will be opened this week in Las Vegas. The brainchild of Paul Huish, Huish Distributing, RCA Whirlpool distributor in Salt Lake City, the 6,600 sq. ft. building has been leased to Dennis Bowmer and George Berry, who will sell only RCA Whirlpool and Victor as Bowmer & Berry's Showkase. The building, which Huish built, faces a heavily traveled highway, has parking next to it, and is across an intersection from a Sears store.

□ □ □ □ **RCA is looking for a b&w set assembler**—it could be Wells-Gardner—to build some of its portable tv next year. RCA stresses that, if it makes a decision to farm out some production work, the sub-contractor will only assemble RCA sets, not build them from scratch. "This is an important distinction," stressed an RCA spokesman. Behind the move: the rapid growth of color has strained the company's production facilities. To meet the enormous increases ahead, RCA wants to free more production space for color. RCA will make a final decision on the project before the year is out.

□ □ □ □ **The electric housewares pace quickens** as the big Christmas season looms. General Electric joins the saturation-tv tactics with a heavy campaign behind

its cordless slicing knife, which will be backed by ads in the print media. GE also is beefing up its power tool line with 69 new accessories.

Regina is offering one free with five portable vacs, permitting a \$23.88 retail price; and one free with 11 shoe polishers, for a \$19.88 retail, in a promotion to run through Dec. 15.

And Hamilton Beach, riding high on the slicing knife, plans a new plant in Washington, N. C.

□ □ □ □ **High-oven gas ranges continue to zoom**. Here is the Gas Appliance Mfrs. Assn. report, this September's shipments compared to same 1964 month: high-oven total, 21,200, up 51.4%; free-standing, 159,700 units, up 17.3%; combined total of all types, 230,200, up 14.7%. Nine-month combined total was up 1.6% over same 1964 period.

□ □ □ □ **Gibson has reshuffled its sales zones**. Fifteen Hupp Corp. sales divisions now replace the 11 Gibson sales territories and the six Easy zones which existed until Gibson and Easy joined sales staffs last April.

□ □ □ □ **Japanese tv shipments to the U. S.** kept climbing in September. In that month, Japan shipped 110,748 sets worth \$2,289,063 to the U.S., reports McGraw-Hill World News from Tokyo. The nine-month total for 1965: A record 782,804 sets, a 72.16% increase over the comparable 1964 period. But as shipments increased, the average price per set fell from \$55.63 in 1964 to \$50.70 this year.

□ □ □ □ **Air conditioner shipments sagged again** in September. The National Electrical Manufacturers Assn. reports that 39,100 units were shipped compared to 47,700 in September, 1964—an 18% drop. However, for the first nine months of 1965, members shipped 2,511,900 units, compared to 2,261,700 in the same period in 1964—an increase of 11.1%.

□ □ □ □ **Projected Delmonico color tv prices**: A 12-model line of imported color sets is planned for next year, starting with a 16-incher for under \$100 and topping off with a three-way 21-inch combination for \$499.95.

22-inch color tv: a carefully measured response

Underneath the prosperous surface of the booming consumer electronics industry a first-class donnybrook is developing (MW, 25 Oct., p.3).

The issue: the industry's next color tube, a 22-inch rectangular model. On one side of the battle line are RCA, Zenith and the Sylvania tube division, all of whom are studying the new tube with varying degrees of intensity. On the other side: Motorola, National Video and Admiral, all of whom announced plans for a 21-inch rectangular tube in September.

"We've made no final decision on the 22," said Leonard C. Truesdell, president of the Zenith Sales Corp.

"We're looking at everything. There are a lot of things involved, but we can use a tube size between the 19 and 25 to replace the round 21. We won't have both 21s and 22s." RCA and Sylvania will say only that they are evaluating the tube.

The difference between the two tubes is negligible, according to Asher J. Cole, president of National Video.

"No one in the world could tell the difference if they saw these tubes side by side," he said. "Our tube has 223 square inches, theirs is 226 inches. The difference is only the width of a few sheets of paper."

Cole was clearly angered by the

new tube. "It's a clear case of an attempt at one-upmanship," he said, "a red herring. What sense does it make to have a tube with three more square inches?" Whatever the differences, the industry now seems destined to get both tubes.

National Video will move ahead with its plans for 21-inch rectangular production by next June or July. "We will not be slowed down," said Cole. "Our customers [Motorola, Admiral] are supporting us. The 22 won't be produced until late next year."

Pilot production: Motorola, too, is going ahead with its plans for its 21-inch tube. Last week at its new

tube factory, the company began pilot production of 21s. The company plans to start volume production by next March and build a minimum of 100,000 color 21s next year.

Although Motorola was not directly answering the challenge of the 22-inch tube, president Elmer Wavering made the company's position clear: "The general 21-inch category has been the most popular in b&w tv up to now, and the 21-inch rectangular size is destined to become extremely popular in color."

One industry executive estimates that there will be 250,000 color 21s on the market before the first 22-inch tube shows up.

Now RCA—the company that makes tape recorders for the Gemini spacecraft—



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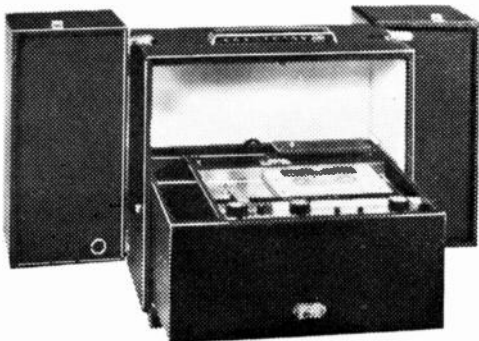
SCORE I YGH31



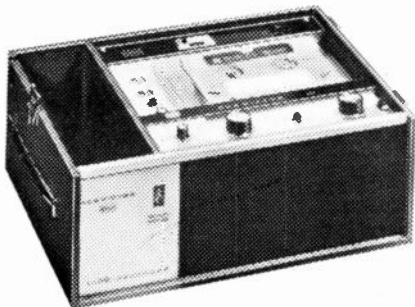
MODULE MARK I MGC71



RELAY I YGB11



RELAY III YGD43



RELAY II YGB29

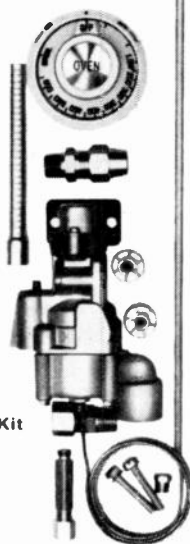
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growth

Merchandising Week serves America's number one growth industry. In the next fifteen years appliance sales will be well over 70% of automobile passenger car sales compared with a 1960 figure of 50%.

source: "Resources for the Future"—in cooperation with the Ford Foundation.

WASHINGTON NEWS

□ □ □ □ **Price is playing a smaller role** in the decision of many consumers when purchasing products. This conclusion was reached in an extensive study conducted by the management consulting firm of McKinsey & Co. for the National Association of Food Chains. Though the study involved supermarket purchases, its conclusions are applicable to appliance buying.

The relative decline in the importance of price apparently is due mostly to the growing affluence of Americans. Upper income families, the study shows, are more inclined to try new products and are the least price conscious in purchases. Newlyweds and Negro families, as might be expected, are slightly more price conscious and will generally tend toward brand-name buying.

□ □ □ □ **Industry-wide enforcement of antitrust laws** will become mandatory if a decision by a federal appeals court in Chicago is upheld by the Supreme Court. The Chicago court told the Federal Trade Commission it cannot prosecute a manufacturer on price discrimination charges if competitors also engage in the challenged practices. It ordered the FTC to either drop the case or convert its inquiry into an industry-wide investigation.

As a matter of recent practice, the Commission has begun to take the industry-wide approach. But FTC staffers feel that making this mandatory will cripple their work. If the decision is upheld, it could get in the way of almost every price discrimination case FTC handles in the traditional case-by-case manner.

□ □ □ □ **Organized crime in merchandising** is causing more and more concern in Washington. The Post Office reports a sharp increase of cases in the past few years in which organized crime syndicate money is used to set up merchandising swindles in many parts of the country. Much of the money apparently is coming from Chicago and New York.

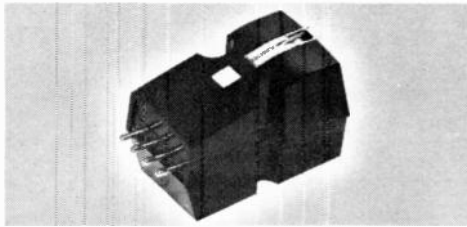
The most common method used is the purchase by criminals of a legitimate business or the establishment of credit for a new firm with phony references. The "retailer" then purchases hundreds of thousands of dollars worth of merchandise in a month's time, ships the products out as soon as they arrive, and closes the business. The items are sold at heavy discounts all over the country. The Post Office suggests that a closer check on credit by wholesalers can help nip the swindle movement.

□ □ □ □ **Another warning about truth-in-lending** comes from Mrs. Esther Peterson, special assistant to President Johnson for consumer affairs. She reports that the Consumer Advisory Council, which she heads, has urged all the states to review existing credit laws to determine if they provide adequate protection for consumers.

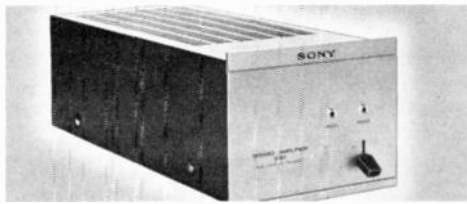
Behind the request is the ever-present threat that the federal government will step in if the states do not provide such protection. The Administration has given only mild support to the truth-in-lending bill sponsored by Senator Paul Douglas (D-Ill.), a measure that has failed to get very far in Congress. The word is that the Administration may go all out in its support of the bill next year.



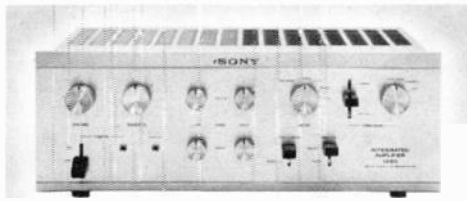
Turntable: servo-regulated motor



Magnetic cartridge: \$38 in Japan



TA-3120 power amplifier for \$140.



TA-1080 amplifier: 45 watts a channel



Bookshelf speakers: \$333 a pair



TA-1120 amplifier: 50 watts a channel

Sony's new component line: hi-fi for U.S. market in '66

Sony Corp. will add a new dimension to its product lineup here next year: hi-fi components.

Initially, the line will be sold in Japan, but Sony told McGraw-Hill World News in Tokyo that the U.S. represents the largest market for these products.

The amplifiers feature "stable epitaxial passivated" transistors designed by Sony for output stages. The top-of-the-line amplifier features 60 watts of music power per channel and some impressive specifications:

at an output of 50 watts per channel, harmonic distortion is less than 0.1%; signal-to-noise ratio at full power output of 50 watts per channel is only 90 db. The price in Japan: \$240.

Sony also is offering a smaller amplifier (45 watts per channel) at \$192, and a power amplifier without a pre-amp at \$140.

Other components: a turntable (wow and flutter are less than 0.07% rms) for \$89; a magnetic cartridge for \$36; bookshelf speakers (three speakers per unit) for \$333 a pair.

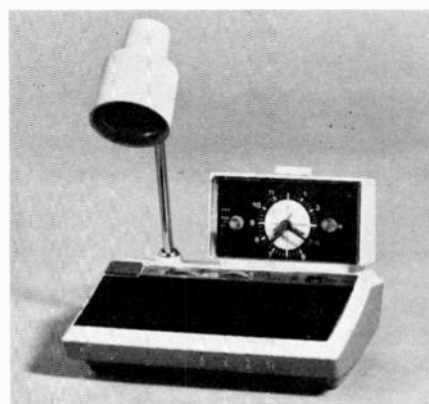
New Westinghouse combo: alarming, timely, bright

Westinghouse is counting on the bedside manner of its newest product, the lamp radio. High-intensity lamp, plus clock-radio, equals the Lumina series of lamp-clock-radios. Merging a lamp and clock-radio has moved the lamp from the desk to the nightstand. And Westinghouse claims a first.

"This is the first time all of these conveniences have been combined in one package," said A.D. Burke, radio-phono-tape sales manager, Westinghouse Appliance Sales and Service Co. The new lamp-clock-radio is available now in 22 markets. After Jan. 1, Westinghouse expects to market it across the nation.

Topping the three-model Lumina line is the Crescent. Its high-intensity lamp is mounted on a chrome-plated telescoping swivel arm, extendable to 15 inches. A vented shade, Westinghouse says, dissipates heat and eliminates glare. The high-intensity lamp's key feature—a concentrated, shadowless light beam—is powered by a miniature 40w bulb.

The clock has lighted dials, music and buzzer alarm, automatic music alarm shutoff, and extra sleep "doze control." The solid-state radio has a 5-by-3-inch speaker, automatic volume control, and pop-up tuning digits. In ivory and beige with midnight blue grille, it is expected to retail for \$49.95. A desk set, ivory and gold with gun-metal, minus clock, retails for \$29.95.



Westinghouse's \$49.95 lamp-radio

□□□□ A central warehouse for Midwest MARTA is expected "within the next 90 days," according to chapter president Carroll McMullin. The 10-member group is looking for a public warehouse in Detroit. "Even if we don't find one soon, it has to happen eventually," said McMullin, who also heads De Veaux TV & Appliances, in Toledo, Ohio.

□□□□ The plot has thickened at E. J. Korvette. The Securities and Exchange Commission (SEC) is studying the possibility that top echelon executives of the company were selling common shares of stock, and that this alleged selling was based on prior knowledge of the imminent release of the company's financial statement, which turned out to be less glowing than had been anticipated. The company reported earnings for the fiscal year, ended Aug. 1, of \$1.95 a share, compared with \$1.68 the year before. But this was not in the over-\$2 range that Wall Streeters had expected. The SEC picked up the scent after the recent heavy trading of Korvette stock. The SEC move brought quick reaction from Hilliard J. Coan, chairman of Korvette, who said that insiders of the promotional chain had sold only 500 shares since Sept. 1. Coan had no comment on whether or not the SEC was conducting such an investigation.

□□□□ A new competitive force in retailing was formed last week when the stockholders of Spiegel, Inc., the Chicago-based mail order firm, voted to merge the firm into Beneficial Finance. Spiegel becomes thereby a wholly owned subsidiary of Beneficial, along with Western Auto. Beneficial is now the complete retail organization with a credit operation, a mail order business, and retail stores.

□□□□ Ampex isn't waiting for sleigh bells to introduce its line of 26 prerecorded tapes for the Christmas season. Ampex stereo tape dealers can start ordering such selections as a monophonic, two-albums-in-one recording of Bing Crosby singing "I Wish You a Merry Christmas" (\$9.95), or a two-reel recording of the Vienna Academy and Joan Sutherland performing "The Messiah" (\$12.25).

□□□□ Westinghouse's 1966 portable dishwashers: there are three models. Top model SPG5A features insulation between the inner tub and outside cabinet for quieter operation. This unit accommodates service for 18.

□□□□ Polk Bros. opened another Chicago store last weekend. The new 20,000-sq.-ft. store, Polk's fourteenth in the Chicago area, is located in the Arlington Market, Arlington Heights.

□□□□ Chain store sales continue to zoom. According to a *New York Times* survey of 31 leading chain stores and mail order houses, volume in the first nine months of the year rose 8.8% to \$17,311,839,061, from \$15,914,072,320 for the same period in 1964. Sales in September were up 12% over the same month in 1964. If the upward surge continues, the 1964 record of \$19.5 billion is sure to be surpassed and the new mark will top the \$20 billion figure.

□□□□ **Emerson's 1966 air conditioner line** consists of 27 models in six series with capacities ranging from 5,000 to 24,000 Btu. The leader in the Quiet Kool Division's line, a 5,000 Btu unit carries a suggested retail price of \$99.95. All other models in the new Super Kom-Pact Series—the step-up 5,000 Btu, a 6,000 Btu at \$139.95, and a 7,500 Btu model at \$159.95—feature slide-out filter, pushbutton controls, thermostat, 2-speed fan motor, two air-direction wheels and a protective aluminum rear grille.

□□□□ **Symphonic's production** of portable and console phonographs has already equalled its entire output for 1964. The company hit the 1964 total on Oct. 15, reported Max J. Zimmer, president, who added that Symphonic has a backlog of unshipped orders 75% higher than it was a year ago.

□□□□ **Viking has a "tape age turntable"** ready for distribution. The playback-only tape deck is designed to play pre-recorded tapes on a reel-to-reel system. Amplifier and speaker are not included in the unit, which will sell for \$154.95.

□□□□ **Color tv rules the ratings roost:** CBS and NBC, both heavy in color shows, tied for prime time evening hours in the Nielsen rating for Sept. 27 to Oct. 10. ABC scored about two points below the leaders. The World Series in color batted lead-off for NBC, topping the Nielsen program list. Seven of the "top ten" shows were in color. The ten are: *Bonanza* (NBC, color), *Andy Griffith Special* (CBS, color), *Gomer Pyle* (CBS, color), *Andy Griffith* (CBS, color), *Get Smart* (NBC, color), *Bewitched* (ABC, b&w), *Red Skelton* (CBS, color), *Lucy Show* (CBS, color), *Dick Van Dyke* (CBS, b&w), and *Shenandoah* (ABC, b&w). To further bolster its color roster, CBS will present the *Steve Lawrence Show* in color starting Nov. 8.

□□□□ **Retailers were hailed as key men** in marketing new products by a Zenith sales executive addressing fellow sales heads at the National Industrial Conference Board recently in New York City.

"The success or failure of our product depends literally on the retailer who stands nose to nose and belly to belly with the prospective buyer," declared Walter C. Fisher, executive vice president and director of sales, Zenith Sales Corp. Bringing out the retailer's role as consumer contact, he emphasized the need for knowledge of new products.

Fisher described in detail Zenith's sales approach, from factory representative to retailer. Both the distributor and retailer are busy men, he admitted. But the retailer has even less time to devote to new product introductions. As a result, the manufacturer's week-long product briefings must be compressed into simple two- or three-hour sessions. The facts gleaned there plus an extremely simplified point-of-sale display are the net outcome at the retailer end. Fisher contrasted this with simultaneous high-powered advertising.

But when all is said and done through big media promotion, Fisher stressed, the final sales jobs rests with the retailer: "Products are still sold one-at-a-time by a retailer to a customer."

Tv's reliability record: what the engineers say

Although military electronics equipment gets the publicity and plaudits for reliability, consumer electronics products need take no back seat. Despite the rapid-fire model changes which mitigate against the accumulation of vital statistical data, the consumer electronics industry is operating at about 20% of the service level of only a half dozen or so years ago.

That's the synthesis of "testimony" by top-ranking engineers of nine home electronics manufacturing companies at a National Electronics panel on "Reliability in Consumer Electronics" in Chicago last week.

The panelists read like a Who's Who in engineering: Nathan W. Aram, Zenith vice president and chief engineer; James K. Bradley, chief engineer of component applications for Philco's Consumer Products Division; Robert L. Grant, Magnavox tv engineering manager; Clyde W. Hoyt, staff engineer of the RCA Home Instruments Division; Richard A. Kraft, Motorola chief television engineer; John Landeck, Admiral's chief monochrome tv engineer; John S. Schumacher, Warwick Electronics manager of tv electrical design; David Sillman, manager of engineering of Westinghouse's TV-Radio Division; Morris E. Broyles, components mgr of GE's Television Receiver Dept.

Anticipated fireworks by moderator Charles W. N. Thompson, management consultant, in his opening remarks failed to materialize as the nine engineers presented a united front. Generally, the engineers pointed out, the basis for reliability improvement is past performance.

"We never start afresh," Broyles, of GE, put it. "We start from our knowledge of today and decide where we want to go tomorrow."

The reason the consumer electronics engineer has to take the "practical approach to reliability as opposed to analytical," Aram, of Zenith, pointed out, is the short time of the product cycle. "After the product has

been sold, it passes out of our hands except for the limited warranty period." This makes impossible "anything near 100% statistical analysis."

Aram also noted this prime handicap: "At least once a year there's a complete new line, and sometimes twice a year. And then there are drop-ins. Sometimes we engineers think they're not drop-in, but throw-in models. All this model changing shortens the time the design engineer has to analyze reliability."

Hoyt, of RCA, stressed that reliability must be designed into a tv set.

"You can't make good quality on the production line," Hoyt emphasized.

Hoyt also stressed that mass production is not inferior production. "Making 10 million of a product makes for much tougher design than making ten."

Bradley, of Philco, told the audience of "a gimmick we have taken from the auto industry. The first 400 faults are reported in very quickly. By watching patterns, you can quickly pick up a fault or a faulty component." By and large, the engineers agreed that components suppliers are keeping pace with reliability needs.

Four problems that face the consumer electronics industry in increasing its reliability gains were noted by Landeck, of Admiral:

(1) "Lack of a central source of industry reliability data." (2) "Some difficulty" in obtaining improvement from vendors to the point of zero defects. (3) Maintaining reliability in face of mounting consumer demand for color sets. (4) Maintaining reliability as the transition to transistors intensifies.

"We are in a war," summed up Hoyt, of RCA. "We have new products every year or six months, and they are judged very severely in the marketplace. But we can be optimistic about where we have been and where we are going. We are 8 to 10 times better than we were 8 to 10 years ago."

FTC 'parts' issue to top agenda as EIA meets in Los Angeles

The Electronic Industries Assn. will be looking for an answer to the Federal Trade Commission's inquiry into foreign-parts labeling when the association meets this week in Los Angeles. The EIA is thinking both about what to answer and how to say it. EIA's marketing services are readying statistics to detail import penetration in the U. S., a prime FTC query.

A year ago, EIA Staff Director Jack Wayman satisfied FTC's labeling query with a written reply. This round, the full commission will sit.

Magnetic tape growth talk is expected. EIA wants good recorder statistics as manufacturer interest in recorders grows. One possibility is a membership rules discussion keyed to enrolling major U. S. importers.

EIA is also eyeing industry-wide

tv promotion despite individual member success. The promotion would combine ad and public relations efforts.

On other fronts, Wayman and Graham W. McGowan, EIA's general counsel, last week asked the Federal Communications Commission to drop or defer inquiry into the feasibility of setting tv stereo sound standards. They claimed current low industry interest in a study.

Included in EIA's request was its Broadcast Television System report saying a study would need about 100 industry engineers working 25% of their time for 18 months. Besides, BTS said, several questions need answers if more study is seen. Questions are: compatibility of sound and picture with potential of present tv sets, stereo reception traits, and systems factors.

Major design excitement: after Kelvinator, what?

by Martin R. Miller,
Bruce Pfau, and
Margaret Edin

Kelvinator cracked through the hard shell of design conservatism in the major appliance industry when it thawed out a cold January market in Chicago with its Originals. Ever since, the niche has widened as more and more manufacturers scramble through.

Decorator trend in major appliances first showed up in air conditioner lines in the early years of the 1960's, where it is still running strong. Then came the blare of Kelvinator's Originals last winter. Since then various manufacturers have announced their own variations on the decorator theme. It is a certainty that others will follow. Manufacturers on the market with design ideas in full-line applications include Amana and Gibson. Some of the compact refrigerator makers have picked up the idea and introduced "art" units. Among these are Astral and Norcold. In home laundry, the Centrex Corp. (Woman's Friend) has a decorator line with five patterns on top-of-the-line models. Some manufacturers have dipped in their toes by offering a few units with wood, simulated wood fronts or other trim for decorator effect. Among these are Frigidaire and Philco.

The present trend to design applications reflects the expectations of an aware generation of buyers. This Young America expects manufacturers to come up with "something a little different." The trend to a more conscious effort at design possibilities in major appliances indicates that manufacturers are "digging the message." The best news for manufacturers and retailers is that the new generation of buyers combined with an older style-conscious group is willing to pay a little more for merchandise designed with flair.

First move for style-conscious consumers came in the mid-1950's. At that time department stores and custom kitchen specialists began merchandising new appliances that were produced in color. More manufacturers ventured into the fray with color models and retailers began to display and sell them. Ten years ago the most popular colors were yellow and pink. Both are still in lines, but now are nowhere near as popular as copper.

By 1962, the National Electrical Manufacturers Assn. could report that 18.3% of all refrigerators shipped that year were of some hue. The percentage jumped to 26.7% of total shipments in 1963. In 1964, NEMA reported that 32% of units shipped by member manufacturers were in color. For the first half of 1965, the percentage had moved up to 36% of shipments. In free-standing ranges, 29% of the total in 1964 was in color, and, for the first six months of 1965, the percentage was also 29%. In dishwashers, 1964 figures show that one out of four portables was some flavor, while almost seven out of 10 in the under-counter-and-other category were in color.

To find out just what is happening with Kelvinator's Originals at the retail level, MERCHANDISING WEEK sent a comprehensive survey to McGraw-Hill Bureaus and correspondents around the country. The original survey was updated twice—the first time when the excise tax cuts led Kelvinator to drop prices, and the second when the company just cut prices outright.

Turn the page to see what retailers across the nation think about the Kelvinator units. In addition the following page shows how the Originals can be displayed in a showcase setting. ➡

How retailers

Monte Peterson
Herman Griggs
Paul Raddatz
Walter Wren
Ray Carlson
Beach Adams

Arnold G. Van Ness
Jerome Malasky
Virgil Armstrong
Wallace Kammermeyer
Harold Worsham
Harvey Eggherman

S. C. Jones
Warren Hall
Albert Bell
Fred Skaff
A. C. Rhodes
C. Kirvin

Kelvinator has created a chrome-bright image as an innovator with its fancy-front refrigerators. And retailers throughout the country crow that the Originals have souped-up sales of Kelvinator's standard appliance line.

But—the Originals are *not* selling well. If, as signs indicate, Kelvinator did not expect its Originals to set a sizzling sales record, Kelvinator was right. Retailers report they are selling Originals by ones and twos—if they are selling at all.

IMPACT OF THE ORIGINALS

"I don't care if they never sell—as long as they help me sell other models," a Georgia retailer, Arnold G. Van Ness, sales manager of Sterchi Bros. in Sandy Springs, said of the Originals. In varying degrees this was the attitude MERCHANDISING WEEK found among retailers—Kelvinator and non-Kelvinator—from Seattle to Miami.

"Originals make \$500 look cheap," one non-Kelvinator dealer in Kansas City said. Kelvinator retailers echo his comment:

"Our appliance sales are up, and I think it's largely due to the interest created by the Originals."—S. C. Jones, owner of Casey's in Ann Arbor, Mich.

"Our Kelvinator line has soared since they came out with the new lower prices. People will come in for Originals. When they're still too rich for their blood, they'll buy the comparable model in the plain line. The new line has brought in people we have never seen before. And we've been selling more expensive Kelvina-

tors than ever before. Our sales of Trimwall models have risen 30% since Kelvinator introduced the Originals. In the last year, people have been upgrading tremendously. Kelvinator hit the market with the Originals at the right time."—Paul Raddatz, vice president of Raddatz Furniture in Chicago.

"We haven't sold any Originals yet. But the display has doubled or tripled the sales of other Kelvinator products."—Jerome Malasky, manager of Capital Appliances Co. in Silver Springs, Md.

"It's been a real boom for Kelvinator, I think. Kelvinator has never been a major factor in the refrigerator business before, but that has already changed because of the Originals. Many customers have gone ahead and bought the regular Kelvinator. I've quadrupled my sales of Kelvinator refrigerators since I took on the Originals."—Ray Carlson Jr., manager of Carlson's Furniture Store in Cleveland.

"People admire it. Say how nice it is. And then order the regular model and figure they saved \$300."—William L. Nylen Jr., president of Nylen Bros., Kelvinator distributor in Hawaii.

"People look at it—then buy another. I've sold three times as many conventional Foodaramas because people look at the Originals, then buy the conventional two-doors."—Warren Hall, appliance buyer for May Co. in Cleveland.

The competition may cash in on the actual sales of decorator refrigerators, however. Retailers think that other manufacturers' fancy-front boxes are more realistically priced.

And, although other companies' designs are not as elaborate as those of Kelvinator Originals, retailers expect them to sell well.

SALES OF THE ORIGINALS

Some salesmen say the Original itself may never *really* sell—at least until prices are cut. "They're something to talk about, but who can afford them?" complained Albert Bell of Midwest Appliance Co. in Kansas City. "They're gimmicks."

"Be sure a woman is sitting down before you tell her the price," warned Fred Skaff of Skaff Refrigeration in Lawrence, Mass.

"They've got to change the inside of the equipment," counselled A. C. Rhodes of B. L. Russell & Co. in Huntington Park, Calif. "All you're getting now is a door. And \$400 extra is too much for a set of doors."

"They look at other boxes in the \$300 class, the same size, the same equipment, and they figure the only difference is in the doors," said Virgil Armstrong, manager of the B. F. Goodrich store in Cincinnati. "And who am I to lie to them? I tell them, 'Yes, that's about it.' Four hundred dollars is a lot to pay for a door, even if it is fancy and different."

"Everyone loves the Originals, but we can't sell any," said S. C. Jones, owner of Casey's in Ann Arbor, Mich. "If the price doesn't come down, the future is greatly limited—or maybe non-existent—for them."

Price cuts did perk up sales of the Originals, retailers reported. (In June, Kelvinator cut the price on nine of the most popular Original models). The excise tax cut also re-

portedly helped sales.

"The price cut has given us new selling points," said C. Kirvin, appliance sales manager for a B. F. Goodrich store in Birmingham. "The fact that they have been reduced is one selling point, and another is the small difference now from the \$495 top price of refrigerators without the decorated doors."

"We originally stocked three models in the middle price range," Kirvin said, "the top-mount Trimwall, which had an original price of \$700 and has been reduced to \$550; the bottom-mount Trimwall, originally \$750, and now \$625; and the Town and Country, originally \$790, and now \$700."

"The original prices were too high," he said, "They attracted people into the store, but, when they learned the price, they lost interest."

A Delft Original—with a price and tax cut of \$155, bringing it down to \$670—was sold by Harvey Eggherman, president of Bond Furniture Co. in Cincinnati. He explained, "It was sold by a very enthusiastic salesman. Namely, me. I pointed out to her that since the price had been cut and the excise tax had come off it was a very good bargain, and she said, 'I'll take it.' After someone sprinkled water on me I got up off the floor and wrote out the order."

When the prices were dropped, Stewart's Dry Goods Co., one of Louisville's leading department stores, moved fast to give the impression the items were "on sale," and, reportedly, sold about two Originals a week.

Each Original carried a price tag with the introductory price. A bright red "sale" tag displayed the new price. Stewart's also included a third

Major display in design: how Kelvinator

Kelvinator's Originals have found a home at the National Design Center (NDC) in New York City. Kelvinator—first into the marketplace with their decorator refrigerators—has marked another first for the major appliance industry.

While most manufacturers are content to sit back and take pot shots at retailers for their lack of imagination in floor display, Kelvinator's two exhibits at the NDC show retailers and consumers alike how major appliances can and should look in a display setting.

Kelvinator's standard exhibit (see photo far right) opened in the Center last spring and features four of the Originals in unique design vignettes. Kelvinator's newest exhibit (see photo near right) is the "Joan Crawford Room" that caught everyone's eye at a recent design show at

the National Design Center.

The Crawford Room, featuring the Carriage Lamp Originals, was conceived by New York City's versatile designer, Marvin Culbreath. The color scheme of the unusual, circular kitchen is black and white, accented with silvery stainless steel. This "no-color" effect is Culbreath's concept of what Miss Crawford would like.

The Design Center, located in Manhattan's artsy-craftsy Upper East Side, is basically a marketing tool for manufacturers, according to Arnold R. Morris, NDC executive vice president. Morris said NDC paces new decorating trends and design motifs as well as supplying product information to interested consumers.

For example, at the standard Kelvinator exhibit, consumers may pick up a telephone and hear a tape-recorded product story on the Orig-



The Joan Crawford Room: duplicate models in the "Carriage Lamp" design

evaluate Kelvinator's Originals

tag indicating the price of the comparable Kelvinator model in the regular line, apparently hoping to trigger purchases of regular models from people attracted to the Originals but not willing to pay higher prices.

(Incidentally, Stewart's—as did several other retailers—took on the entire Kelvinator line in order to qualify to sell Originals.)

The hubbub the Originals caused in the industry and the press was tremendous, most retailers agree; few have complaints about the promotion given the Originals. But some do.

Monte Peterson, manager of the appliance department of the Paris Company's Cottonwood Store in Salt Lake City, said, "Right after the national advertising announced the new designs there was a great deal of interest, but the models weren't available. It was a poorly timed promotion and should have been better scheduled to meet the supply."

Local promotion is handled by distributors, and in Salt Lake City, say the retailers, there has been little. This complaint also was voiced by retailers in several other areas. The impetus of the first spectacular promotional splash seems to be ebbing away, some retailers told *MERCHANDISING WEEK*. But no dealer denied that the Originals still stop traffic.

Dealer advertising of the Originals appears to be limited because Kelvinator has made no special ad allowances specifically for that purpose.

A fancy franchise frightened some retailers away from the Originals—but that probably was Kelvinator's aim: exclusivity. A Kelvinator representative in Detroit notes, "In fact, only a minority of our dealers

have taken on the Originals, and that's all we expected."

To handle the Originals:

1. A retailer must carry the entire Kelvinator line. (Witness Stewart's in Louisville and Jack Boring's in Kansas City, both of which took on the entire Kelvinator line to get at the Originals.) Two isolated exceptions were Neiman-Marcus in Dallas and Abercrombie & Fitch in New York, both prestige specialty stores. Kelvinator did not require them to sign up for its complete line.

2. A separate franchise or agreement must be signed by the retailer agreeing to stock and specially display at least three Original models.

3. No playing with prices on the Originals, Kelvinator rules.

And the Originals are exclusively priced. "The initial purchase of Originals is quite an investment," notes Howard Hampton, manager of orders and distribution for Kelvinator in the Midwest. "Small dealers can't handle it. Only large dealers are able to carry the line."

MARKET FOR THE ORIGINALS

Retailers are not in complete agreement that there is a decorator market for kitchens—but the manufacturers seem to have bought the idea, since at least four major companies are now showing fancy-front models.

When he was interviewed in June, Herman Griggs, president of Catron & Griggs Furniture & Appliances in Belton, Mo., had this foresight: "I hear that Frigidaire will be coming out with some decorator models. If Frigidaire feels that it is worthwhile—if the story is true—then there

will be a terrific impact. For example, for those with Early American homes, I could see great production. That is, if the price were brought down to the level of other models."

Other retailers said:

"Although \$550 for a refrigerator is still a lot higher than \$250, I'm not advocating that the price be brought down to the level of regular refrigerators. Customers who purchased the Originals from me did so, in part, because they wanted something they wouldn't see in everyone else's house. If you remove exclusivity, you actually may hurt sales.

"The people we've sold to are individuals. They haven't come in looking for an Original. They were moving into new homes and were looking for appliances; but when they see the Originals, that's what they want. You've got to try and spot the customer who's a bit of a nonconformist and wants to be different. It's no use trying to sell them to Mr. Average. The people who've purchased them from us have homes ranging from \$18,000 to \$25,000, so I think desire is more of a factor than price."—Manager of Solley Refrigeration in Clarkeston, Mich.

"We hope to sell some Originals in the fall. We have gotten expressions of interest from people who will be building new homes in the fall. I see the Originals as primarily selling to people who are entering new homes—homes in which the woman is willing to put several thousands of dollars into decorating her kitchen."—Manager of a B. F. Goodrich retail store in Dearborn, Mich.

"I can sell a \$1,000 color tv set, but not one of those things. People

just aren't going to lay out that kind of money for a fancy door on their refrigerator."—Harvey Eggherman, president of Bond Furniture Co. in Cincinnati.

"People are intrigued. It is a line we don't sell to everyone. We sell to two-Cadillacs-in-the-garage types. They are looking for something different. I imagine if the sales are successful, others in the industry will copy. It's not only the Japanese who copy, you know."—Walter Wren, owner of Wren's in Portland, Ore.

"Anyone can see that eventually every home will have color television and electronic ranges, but you can't say the same thing for customized designing in refrigerators."—Beach Adams, appliance retailer in Salt Lake City.

"The Originals are a stimulant to a market that was very drab. They added some fashion, they made the department look like a fashion department. They stimulated interest, caused some excitement. I think Kelvinator benefited very highly. I think they woke up a lot of sleeping giants, and fashion will be thought of more and more in the kitchen."—Wallace Kammermeyer, buyer of floor care and major appliances for Carson, Pirie Scott in Chicago.

Decorator market or no—Kelvinator has come out a winner. The company's new leadership look has impressed retailers. "It has given Kelvinator a glamor appeal it didn't have before," said Harold Worsham, major appliances manager at Hink's in Oakland, Calif. "Just like when Ford came out with Thunderbird—the Originals build prestige for the whole line."

is showcasing its exciting Originals



Kelvinator's standard display: four Originals in vignette format

inals. These consumers are urged to check with the Center's Information Desk for product literature and the name of their nearest franchised Kelvinator dealer.

Morris explained that the New York City center, and its two-year-old sister unit in Chicago, Ill., do no actual product selling. Morris said the New York City center, during its eight years of operation, has served primarily as an idea springboard for interior decorators, architects, and builders. "NDC gives builders and architects a place to see the trends of tomorrow today," Morris added.

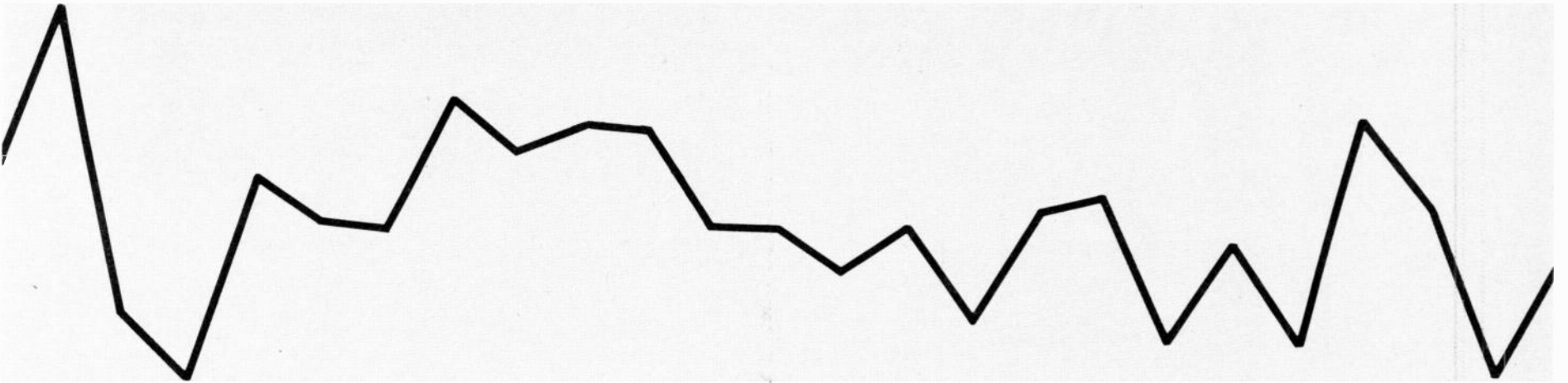
Builders and architects, approximately 35,000 strong, are kept in touch with NDC's efforts through the semi-annual Product Information Journal. The journal compiles listings of exhibitors in both the New York and Chicago Centers, gives

product information, and pinpoints the trends in gracious living.

While the New York center is a haven for the interior decorating crowd, it attracts some 350,000 visitors from all parts of the nation annually. Both Kelvinator officials and NDC executives reported that consumer interest in the Originals has been tremendous during the past few months.

Kelvinator, whose two-year display contract still has some 18 months to run, believes that a unique product should be displayed in a unique setting. And for Kelvinator, the National Design Center not only gives the company a national forum to reach the eyes and the ears of the design conscious, but the center provides the Originals with the ultimate in a coordinated merchandising approach.

IF YOUR BUSINESS CURVE LOOKED LIKE THIS, YOU'D BE IN TROUBLE...



WE LIKE IT!

Merchandising Week is read thoroughly, cover-to-cover. No skimming or skipping or "cherry-picking" a page here an item there. Mills Shepard, the trade publication readership specialist, reports an intensely interested readership from front page right through to the back cover.

As we said, we like it and you should too. This is the kind of reader attention your advertising deserves.

The chart? It represents front of publication to back cover readership scores of $\frac{1}{4}$ page and larger advertisements in the February 15, 1965 issue. Your **Merchandising Week** representative will be delighted to give you the complete readership story. Just ask him.

Why settle for

A lick and a promise?

Retailing is a great business, but it gets rough. Increased competition! Higher operating costs! And even some suppliers who think giving a lick and a promise will solve your retail problems.

It won't, of course. Solid follow-through by suppliers is essential.

We've all had friends and acquaintances in this business who, unfortunately, had to call it quits. Why? Well, in some cases, it may have had something to do with the attitude of their suppliers.

At Motorola, we keep one fact first in mind . . . that retailers have to have something they can sink their teeth into and sell by. You need products and programs that create sales. Consistently and profitably.

How do we help? Mainly by making products that help sell themselves. Take Color TV, for example. Our rectangulars caught on fast and it seems that sales are holding up well without retailers having to "wheel and deal" to make a sale. As you know, the "big deal" is a condition which has plagued this industry for some time.

But at Motorola, we believe in product leadership...leadership that pays off at the cash register. Ask any man who handles our line.

We can't manufacture profits for you—but we at Motorola speak for top retailer profits . . . think you deserve them.

For it takes profits for progress...profits to grow.

MOTOROLA

new leader in the lively art of electronics

AD TACTICS

You are probably promoting and selling color tv today as if there were no tomorrow.

But there will be a tomorrow, and you may as well start thinking about it now, before it gets here. This is the time to start planning for your Christmas and January advertising—and, with a new year coming up, to reconsider some of advertising's basics. You might want to take a fresh look at your ads and make some resolutions about them.

Here is a 14-point test for your ads—and the ads on this page. It is taken from a brochure published by Whirlpool Corp. for distributor salesmen.

1. Is there a way to create activity at store level that ties-in with the ad to create a hard-selling promotional campaign, rather than a "one-shot" proposition?

2. Examine the appeal. Does the advertisement make a basic appeal; that is, do its elements arouse a specific desire on the part of the reader to acquire the benefits of the product? Is the appeal made clear in the headline, picture, and text?

3. Examine the advertisement for reader interest. Do headline, picture, and text point up benefits, or do they just "push the product?" The product should be presented as an answer to the reader's need or desire, rather than as something you wish to sell.

4. Are the product's benefits described in concrete, factual terms?

5. Is the product described clearly in the picture and text so the reader will know what it is, what it does, how it works, how it looks?

6. Are the claims supported by some evidence other than your own self-interest statements, by testimonials or research-tested results?

7. Does the layout provide an obvious starting point for the reader's eye, and a logical sequence, to lead the reader through the advertisement without confusion?

8. Is the headline mechanically readable? Or is it too large or too small, too long for quick reading? Is it typographically readable and effectively placed to lead the reader into the text?

9. Does the illustration contain people or symbols of people? Is it an action picture? Does it show action or create a sense of action in the reader's imagination? Does it show the product in use? Does a caption explain it?

10. Are the claims made for the product related by the text and picture to the reader's need or desire, so she does not have to draw her own conclusion?

11. Is the price clearly stated, or is cost discussed in relation to benefits so the reader will have an idea of the product's value?

12. Is the reader asked to perform some definite act that will lead to the purchase: to buy, to send in a coupon, to call?

13. Is the advertisement as a whole typographically readable? Or is the type too small or too large? Is the text paragraphed for easy reading?

14. Is there any statement or picture in the advertisement that the reader may not accept as entirely believable?

Of course, there is more to a successful ad than just these 14 points, but these, at least, are a good start. Future Ad Tactics will give you more on planning better ads.

Wallis E. Wood

IT HAPPENS JUST ONCE A YEAR... YEAR END SELL-OUT LITERALLY HUNDREDS OF ... TELEVISION SETS ... STEREO SETS ... RANGES REFRIGERATORS ... WASHERS ... DRYERS ... FREEZERS MARKED DOWN!!!

TERMS!
NO MONEY DOWN
NO CREDIT
NO PAYMENTS
UNTIL 1981

No Frost Anywhere!
KELVINATOR
18" 1/2" P.F.
REFRIGERATOR
FREEZER!
\$258
With Trade

NEW MAYTAG
WASHERS • DRYERS
OVER 87 Floor Samples
All Carry "New" Warranty
with \$5 to \$30 Reductions

KELVINATOR
Triple Safe
ELECTRIC DRYER
\$95

Magnavox
12" Diagonal Picture
Portable TV
\$114.00

STEREO-HI-FI
174 Stereo Units
In Inventory
CERTAIN FLOOR SAMPLES
Are Now
REDUCED FOR SALE

BARGAINS on KELVINATOR
ELECTRIC RANGES
to make 1985 Cooking
a real PLEASURE!

RCA VICTOR COLOR TV
28 Floor Samples to Choose From!
Enjoy Big Reduction In This Year
End Sell Out From PRICE'S
"Be Color Conscious in '85"

USED MAYTAG
WASHERS
--56 to Choose from--
NOW IS THE
TIME TO SAVE!
Priced From **\$95.00**
GUARANTEED ONE YEAR PARTS & SERVICE

PRICE'S
SALE ENDS THURS. DEC. 31ST
Competitive Values ... Plus For Better Service

Have a Year End Sell-Out. Price's, in Norfolk, Va., said "Literally hundreds of television sets, stereo sets, ranges, refrigerators, washers, dryers, freezers marked down!!!" The sale ended December 31, and the first payment was due in February. This advertisement ran after Christmas last year.

Read what they say about RCA VICTOR COLOR TV!

Mrs. J. D. Smith
7612 Kessler
Overland Park, Kansas

"We chose our RCA Victor Color set because of their nine years of color experience and fine furniture styling. Woods Balke has the largest selection."

Woods-Balke

NOW BUY AMERICA'S NO. 1 SELLING COLOR TV FOR AS LOW AS \$359.95

EM 3-4060 7123 Treest
Kansas City, Missouri

NI 2-3553 7342 W. 80th St.
Overland Park, Kansas
Open Sunday

GL 3-0800 5406 Antioch Rd.
Antioch Shopping Center

RCA MANUFACTURES JUST ONE BRAND OF TV AND THAT'S RCA VICTOR
Don't let anyone tell you another brand is made by RCA

Run a small ad—but make it effective. This ad, three columns by 4 inches, ran on the television page of the *Kansas City Star*. It quotes one of the store's customers (the "ask-the-man-who-owns-one" idea) as saying, "We chose our RCA Victor color set because of their nine years of color experience and fine furniture styling. Woods Balke has the largest selection." The ad quotes a \$359.95 leader price.

LAST 4 DAYS KEN'S BIG JANUARY CLEARANCE

Hundreds of FRIGIDAIRE Appliance Specials and RCA Victor TV's and Stereos To Go at LOWER THAN EVER PRICES! We MUST Move Many of These in the NEXT 4 DAYS and have priced ALL 1964 Models and prior Models up to 50% OFF our orig. tagged prices! DON'T MISS THIS SALE.

(5) 19 Cu. Ft. FRIGIDAIRE Refrigerators White and Colors	\$49 up
(17) 16 Cu. Ft. FRIGIDAIRE Refrigerators White and Colors	\$39 up
(71) 14 Cu. Ft. FRIGIDAIRE Refrigerators White and Colors	\$19 up
(13) 12 Cu. Ft. FRIGIDAIRE Refrigerators White and Colors	\$17 up
(4) 11 Cu. Ft. FRIGIDAIRE Refrigerators White Only	\$19 up
(8) 10 Cu. Ft. FRIGIDAIRE Refrigerators White and Colors	\$14 up
(13) 30" & 40" FRIGIDAIRE "Flair" Ranges White and Colors. Double and Single Oven	\$24 up
(12) 40" FRIGIDAIRE Double Oven Ranges White and Colors	\$25 up
(7) 40" FRIGIDAIRE Single Oven Ranges White and Colors	\$19 up
(12) 30" FRIGIDAIRE Ranges White and Colors	\$13 up
(31) FRIGIDAIRE Automatic Washers White and Colors—Some with Soda Savers	\$16 up
(22) FRIGIDAIRE Gas and Electric Dryers White and Colors	\$11 up
(13) FRIGIDAIRE Upright and Chest Freezers 10-12-14-18-20 Cu. Ft.	\$16 up
(31) FRIGIDAIRE Portable and Undercounter Dishwashers White and Colors	\$12 up
(4) FRIGIDAIRE Built-in Ovens and Surface Units. Good Selection	\$5 up



RCA VICTOR TV and STEREO CLOSE-OUTS—COME IN AND COMPARE THE VALUES!

Our Only Tagged Price Sale

\$388

Our Only Tagged Price Sale

\$478

Our Only Tagged Price Sale

\$109

Our Only Tagged Price Sale

\$178

OPEN DAILY 9 to 9 KEN BUSH STORES
OWNERS: 188 S. HIGH, CA. 1-7792 NORTH: 4204 N. HIGH, SM. 7-8124

Have a January Clearance sale. Ken Bush in Columbus, Ohio, ran this ad January 26. He said, "We have priced ALL 1964 Models and prior Models up to 50% OFF our original tagged prices! DON'T MISS THIS SALE." The ad tells how many of each appliance was in stock, and advertised brown goods close-outs.

THE BROADWAYS SEMI-ANNUAL HOME SALE

SAVE \$20 TO \$50 QUALITY KELVINATORS—COLORS COST NO MORE

SAVE \$50
"NO-FROST" 19.1 CU. FT., 155 LB. BOTTOM FREEZER
\$48.88

SAVE \$20
16.6 CU. FT. DOUBLE DOOR, 140 LB. TOP FREEZER
\$218.88

SAVE \$20
DELAWARE "NO-FROST" 18.6 CU. FT., TOP FREEZER
\$278.88

PHONE US TODAY, SUNDAY, MA. 6-7411, 9-30-500

Have a Home Sale, as The Broadway, an 18-store Southern California chain had last January. "Save \$20 to \$50. Quality Kelvinators, colors cost no more." All prices were given as "no money down, \$17 [or whatever] monthly on Broadway's Homemaker Account." The ad asked, "Why wait? Take advantage now of trade-in savings."

THE MAY ALL-STORES 66th ANNIVERSARY SALE

NOW IN PROGRESS LOWEST PRICES OF THE YEAR

YOUR CHOICE ANY OF THESE USEFUL APPLIANCES ONLY 9.77

TRY DRIVE-UP SHOPPING DOWN-TOWN... PAGE 17 MAY'S MESSAGE

Have a One Price Sale; here the May Company in Cleveland advertised 10 different electrics by six different manufacturers at one price. The full-page ad ran on Sunday and advertised both brand names and May's own Duracrest brand. The promotion was part of the store's 66th Anniversary Sale.

CERTIFIED TV AND APPLIANCE CO.
Let ZEKI and HARRY Help You Play Santa!
NO MONEY DOWN 1st PAYMENT MARCH 1965
Guaranteed Christmas Delivery!

Give FRIGIDAIRE—Practical Gifts that Keep-on Giving!

Smart Santa's CAN SAVE 50% ON TOYS AT CERTIFIED TV

Give Her A FRIGIDAIRE Automatic Multi-DISHWASHER **\$158**

Give Him A FRIGIDAIRE Automatic DRYER **\$148**

New 1965 RCA Victor COLOR TV **\$3.25** per week

SAVE \$103! RCA Victor 8-Speaker STEREO **\$438**

RCA Victor USE-VISIT PORTABLE TV **\$124.50**

PROTECT YOUR PURCHASE Buy Only From An Authorized Salesman

Finish the year with a bang. Certified TV, in Norfolk, Va., ran this ad last December 19. It proclaims, "No money down! 1st payment March 1965. Guaranteed Christmas Delivery!" It featured a dishwasher, a color tv set (at \$3.25 per week), and a stereo console. Also advertised were a washer, dryer, and portable tv.

Direct Mail

VERSATILE VALUE-PACKED ELECTRICAL APPLIANCES

...EACH ONE TAGGED AT ONLY 14.99*

Use step-up pricing, as Abraham & Straus did in an 80-page direct mail piece. While the \$9.99 price continues to be the most widely used, the gift season provides an opportunity to feature a trade-up assortment of electrics.

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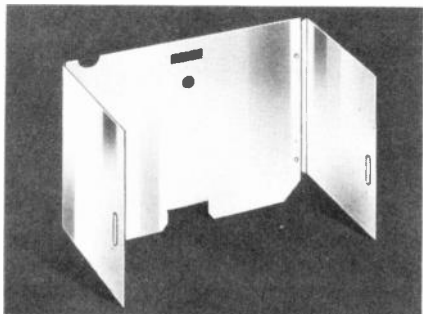


Show...tell...sell

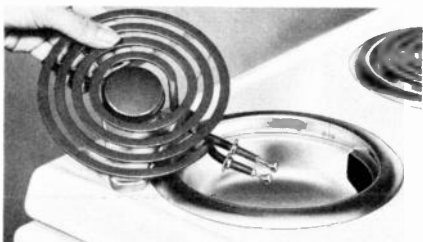
easy-to-clean ranges at no premium prices

in the new '66
RCA WHIRLPOOL
electric range line

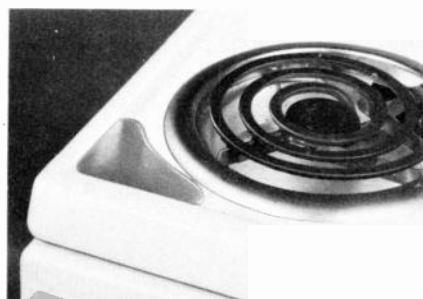
Every RCA WHIRLPOOL electric range, from the top of the great new 1966 line to the bottom, has more easy cleaning features than ever before to demonstrate . . . to talk about . . . to sell!



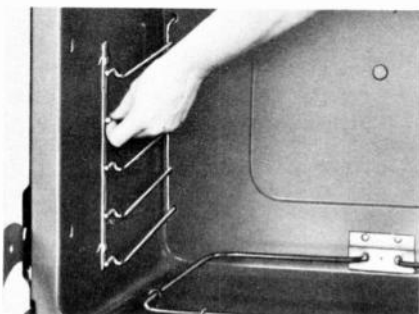
Start with the disposable oven liner. Show 'em how it slips in and out in a jiffy . . . fits snug, stays put. Tell 'em it's strong, lightweight aluminum that can be washed over and over . . . replaced for about \$2.00 when it won't clean up bright. (Oven liner available for all 30-inch models.)



Unplug a surface unit. Show how easy it is to wipe the reflector bowl clean when the unit is removed. Lift the bowl out . . . it can even be washed in the sink! And tell 'em that spills can't drip through the solid bowl bottoms.



Show the Spillguard* top . . . its raised edge helps keep spills from running down the range and onto the floor.



Show how easily racks and rack guides come out of the oven. No

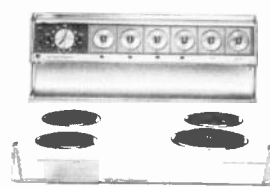
ridges or humps to clean around, no corners or cracks to trap grease. And point out the removable oven door.

Incidentally, the new RCA WHIRLPOOL electric range is a great little cook, too. With new Delayed Auto-Hold* control that starts and stops the oven automatically, holds foods serving hot without overcooking . . . exclusive

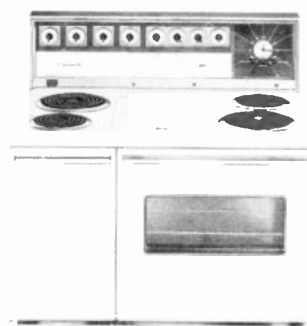
Bar-B-Kewer* oven . . . thermostatic surface unit.

There are 30- and 36-inch free-standing and 30-inch Connoisseur* ranges, including double-oven models, to show . . . tell . . . sell! Get the whole exciting story on the RCA WHIRLPOOL electric ranges for '66 from your local distributor.

*Tmk.



MARK 30" MODEL RPE390



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Housewares sales reps inspect the industry's problems

Manufacturers' sales representatives who warehouse their lines, and the future role of the housewares-hardware distributor set the stage for some lively debate during a seminar sponsored by a rep association in New York City last week.

The growth of co-ops and other dealer buying groups, as well as a discussion of the encroachment of private-label merchandise, also served as a take-off for panel members dur-

ing the seminar proceedings.

The program, built around a theme of the "Problems as the Housewares-Hardware Industry Sees Them," was sponsored by the Housewares-Hardware Representatives of Metropolitan New York Inc. to mark the association's first anniversary.

Panelists were: Emmanuel Asher, housewares merchandise manager for S. Klein; Harold Larkin, publisher of *Modern Retailer*, a discount pub-

lication; Mel Moss, non-foods director for Bohack, and formerly of Daitch-Shopwell; William Noering, electric housewares and garden goods buyer for Abraham & Straus; Harry Schwartz, vice president of Lincoln Metal Products, and a former president of the National Housewares Manufacturers Assn.; Burt Sloane, a manufacturer's representative; R.A. Smith, electric housewares and lamp buyer for F.W. Woolworth; Sheldon

Soffer, vice president of Popular Merchandise Co., mail-order house; Sidney Korn, president of Hudson Housewares, a distributor specializing in servicing mass merchandisers; Richard Wall, controller for Gimbels Bros.; George Weintraub, vice president of Central Queens, a traditional housewares distributor; and Eli Rabkin, buyer for Judor Distributors, which is a leased-department operation.

The warehousing rep: a new breed is in the making

The stocking, or warehousing, rep, a phenomenon which started in the Miami, Fla., area, has spread across the country within the past year. Essentially, the warehousing rep takes over the responsibilities of the distributor; however, in some cases, he merely backs up the jobber and does not service retail accounts directly.

"Whittling down the jobber" was the complaint of George Weintraub, a distributor. Weintraub was referring not only to the warehousing rep but also to increased use of direct sell by manufacturers and the growth of co-ops and other buying groups.

"If I were a distributor," maintained Burt Sloane, a rep, "I would be afraid of any rep doing that . . . Either you are a rep, or you are a jobber."

A warehousing rep spoke up from the audience. Fred Garmon, of Garmon-Stein, Boston stocking rep, defended his new breed, especially when they handle and stock seasonal merchandise and products which have been dropped by traditional distributors. Among other lines, Garmon reps Structo barbecues.

The rep is forced to step in and provide the service retailers need, Garmon maintained. Retailers cannot rely alone on factory deliveries, especially on seasonal merchandise. The retailer, he added, may miss an important weekend of sales because he is out of stock and unable to get a shipment in time from the factory. The rep fills the void, he said.

The future role of the rep, as seen by Garmon, is that of a "regional warehousing supervisor for the factory."

The inroads made by the warehousing rep have been limited, and probably will continue to remain so, several seminar participants concluded. The warehousing rep has been successful, it was pointed out, in areas far removed from factories, where there are "weak" distributors, and in product lines which are not marketed through distributors.

There has been little enthusiasm shown among reps in the New York City area to go into the warehousing business, largely because of close proximity to factories and strong distributor operations.

Costs and headaches are added when the rep takes on warehousing responsibilities, it was noted. He not only adds to his overhead but is waiting for retailers to pay invoices, as well as waiting for commissions from the factory.

The job of the rep: to provide all-around service

The role of the conventional rep—scrutinized during a discussion of "Is the Representative Working for You"—brought forth panelists' replies that adhered to "party lines."

Said Klein's Manny Asher, "He works for the customer first."

"The representative must work for the manufacturer," said manufacturer Harry Schwartz, of Lincoln Metal Products. "If not, he's doing a bad job."

The one manufacturer's representative on the panel, Burt Sloane, clearly indicated who he is working for: "If you're not working for the manufacturer, no one is."

Acceptance of the representative's dichotomy was neatly summed up by Sheldon Soffer, of Popular Merchandise Co. "The representative works for both. If he is understanding, then the rep is thinking and working for his buyers and the manufacturers at the same time."

When asked from the floor, "What help do you seek from representatives?" A&S buyer

Bill Noering shot back, "Service." Noering added that he is aided by reps who know the shopping area and work with the retailer.

This led to a panelists' profile of what is "a good rep."

"He must know what he is selling," said Mel Moss, of Bohack supermarkets. "Often the representative is not given the know-how or the 'tools' to sell a product. This is a lapse in coordination between the manufacturer and the rep."

Manufacturer Harry Schwartz said, "We pick a representative because he knows the market and the customers. We want a man who will take responsibility."

Shifting to the buyer's role, Burt Sloane was dealt the leading question, "Should a buyer follow the leader?" Sloane replied matter-of-factly: "Some buyers are leaders and others are followers."

Buyer Manny Asher rose to the defense. "Buyers are leaders," he said. "A manufac-

turer's investment in a product doesn't determine its saleability," Asher added. At this point, a barrage of questions were directed to the panelists.

One representative lamented, "Why can't reps get appointments with buyers over the telephone?" (Applause.)

Another rep asked, "Why do manufacturers give us products to sell that can't possibly be shipped for six months?" (More applause.)

Neither question got a thorough reply.

One question that did get quick attention was, "Why is correct and prompt payment by retailers so difficult to obtain?" Richard Wall, controller for Gimbels, pointed out that his organization has been swamped by different vendors with several billing methods. Wall added that Gimbels still checks invoices against stock.

But Wall did allow that he has advocated a list of preferred vendors who would be paid upon receipt of an invoice.

Two heated topics: role of distributors, private labels

The housewares distributor, at least the variety working the New York City area, fared well and gained some praise during the rep seminar. However, distributors in other parts of the country were pictured as less healthy, with the suggestion made that perhaps they should be brought into New York City and taught a thing or two.

Retail praise for the distributor came from William Noering, of Abraham & Straus. Noering said he has to "give up a few percentage points" but that he gets good service from his distributors. "Yes, indeed they are," he replied when asked if his distributors were doing a good job.

"The market is ripe for the jobber," argued Sid Korn, of Hudson, a distributor which has cut its overhead (no outside salesman, for example) to service mass merchandisers. "It is pretty hard for accounts to do without him," Korn maintained.

"There are few accounts in this area who can buy everything they need from the manufacturer . . . If they had to rely on manufac-

turers [for fast delivery, good service] they would be in trouble."

The co-ops provide a threat in the eyes of George Weintraub, another distributor, but of the traditional type. "There is a definite room for [the co-ops]," Weintraub conceded. "They will make a lot of progress whether we like it or not . . . They are succeeding in keeping alive certain operators who would have fallen by the wayside."

Distributors who have gone broke or have left the business because of poor profits can only blame themselves, Korn indicated. "I contribute it to their inability to modernize their ways of doing business," he said.

Whether the reps know what is going on or a line is faring outside their own territory brought on some heated discussion. The rep audience clearly did not like the insinuation, raised in a question to the seminar participants. The reps received their defense, including a comment from Sheldon Soffer, of Popular Merchandise: "If you ask a rep what is going on in Kalamazoo, and if he can't tell you then,

he'll be back in 10 minutes with the answer."

A debate on private labels sprang from a discussion of quality. Everyone favored quality but not everyone favored private labels.

A discounter defended the quality of private-label merchandise. Said Eli Rabkin of Judor Distributors (leased-department operator): "The private label is generally made by a reputable manufacturer . . . It must have better or equal value [to name-brand goods]." Judor has a private-label program, but Rabkin said he would know more about the subject after another year in offering own-brand goods.

Woolworth's R.A. Smith defended the quality of private labels, but indicated that, in housewares, his operation still needs the prestige of name brands. He pointed out that in some product areas Woolworth is 100% private label.

"Private labels are going to hurt all of us," contended distributor Weintraub. "Who is going to do the innovating [of new products]?" he asked.

□ □ □ □ **Sprucing up the home for the holidays** will get increased promotional attention from housewares retailers this year, judging from talks with buyers.

Like home entertaining, the spruce-up angle has come along to provide a good promotional peg for early promotions aimed at the Christmas gift season. The two themes are closely tied.

Bath shop merchandise and floor care products—both manual and electrics—are expected to be helped by the increased attention that will be given to getting the home in show-off condition for holiday guests. The approach plants gift ideas as well as encouraging consumers to buy the merchandise for their own use.

Besides bath shop and floor care products, a wide range of bar accessories look good to buyers for the early-season promotions. High-end, glass-fiber tray table sets also will be played up.

□ □ □ □ **The trade-up trend keeps getting stronger** at retail, and could help make the fourth quarter not only busy but a lot more profitable for retailers this year. Buyers report that consumers are trading up themselves, that demonstrators are doing a better job in stepping up the customer, and that their own sales staffs are putting more emphasis on features.

Basic electric housewares—toasters, coffeemakers, mixers, and irons—are showing considerable strength. Hair dryer business is said to be up considerably over last year's pace at this time, thanks largely to the salon-type dryer which Schick seems to be making for everyone.

Shortages and delivery delays are bothersome, but not terribly severe.

□ □ □ □ **Eureka offers a vacuum cleaner package** for retailers to promote for the Christmas gift season. The package consists of a Eureka 702-AT canister, a manual carpet sweeper carrying the Eureka name, and a storage hassock. The package will retail for \$59.95 and will be promoted as a \$79.85 value. All three products are shipped together. The 3-in-1 promotion will be available through next February. Eureka has been relying heavily on premiums to promote its vacuum cleaner line.

□ □ □ □ **Looking ahead to Mother's Day** is the National Committee on the Observance of Mother's Day Inc., which last week announced the theme and a new poster for its promotion. The theme is "Remember Mother with a Gift She'll Remember," and a new poster has been painted by artist Coby Whitmore. Mother's Day 1966, incidentally, falls on May 8—24 selling days after Easter.

□ □ □ □ **Fan producers have cut back on production** of their 1966 lines because of the large inventory carry-over from this year, one of the poorer fan seasons. For retailers and distributors, there are some good closeout buys around.

Westinghouse Electric Corp. last week scheduled a layoff of some 450 employees at its Springfield, Mass., plant, which produces fans, vacuum cleaners, polishers and heaters. One reason cited for the layoff was a high fan inventory carryover.

Wholesalers horn of plenty contains a few sour apples

Hardware-housewares wholesalers are riding the crest of a banner year that is washing away sales and profits records. But midst the industry's high-water mark, certain wholesalers are plagued by fear, real or anticipated, of dealer-owned co-op competition. In addition, two other problems refuse to ebb: manufacturers' direct-sell to retailers, and delivery delays.

As members of the National Wholesale Hardware Association (NWHHA) gathered in Atlantic City for their 71st annual convention last week, cocktail prattle and corridor chat in the Shelbourne and Dennis hotels frequently floated to the serious discussion of dealer-owned cooperatives.

"We're at our wit's end about it," lamented Pat Flournoy of Charleston Hardware in Charleston, W. Va. Co-ops are more of a hindrance than discount house competition, Flournoy added. "They get cost-plus-five from the manufacturer, and we can't beat that."

From the same state came another cry with a similar tone. Mark Kennedy of Ott-Heiskell Co., in Wheeling, spoke of the many retailers who "only see price. The discount lure has created serious overbuilding of inventories," Kennedy said.

In Pittsburgh, co-ops are a "major problem," according to Aaron Jaffe of J. A. Williams Co. "Our answer is a program that includes catalogs, circulars, displays, stepped-up service, and competitive pricing."

"How to combat co-ops? If I had all afternoon, I'd stop and talk to you," said an Alabama wholesaler.

Advertising and sales promotion manager Stuart Lathrop of C. Y. Schelly & Bros. in Allentown, Pa., pinpointed his appraisal and reaction to co-ops: "All Cotter or Ace have done is move the wholesaler function to the retailer. We are attempting to show the retailer he can't do these functions as well or as cheaply as we can."

Lathrop reported that Schelly recently dropped from a buying group after deciding it could get just as good a price on its own.

Co-ops, once mainly in the Midwest (and mainly Cotter & Co.) are spreading throughout most of the continent via several dealer buying groups. The spread has not gone unnoticed.

"I'm thinking, and worrying, about co-ops," said Alex Walsh, president of Barker-Chadsey Co. in Johnston, R.I. Walsh, a onetime Rhode Island gubernatorial candidate, allowed that Barker-Chadsey might try a "cost plus" incentive in the face of severe co-op competition. Meanwhile, service is what they're stressing.

The idea of incentives, or a wholesale alliance akin to Senter Hardware Corp. (MW, 25 Oct., p.21), is strictly anathema to "Brad" Bradford, executive vice president of Piedmont Hardware Co. in Danville, Va.: "If a wholesaler offers good service and merchandise at a fair price, that is what the dealer will accept. The pendulum is swinging back to the independent wholesaler. Because of hidden costs, retailers

aren't saving anything." Fast delivery from improved and expanded warehouses is an important key to keeping accounts, Bradford added.

The brunt of co-ops' attacks have swung both east and west from their central headquarters. For instance, with the acquisition early this year of the Walter Allen organization in Texas, Cotter & Co. has set up a beachhead in the growing Southwest. Independent wholesalers have reacted quickly, much to the benefit of retailers.

Said Amarillo wholesaler Newt Riggs, "We're giving better, faster service, and more regular calls than before." As a member of the Liberty buying group, Riggs relies heavily on its private label merchandise. "We use all that's available," he said.

One of the Southwest's most active opponents of co-ops and their tax "advantage" is Gene Smith of Oklahoma Hardware Co. Smith noted that "a recent Internal Revenue Service ruling is closing the loopholes co-ops now enjoy."

Smith described the difference between wholesalers: "Co-ops have no freight allowance or cash discount. They do have a catalog charge, a broken crate charge, rapid payment requirements, and investment requirements."

Cotter has lost more dealers than it has gained in the territory of Oklahoma Hardware, Smith claims, because independent wholesalers have come to realize the retailer's needs, and because they know what co-op programs are, instead of what they're said to be."

Elsewhere, Cotter is reportedly having trouble signing up dealers. According to Lew Crowell of Durham-Hanson, in Bangor, Maine, Cotter had "no luck" during a five-day swing through that state. "Manufacturers direct-sell to retailers" is more of a problem for us," Crowell added.

Dick Snow of Van Camp Hardware & Iron Co., in Indianapolis, remarked, "Co-ops are of no more concern today than 10 years ago."

And in the Northwest, Stan Jensen of Jensen Byrd Co., in Spokane, said, "We're doing very well. We have our program and [co-ops] have theirs." Jensen is more concerned with delivery problems, particularly of electric housewares, than with competition from co-ops.

When asked about co-op competition, a Brooklyn distributor mused that 200 jobbers in the New York City area is enough competition. Besides, he noted, "Most New York retailers wouldn't meet co-ops' requirements."

Complaints about delivery delays are something like Scrooge McDuck's storage problems—a pleasant dilemma in either case. Naturally, wholesalers would like to be able to sell still more than they are now, but the din of ringing cash registers has soft-pedaled moans about delivery delays.

Said wholesaler Jim White of Rice & Miller, in Maine, "We'll have our biggest Christmas season ever, even with manufacturers' delivery problems."

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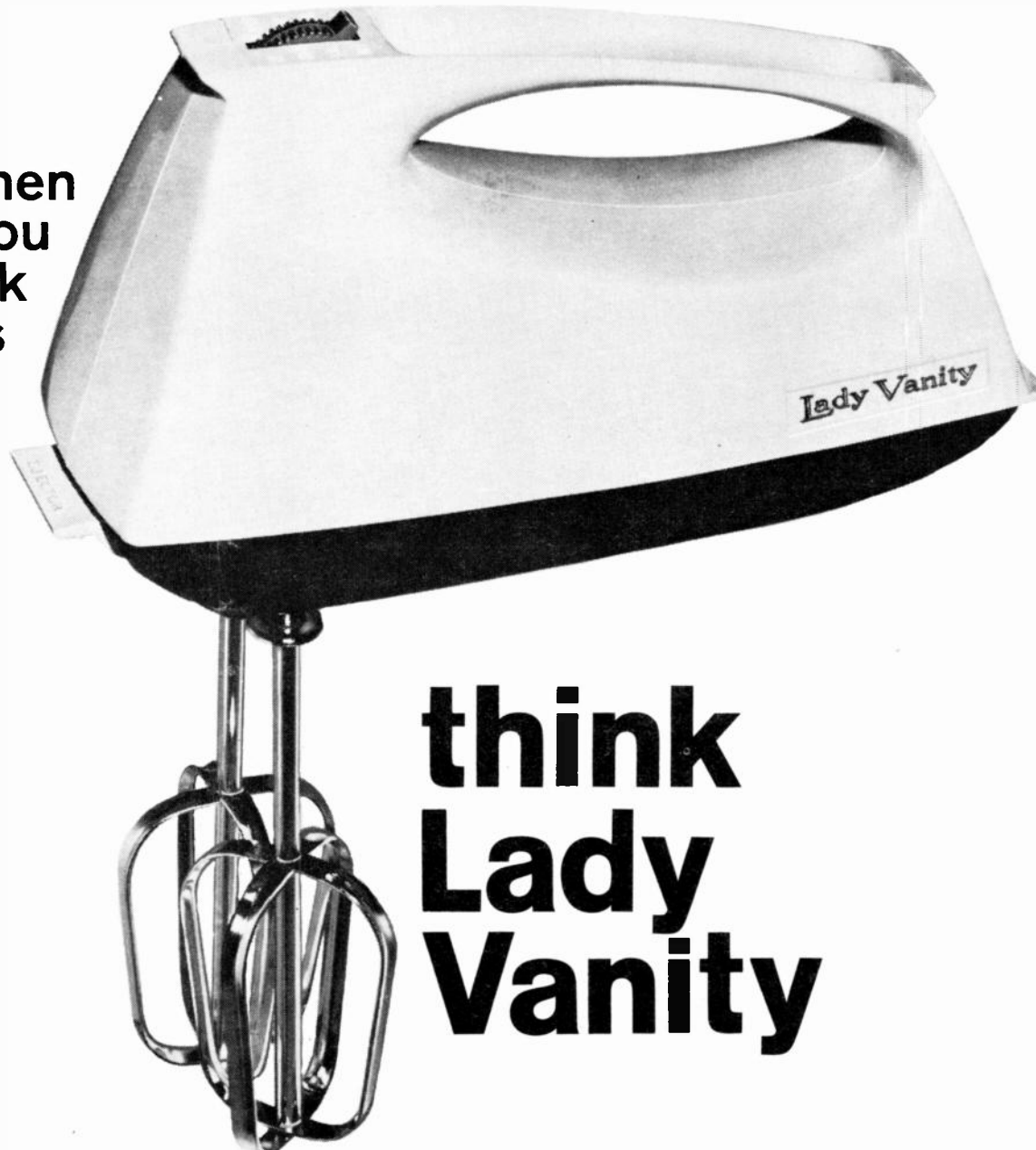
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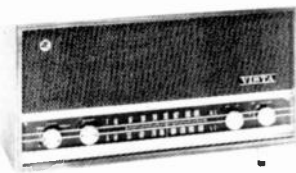
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APPLIANCE-TV



Fasco ductless range hood

A new ductless version of Fasco's model 95 range hood is offered.

It features two-speed ventless exhaust, a removable aluminum box filter, and a 10-inch impeller. A carbon absorber filters cooking odors, while a fiberglass filter traps steam and smoke. Prewired rocker switches and a built-in light are additional features of the unit.

The hood is available in copper-tone or with a stainless-steel front panel and neutral gray side panels. Fasco is offering the unit in 30-, 36-, and 42-inch lengths. *Fasco Industries Inc., Rochester, N.Y.*



Brown 1966 gas and electric ranges

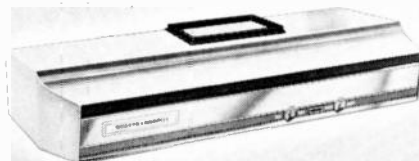
36-inch gas and electric slip-in models and the new double-oven Finesse, featuring an eye-high oven, are entries in Brown's 1966 range line.

Shown above is the 30-inch electric slip-in Funfare model, featuring a porcelain backguard with controls. Automatic clock-controlled cooking is offered in both of the Finesse's gas ovens. *Brown Stove Works, Cleveland, Tenn.*



Hardwick single-oven electric range

A new electric range with an eye-level oven is added to Hardwick's Debutante line. The unit features a single oven, bake and broil elements, and shadowbox light. *Hardwick Stove Co., Cleveland, Tenn.*

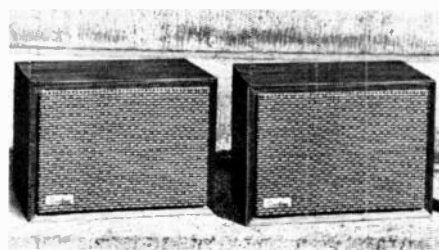


O'Keefe & Merritt vent hoods

O'Keefe & Merritt introduces a new eight-model line of vent hoods.

The two-speed newcomers include three straight-side models and five with mitered sides. Model 53-5405, the deluxe unit, has a removable lifetime aluminum filter plus indicator and work lights. Pushbutton controls operate the two-speed fan and lights. The straight-side unit exhausts either at the back or top. It is available with mitered sides as model 53-5415 (shown above).

The new hoods are available in 24-, 30-, 36-, and 48-inch lengths in five colors: yellow, turquoise, coppertone, white, and chrome. Most models are also equipped in stainless steel. Backsplasher and duct kits also are available with the new hoods. All ducted O'Keefe & Merritt hoods have backdraft dampers. *O'Keefe & Merritt Co., 3700 E. Olympic Blvd., Los Angeles, Calif.*



Sonotone speaker system

Sonotone's fourth high-compliance system since late in 1964 is announced. Sonomaster RM-0.5 is a two-speaker model with a crossover network, a 4-inch high-compliance woofer, and a 2-inch high-frequency cone tweeter. The unit's maximum power is 20w average programming and 40w peak, while frequency range is from 55 to 22,000 cps.

The decor features a hand-rubbed oiled walnut finish and a gold and black cane grille. The 9 lb. unit can be used vertically or horizontally. Suggested retail price is \$39.75. *Sonotone Corp., Elmsford, N.Y.*

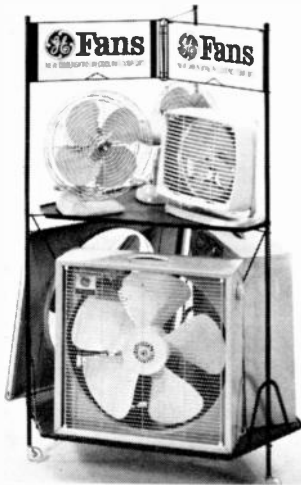


Norcold compact refrigerator stand

Norcold introduces a custom-designed stand for use with its E-200 compact compressor refrigerator or with the E-200 Decorator refrigerator series.

The new brass-plated tubular steel stand, model ST-200, has legs with vinyl bumper tips. Five bolts are used in assembly. The 4 lb. unit has a suggested retail price of \$9.95. *Norcold Inc., 16200 S. Maple Ave., Gardena, Calif.*

HOUSEWARES



GE fan display cart

A movable fan display cart is offered by GE to help push its fan line, especially its three new window fans (MW, 25 Oct., p.3.)

The two-level, metal display carts

are designed to show off such features as the five-element polypropylene blades in the new fans. GE says the cart is big enough to hold seven fans, including window, oscillating, and general purpose units. The three-wheeled cart is 5 ft. high and 34 inches wide. Reversible headers are supplied for displaying GE heaters during winter months. *General Electric Co., Housewares Div., 1285 Boston Ave., Bridgeport, Conn. 06602.*

Ekco opener, barbecue tools

Ekco has added a can piercer-bottle opener and three barbecue implements.

The opener consists of a mahogany-finished hardwood handle with the can piercer at one end and the opener at the other. Suggested retail price is \$.79.

The new barbecue items are a

hotdog spear and a four-piece, 23-inch skewer set, both with fruitwood-finished hardwood handles. Suggested retail price of the hotdog spear, with a retractable skewer, is \$1.49, while that of the skewer set is \$2.98. A shorter 12-inch skewer set is also available, at \$.79. *Ekco Housewares Co., 9234 W. Belmont Ave., Franklin Park, Ill.*

Leigh bathroom heater, heater-fan

Two new forced air bathroom heaters are announced by Leigh Products.

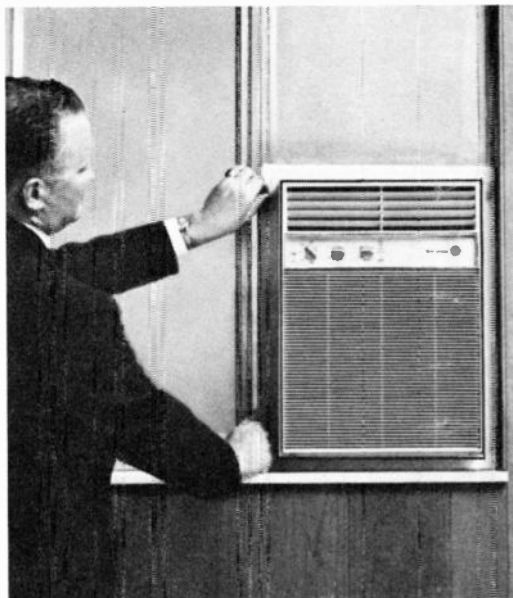
Both units feature a permanently lubricated, silent motor, a 1,250w armored heating element, along with an automatic thermal overload guard.

Model 5411 has a heating unit only, while model 5413 combines a ventilating fan with heater. *Leigh Products Inc., Coopersville, Mich.*

Rodger Gibson of Westinghouse tells you how to cool competition with the "leadership line" of room air conditioners.



"As National Sales Manager I'm carrying the big news in '66 room air conditioners. A Westinghouse exclusive... a unit for those impossible-to-fit sliding windows.



"See how easily it goes in? Up 'til now, sliding windows meant thru-the-wall installation. That meant sales resistance. Now your customers can do it themselves. 5500 and 8000 BTU. Both 115 volt plug-ins.



"Picture the number of new prospects this brings you! All those medium and low priced homes with sliding windows and no central air conditioning. 40% of all aluminum windows are sliders. Our new unit fits wooden sliding windows, too—plus casements. Anything up to four feet high!



"Here's the heart of our fast-selling compacts. A strong, silent compressor that weighs only 25 pounds. In most other makes, the compressor weighs 40 pounds and takes more space, too. Reliability is so great ours has a 5-year replacement guarantee.* It's used in...



"...our 5,000 and 6,000 BTU models. These are the compact units that blew the market wide open in '65. They're backed with the Westinghouse 5-year replacement guarantee*—the industry's first and best. Wait'll you see what they do in '66 teamed up with the new sliding window models!



"Next step up is to the 6,000 to 17,000 BTU range. Many are 115 volt plug-ins. Top of this group is the Panelaire—designed to appeal to decor-conscious prospects. Simulated wood grain finish can be painted or papered to match anything.



"Here's our exclusive, easy-to-use Mobilframe mount. You secure it in place first, then slide in the air conditioner. Unit can't get away from you with this frame locked in position.



"These are for the big cooling jobs. Up to 26,000 BTU with or without exposed louvers. WASSCO offers free floor planning, a buy back deal and fabulous trips for successful dealers. Your Westinghouse distributor will be glad to give you the whole story."

You can be sure if it's Westinghouse



*Authorized dealer or service agent will replace with comparable model to original purchaser any Mobilaire® 5000 and 6000 delivered to him on which the hermetically sealed refrigerating system becomes defective within 5 years due to workmanship or material.

The smaller we get the bigger we get.



2F-23W



TFM-116A



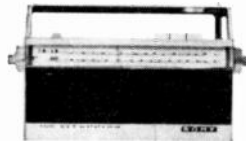
TFM-850W



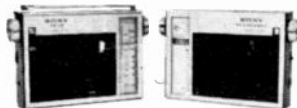
AFM-152



TFM-916



EFM-117

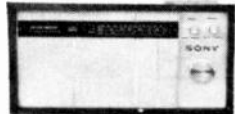


TFM-110W

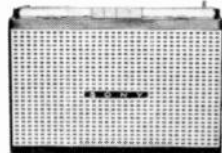
STA-110



TFM-119A



TFM-1102



TFM 951



2FA-24W

Here is the biggest and most complete line of transistor FM/AM radios from Sony. 2F-23W—palm-sized radio. One of the world's smallest FM/AM radios. TFM-116A—FM/AM marine band. 11 transistors and 4 diodes. Dipole antenna. TFM-850W—FM/AM pocket-sized radio. Biggest seller in the line. AFM-152—15 transistor FM/AM with automatic tuning. Finest portable ever made. TFM-916—FM/AM—portable, slide rule dial. EFM-117—11 transistor FM/AM

portable. Esaki diode for maximum sensitivity. TFM-110W—portable FM with stereo multiplex jack. STA-110—FM multiplex adaptor for TFM-110W. TFM-119A—11 transistor FM/AM marine radio. Leatherette cabinet. TFM-1102—FM/AM marine band table radio. Works on AC or battery (optional equipment). TFM-951—9 transistor FM/AM portable or car radio. 2FA-24W—automatic FM tuning. You push, it pulls and locks in station.

The world's most complete line of FM transistors.

SONY®

580 Fifth Avenue, New York, N.Y.

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
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FLOOR CARE PRODUCTS

floor polishers	September	105,874	124,046	- 14.65
	9 Months	846,107	862,599	- 1.91
vacuum cleaners	September	497,672	435,063	+ 14.39
	9 Months	3,597,624	3,286,907	+ 9.45

HOME LAUNDRY

dryers, clothes, elec.	September	178,965	160,100	+ 11.78
	9 Months	891,864	779,987	+ 14.34
dryers, clothes, gas	September	95,191	88,327	+ 7.77
	9 Months	452,428	418,527	+ 8.10
washers, auto. & semi-auto.	September	376,763	394,706	- 4.55
	9 Months	2,778,706	2,643,991	+ 5.10
wringer & spinner	September	53,826	67,324	- 20.05
	9 Months	443,668	504,755	- 12.10

OTHER MAJOR APPLIANCES

air conditioners, room	August	101,900	128,000	- 20.39
	8 Months	2,472,800	2,214,000	+ 11.69
dehumidifiers	September	5,000	5,800	- 13.79
	9 Months	194,400	196,800	- 1.22
dishwashers, portable	September	40,900	30,900	+ 32.36
	9 Months	259,200	201,700	+ 28.51
dishwashers, under-counter, etc.	September	75,800	63,600	+ 19.18
	9 Months	591,300	509,800	+ 15.99
disposers, food waste	September	146,900	125,000	+ 17.52
	9 Months	1,013,900	963,200	+ 5.26
freezers, chest	September	41,400	37,000	+ 11.89
	9 Months	354,600	339,300	+ 4.51
freezers, upright	September	58,700	60,700	- 3.29
	9 Months	525,900	526,700	- .15
ranges, elec., free-standing	September	113,700	99,100	+ 14.73
	9 Months	928,000	839,500	+ 10.54
ranges, elec., built-in	September	72,300	73,600	- 1.77
	9 Months	580,600	607,000	- 4.35
ranges, gas, total	August	193,100*	193,500	- .21
	8 Months	1,421,300	1,424,000	- .19
refrigerators	September	445,700	410,400	+ 8.60
	9 Months	3,636,800	3,461,200	+ 5.07
water heaters, elec. (storage)	September	104,900	87,200	+ 20.30
	9 Months	825,600	753,900	+ 9.51
water heaters, gas (storage)	September	229,160	234,240	- 2.17
	9 Months	1,934,100	2,073,090	- 6.70

CONSUMER ELECTRONICS

phonos, port.—table, distrib. sales	Oct. 15	112,478	114,239	- 1.54
	41 Weeks	2,606,067	2,058,181	+ 26.62
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. 15	48,105	39,204	+ 22.70
	41 Weeks	1,159,490	1,192,126	- 2.74
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. 15	394,353	254,026	+ 55.13
	41 Weeks	9,505,597	7,509,795	+ 26.58
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	Oct. 15	216,898	177,945	+ 21.89
	41 Weeks	6,035,229	5,771,401	+ 4.57
monthly distributor sales	September	935,475	839,863	+ 11.38
	9 Months	5,628,856	5,402,301	+ 4.19
color television, distrib. sales	Oct. 15	86,629	41,610	+108.19
	41 Weeks	1,949,281	889,713	+119.09

*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.



define growth please

Annual sales of 23 billion dollars within fifteen years compared with the current rate of 13 billion are predicted for household appliances and consumer electronics.

That's Growth!

But, it won't just magically materialize. Marketing and merchandising skill must set the pace. The art of communications must be the motivator. To get people to act, they must be informed and inspired.

In the appliance-consumer electronics housewares business, retailers and distributors read and rely first on

MERCHANDISING WEEK

NEW FROM ZENITH:

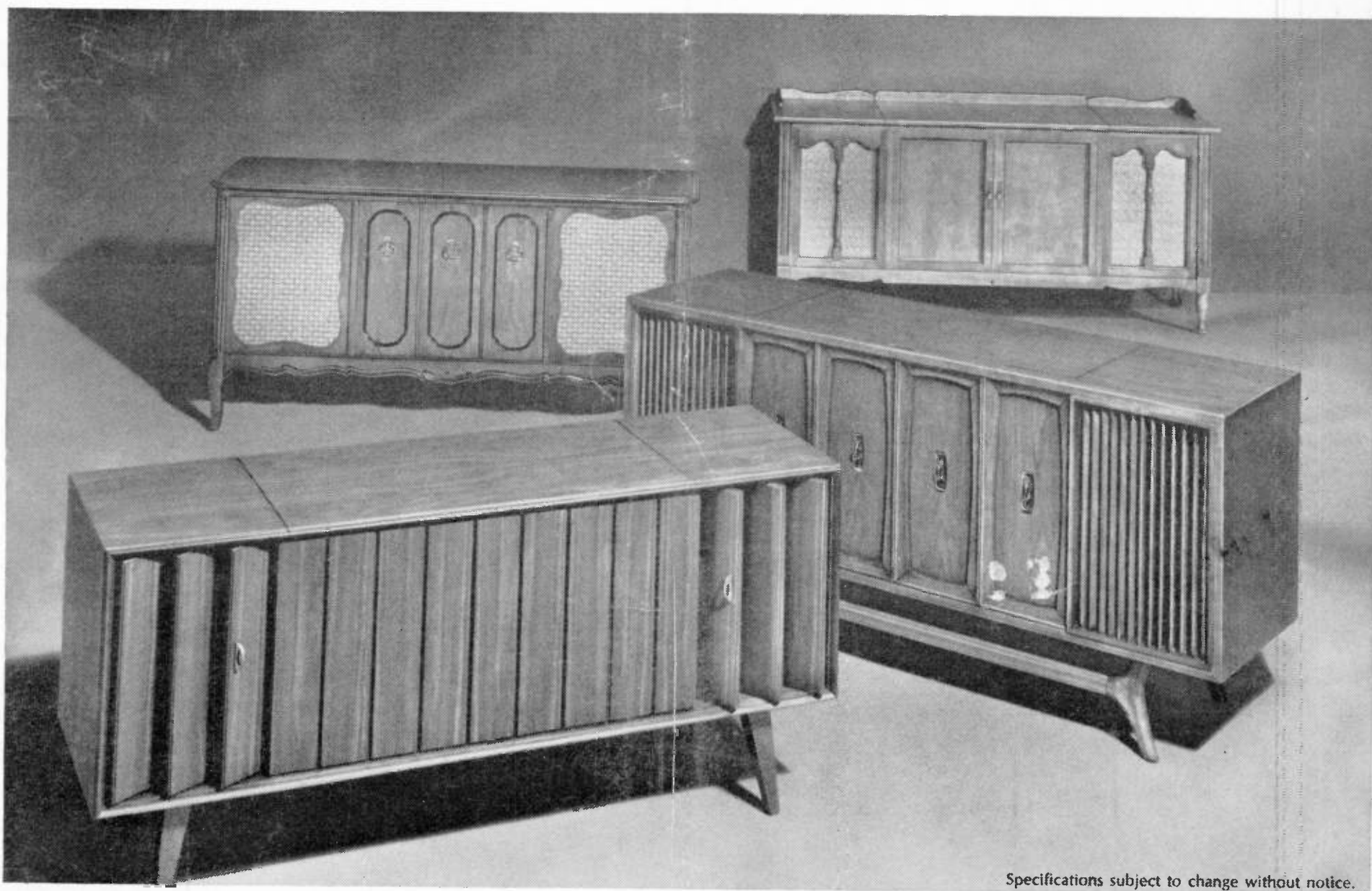
More popular priced stereo models with more fine features than ever before...

Right down the line — greater music power with solid-state amplifiers...new advanced Micro-Touch tone arm... exquisite fine furniture styling, traditional quality.

Priced for greater sales and profit opportunities than ever before.



The quality goes in before the name goes on®



Specifications subject to change without notice.

Zenith presents the finest sound reproduction ever in popular priced home console stereo. New Zenith solid-state amplifier with outstanding peak music power and completely transistorized audio amplification system. Low mass Micro-Touch® 2G tone arm that makes it impossible to accidentally ruin a record. Eight Zenith Quality high fidelity speakers (broad range response of 40 to 15,000 CPS). Super-sensitive Zenith AM/FM-Stereo FM tuner with AFC. Record storage space. Elegant cabinets authentically styled in genuine veneers and hardwood solids.

Top left:
THE BEETHOVEN—
Model MN2607H
Exquisite French Provincial styling in genuine Cherry Fruitwood veneers and select hardwood solids.

Bottom left:
THE BACH—
Model MN2604W
Handsome Modern styling in genuine oil finished Walnut veneers and select hardwood solids.

Top right:
THE GERSHWIN—
Model MN2610M
Distinctive Early American styling in genuine Maple veneers and solids.

Bottom right:
THE BIZET—
Model MN2608W
Smart Danish Modern styling in genuine oil finished, hand-rubbed Walnut veneers, select hardwood solids.