

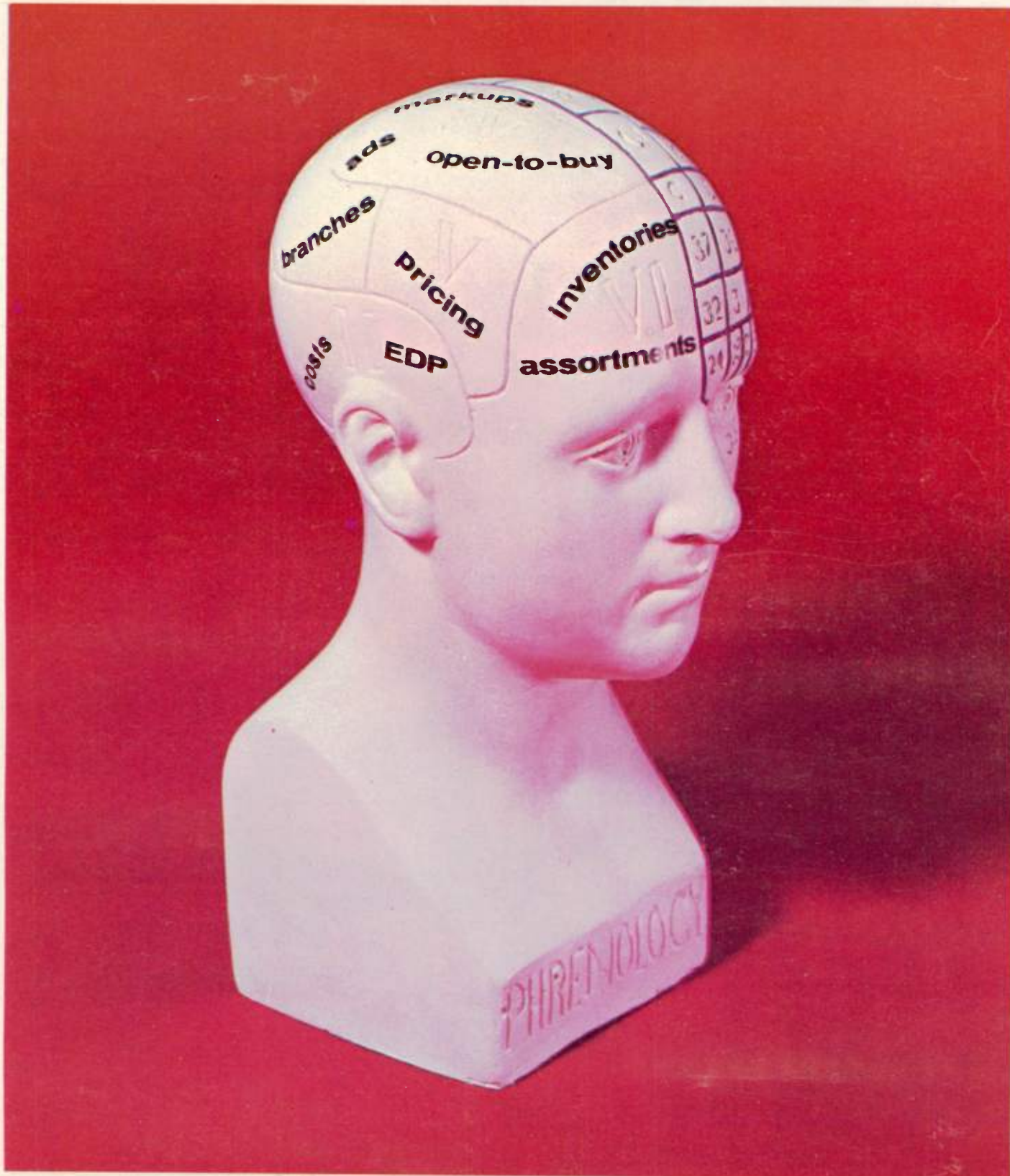
MERCHANDISING WEEK

SEPTEMBER 18, 1967

EDITED FOR THE CONSUMER ELECTRONICS, APPLIANCE & HOUSEWARES INDUSTRIES ☐ READ BY THE RETAILERS ☐ A BILLBOARD PUBLICATION ☐ PRICE 50 CENTS VOL. 99 NO. 38

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Third annual Housewares Marketing & Merchandising Report



With profits on their minds, housewares retailers are concentrating on revamping — and paring — product assortments for the all-important Christmas season. How will they make their decisions? See p.29



BUTTONS FOR BUYERS

Dear Sir:

I have seen and been very impressed with your "Visit a Branch" button distributed at the National Housewares Show in June.

Now that we have eleven branch stores, this button would be a great reminder to our buyers of one of their prime responsibilities. Is it possible for you to supply us with one hundred of these buttons? If it is not possible,

would you be good enough to tell me where I might get them?

Lawrence Moore
Lit Brothers
Philadelphia, Pa.

(Editor's Note: The button Mr. Moore refers to is one of seven, each with a different slogan, that Merchandising Week gave away to buyers attending the June Housewares Show in Chicago. The other six slogans are: "My job is to sell private label," "Electrics is a plug-in," "I'm a buyer, what's your price?" "Twiggy is a branch store," "Legalize pots," "Avocado green, not mellow yellow." We are in the process of trying to find out what kind of a reorder position our supplier will give us. In the meantime, if you, too, would like some buttons, write us soon and we'll try our best.)

COMMUNITY TV ANTENNAS

Dear Sir:

This is to request permission to reprint the article, "CATV: how it changed the retail picture and revived a town's tv dropouts," from the July 24 issue of Merchandising Week.

We would, of course, give full credit for the article to your publication. Our distribution of the article would be with our association's Weekly Membership Bulletin, which has a circulation of about 1,700.

John Druckenbrod
Director of Public Relations
National Community Television Assn.
Washington, D.C.

(Merchandising Week welcomes letters from its readers on topics of interest to the home goods industry.)

MERCHANDISING WEEK

A BILLBOARD PUBLICATION
READ BY THE RETAILERS
OTHER RETAILERS FOLLOW

VOL. 99 NO. 38/SEPTEMBER 18, 1967

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PUBLISHER Denis C. Hyland

EDITOR-IN-CHIEF Martin R. Miller

OPERATIONS EDITOR B. H. Schellenbach

PRESENTATION EDITOR Ronald D. Wind

Illustration Editor: Joan B. Antoine

Copy Editor: Lucy Schmokka

NEWS EDITOR Ed Dubbs

Midwest Editor: Wallis E. Wood
(Chicago—Phone: CE 6-9818)

Associate Editors: Amei Wallach
Neil Spann

Assistant Editors: Irene Kanfer
William Hutchinson

Contributing Editor: Joan Bergmann

NEWS BUREAUS: Los Angeles, Eliot Tiegel, Bruce Weber; Nashville, Bill Williams; Chicago, Ray Brack, Jerriane Roginski, Earl Paige

ADVERTISING DIRECTOR H. Sherman Davis

BUSINESS & PRODUCTION MANAGER

Marie R. Gombert
Asst. Production Manager: Joan C. Cooley

ADVERTISING SALES OFFICES

Eastern Region George Neuner, Roland DeSilva
165 W. 46th St., New York, New York—10036
Phone: PL 7-2800; area code, 212

Midwest Region Edward J. Brennan
188 W. Randolph St.
Chicago, Illinois—60601
Phone: CE 6-9818; area code, 312

Southern Region Robert L. Kendall
John McCartney, Herb Wood
110 21st Ave. South, Nashville, Tenn.—37203
Phone: 244-1836; area code, 615

West Coast Region Pete Heine, Dick Blase
9000 Sunset Blvd., Los Angeles, Calif.—90069
Phone: 273-1555; area code, 213

United Kingdom Andre de Vekey
7 Welbeck St., London W.1; Phone: 486-5971

Italy Germano Ruscitto
Via Padova 154, Milano; Phone: 282-23-80

Japan Kanji Suzuki
2-1-408, 3-chome Otsuka,
Bunkyo-ku, Tokyo, Japan

Classified Rosemary Gros
188 West Randolph St., Chicago, Illinois—60601
Phone: CE 6-9818; area code, 312

RESEARCH MANAGER Alicia Donovan
Associate: Joan Lyons

PROMOTION DIRECTOR Geraldine Platt

CIRCULATION DIRECTOR Milton Gorbulew

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How to turn the tables on finicky customers.



MODEL NO. 4107

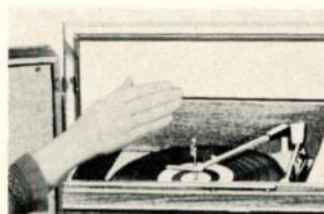


MODEL NO. 5103

People want compacts that don't push them around. That aren't big and bulky. That's why stubborn customers are pushovers for our new pushovers. The 4107 and the 5103, a pair of slim-line solid-state stereo compacts with turntables that swing into playing position at the push of a pinky. Both have 40-watt peak power, and the 5103 also has AM/FM-FM stereo radio.

All it takes is a little push.

Can you beat that?



Some added points for the most finicky shoppers are view-thru frames that don't dominate the room and 4-speaker stereo systems. Great sound, of course. And the famous quality of Telex-Phonola.

Take advantage of our pushovers and you'll make lots of money. All they need is a little push.

TELEX • phonola®

WATERS CONLEY COMPANY, INC., A SUBSIDIARY OF THE TELEX CORPORATION / 645 NORTH MICHIGAN AVENUE / CHICAGO, ILLINOIS 60611 / PHONE (312) 944-5125

Where the sound of quality is heard!

□□□□ **A new round of appliance price hikes**—the second in less than six months—opened up over the weekend, as General Electric-Hotpoint officials formally set 1% to 4% increases on 1968 major appliances. The initial round ran from a similar GE move—3% across-the-board hikes last May 1—to Kelvinator's 2% to 3% increases, announced last week. With prime new-line time coming up, other manufacturers are known to be planning price adjustments in line with increases in manufacturing costs. Labor and materials is the big problem for GE-Hotpoint, explained division manager W.D. Dance last week, and a 3% wage increase scheduled for production employees next month is one factor forcing appliance prices up again. GE also announced an upcoming general price increase for color appliances. Next week is expected to bring more price-adjustment announcements, as Whirlpool—which raised some retail costs in the spring—and Amana introduce 1968 appliance lines.

□□□□ **Pre-paid factory delivery from Westinghouse** to tv-stereo dealers within the mid-Atlantic and New England regions is one program that the company is betting will increase its market penetration in the East. According to a Westinghouse spokesman, the objective of the "factory-to-you" (direct-sell) plan is to capitalize on expanded factory and warehousing facilities in Edison, N.J., which now include more than 14 acres of storage space for the complete line of tv-stereo products. Westinghouse pays the trucking expenses and assures delivery within three days, or as early as 24 hours. "The factory operates on a computer system," the spokesman explained, "so that an order can be processed within minutes." There is no minimum shipment required on orders, and one order at a time can be filled. No plans exist now to extend the factory-to-you program beyond the mid-Atlantic and New England areas.

□□□□ **Avnent completes acquisition of Channel Master** (MW, 5 Jun., p.5), making the tv accessory and picture tube producer its fourth division. Hal Harris, vice president of Channel Master, said the merger will not affect policy or operations, but will offer more capital for expansion. Channel Master is opening a new plant in Taiwan, which will make tv antenna accessories, he added.

□□□□ **Proctor-Silex introduces Lifelong to Chicago** with a retail sales personnel training session for buyers and salesclerks from Marshall Field; Carson, Pirie, Scott; Weiboldt's; and Goldblatt's. Proctor will begin a saturation tv campaign for the "pull-apart" line in Chicago, today.

□□□□ **Registration for the Tape Cartridge Forum** keeps increasing, as retailers, distributors, and manufacturers from across the country line up for the Oct. 16-17 meeting at New York City's Hilton Hotel. The Forum, jointly sponsored by Merchandising Week and sister publication Billboard, will lean heavily on the fact that the burgeoning tape cartridge business is an added sales growth area for enterprising appliance-tv dealers. All the hows and whys to get into the business—complete with case study work—will be provided at the 2-day confab. For information, write Tape Cartridge Forum, Room 1408, 500 Fifth Ave., New York, N.Y. Or Call: (212) LW 4-0800.

□□□□ **New Sears price leaders** show up in the chain's 610-page Christmas catalog, now being distributed to about 11 million families. The 3-cycle, 2-speed automatic washer leader has been cut \$20, to \$179.95 with an acrylic finish (porcelain adds \$10). The matching dryer is down \$10, to \$124.95 in electric, \$164.95 in gas. In color television, Sears shows seven models. A 23-inch Contemporary set in a maple hardwood cabinet leads off the five consoles at \$469.95. Portables start with the 15-inch \$279.88 set. A new home electronics item is getting a big promotional push: a Disneyland PlayTape cartridge player that features compact styling and ease of operation. The completely transistorized unit sells for \$16.95 without tapes or batteries. Twelve PlayTape cartridge selections are listed, at \$1.29 each.

□□□□ **A "Colorvision Month" promotion for Chicago** and surrounding areas will run through October. Distributors of major color tv brands will sponsor the campaign in conjunction with the local Electric Assn. Highlighting the affair will be a free color tv set to be given away by each brand represented—Admiral, Motorola, Philco-Ford, RCA Victor, Sears' Silvertone, Sylvania, Ward's Airline, Westinghouse, and Zenith. Newspaper ads in the Chicago area dailies will carry 1,200-line, two-color copy. A special in-store promotion kit for participating dealers will include sweepstake coupons for the nine free color sets.

□□□□ **A World Series promotion by Admiral** features three 20-inch color tv consoles at \$399.95 retail. Sets included in the campaign, described as similar to the company's Fourth of July program, are the Brayton, Fremont, and Seneca, offered in Danish modern, Early American, and Italian Provincial with walnut, maple, and pecan veneers. A fourth set, the Eastbrook, will be available at open list. The models will be produced in limited quantities; dealer co-op ads will be scheduled in newspapers.

Atlanta's Home Entertainment Show: less than a peach

Retailers and manufacturers exhibiting at the Home Entertainment '68 Show, in Atlanta, were looking for exceptionally heavy weekend attendance to compensate for a slow start last week.

The show, which opened Wednesday, is the first to be held at the new Civic Center, part of Atlanta's new \$10-million arts complex. Show management had predicted a total attendance of 20,000 persons, but, at the

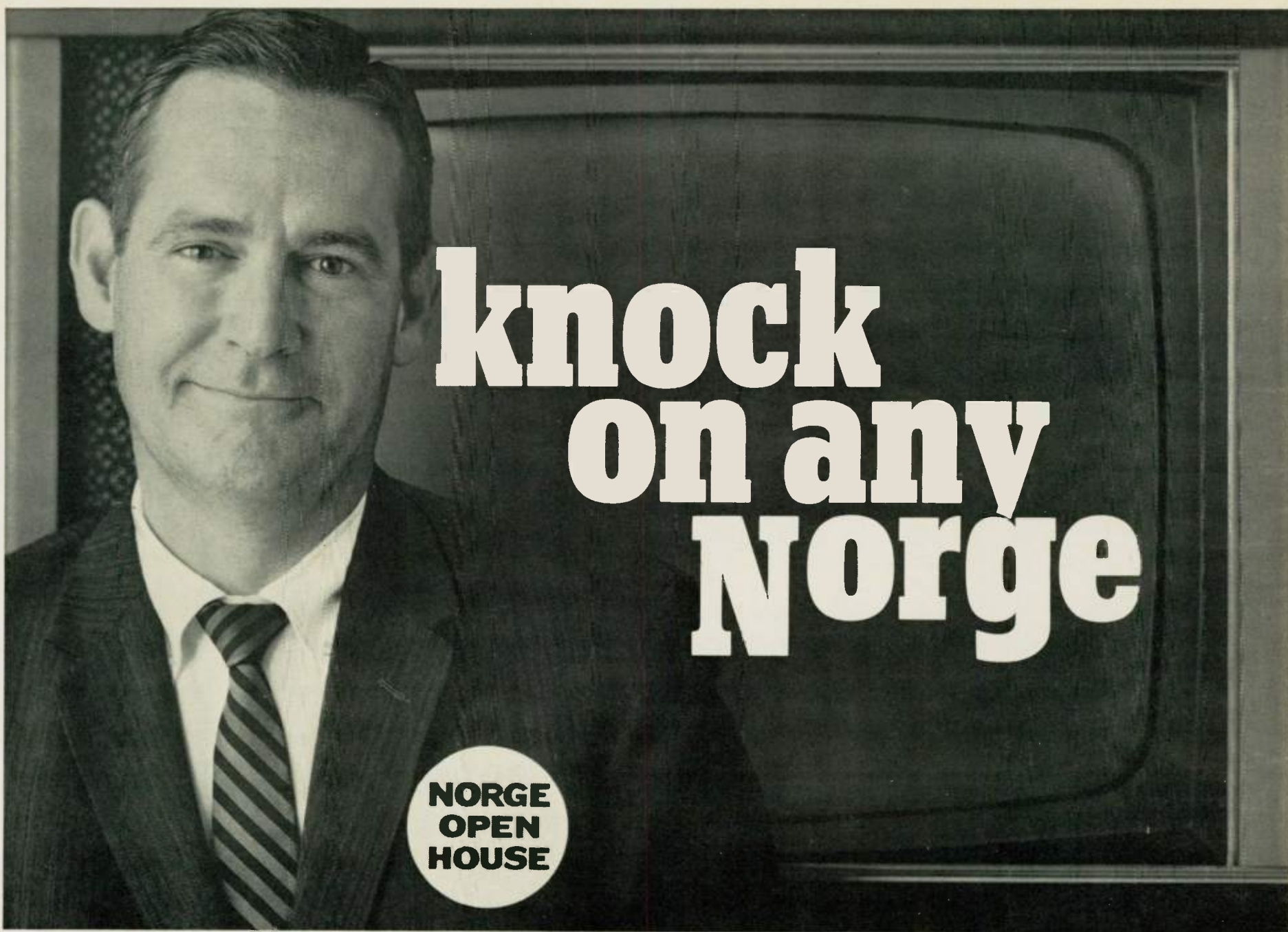
start of the weekend, several of the exhibitors felt that figure would be reached.

Home entertainment was given broad interpretation, as 60 exhibitors, using 110 booths, showed everything from color television consoles to convertible bars, motorcycles, and travel packages. "Shortage of time changed the complexion of the show along the way," explained Bill Kaupman, the show's di-

rector of sales promotion. But emphasis remained on stereo and hi-fi equipment, musical instruments, tape recorders, and photographic equipment. Day and night, "live" entertainment by recording groups was featured.

Some exhibitors were there to sell, while others were solely seeking exposure. Local retailers, of course, were trying to sell, but so were

some manufacturers, including Curtis-Mathes. Seeburg Corp. exhibited its new Home Music Center largely for purposes of consumer exposure; but, in the process, the company was able to begin setting up a dealer structure for the unit in the Atlantic market. Harold C. Lembke, Seeburg vice president for marketing, said four dealers had expressed interest in carrying the product.

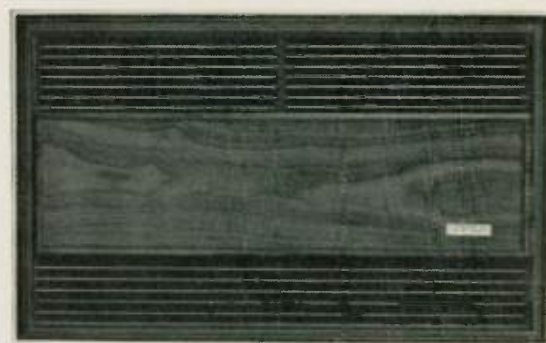


More spectacular advertising coming up! More TV commercials! More promotions! More newspaper advertising! More eye-catching store displays! More of what it takes to get more prospects knocking on your door. Get the full facts at your Norge Distributor's Open House.



New Norge Super line...exclusively "big capacity."

Norge goes "plus capacity" across the board with new 15-, 16- and 18-lb. automatics. Eliminates all confusion about size, capacity and performance. Norge VHQ's (Very High Quality) come in a full range of models in both 16- and 18-lb. capacities...even with colors in the 18-lb. line at no extra cost. And with Norge matching dryers (every model big enough to handle the super wash loads), you can see who'll be doing the plus-business with "plus capacity."



New Norge Air Conditioners.

New furniture-fashioned fronts with more subtle styling, sculptured moldings and rich woodgrained finishes. Entire line—backed by solid quality and proven performance—now hotter than ever.

New Norge Network TV Promotion!

New "Knock on any Norge" commercials go knocking on 25 million homes a week selling the new Norge washers, dryers and ranges. All-star line-up of CBS shows include: Love is a Many Splendored Thing; The Dick Van Dyke Show; House Party; To Tell the Truth.

Give this man a knock.

He's got news for you.

Your Norge distributor will have his
Open House between Sept. 18-30.
Call him now for the exact time,
date and place.



New Norge Touch 'N Clean Ranges with total Teflon® cleanability.

New from the bottom up...easiest ever to clean! Teflon-coated panels slip out of the oven, wash clean at the sink without scrubbing. Two huge topsoil trays (Teflon-coated) catch *all* the food drippings for easy cleaning. Other modern features include: smart new styling with wood-grained back panel; step top control on gas ranges; seamless construction between surface top and back panel; automatic oven with a mind; 30" and 36" models, gas and electric.

NORGE®

home
appliances **BORG** **WARNER**®

Youth electronics and blenders shine at the Premium Show

Youth electronics and tape cartridge units are the up-and-comers in the premium market, according to many buyers and manufacturers at the 1967 National Premium Show, last week, in Chicago.

Leading the list of youth items was Philco-Ford's Hip Pocket records and portable phonographs. "We are having excellent response on this item," said Dave Reitman, of Philco-Ford. And Larry A. Wilson, a buyer for Advertising and Sales Promotion, Chicago, echoed this feeling: "I think the Philco mini records are the most exciting thing at the Show. The quality is excellent for the size and cost of the package."

Many other manufacturers showed the tiny battery-operated phonos for youth promotion. GE's electronics department was emphasizing several youth-oriented products for premium buyers, among them a portable cassette for children, a portable phono, a rechargeable flashlight-radio, and a new line of transceivers. "We feel youth electronics make excellent premium items," said Paul Jarvis, of GE's advertising and promotion division.

Tape cartridge systems are generating more and more interest among premium buyers, although some are still confused as to the best system in which to invest. Said George Fearnaught, RCA's manager of specials sales, of the firm's home 8-track player: "If we had as many sales as we do interest in the unit, it would be our hottest item."

Many buyers indicated that this was the year that they would invest in cartridge units. One Cleveland, Ohio buyer, Lou Resnick, of Louis L. Schaffer, remarked: "I've heard that the tape cartridge player in general is going to be the biggest item at the show." Chicago buyer Wilson said he was investing in both auto and home 8-track units for use in a dealer organization program. W. Harnden, buyer for General Motors of Canada, said: "I am considering a portable cartridge unit for use as a sales incentive."

The popularity of the cartridge system as a sales staff incentive was also indicated by the programs of two major electronics firms. R.J. Clarkson, RCA's record division, said its latest promotion with a major oil company

involves sales messages specially recorded on 8-track cartridges to be mailed out to the sales force. The oil company will purchase 8-track auto players for each salesman. "We call this project 'carmunication,'" Clark-son said. Another RCA promotion includes a 2-speaker Borg-Warner auto player and seven 8-track cartridges, both for \$99.75.

Admiral's portable cassette is being used by Pure Oil Co. for a similar sales purpose, according to Chuck Belzer, product planning manager. And 3M offered a Show special of its \$100 Wollensack cassette portable for \$59.95.

Housewives across the country are being introduced to the cassette by Tupperware. Richard M. Appelbaum, buyer for Tupperware Home Parties, Orlando, Fla., said: "We are offering the cassette to housewives as sort of a memorandum machine, much the same way it is used in business."

Color television continued its good, old standby role as a top premium item. "It's been the magic word for quite a few years," said P. Dennis Stancik, of Motorola. "Color tv has

been our biggest item," remarked J. Bennisson, of Magnavox.

Radios—table, clock, and transistor—continued to be good items; but, most manufacturers agreed, buyers are looking for unique features. RCA's Fearnaught commented: "It's the gimmick that sells transistor radios now. For instance our Beanbag transistor has been doing very well."

In the world of housewares, blenders are still the biggest item, but hand mixers are increasing in popularity.

Charles W. O'Yerly, a buyer for Saginaw Steering Gear, a division of General Motors, Saginaw Mich., said: "We are going to use the Iona solid-state mixer as our housewares promotion." And G.F. O'Rourke, vice president of Iona, called the response on the mixer "tremendous."

"The solid-state mixer is coming in," reaffirmed Appelbaum, of Tupperware. "It's rising quickly in popularity. The blender is still strong also. Another item we will be using is the Schick consolette hair dryer. Over 400,000 of these will be given away as hostess gift specials."

—Jerianne Roginski

EEI's 1968 promotion program: how it will help you sell

The Edison Electric Institute (EEI) hopes to turn on sales for retailers in 1968 with its new promotional planbook and calendar.

The theme for each individual appliance promotion period will vary (see chart below), but retailers can readily tie in with the over-all theme of EEI's Live Better Electrically Program (LBE): "Graduate to the Joy of Total Electric Living."

LBE will be spending approximately \$3.5 million in sales advertising to get its message to the consumers, according to Paul W. Emler, vice presi-

dent, American Electric Power, and chairman of the LBE policy committee. And, claims Albert V. Lowe, manager of LBE, 245 LBE ads will appear in 40 magazines with a combined circulation of 56 million.

A new emphasis on appliances will take place in 1968, says Lowe: there will be 21 ads (six range, six dryer, and nine water heater)—an increase of five over 1967. And, for the first time, ads will be run in women's magazines. Range and dryer equipment, for example, will be pushed in *Good Housekeeping* and *Ladies' Home Jour-*

nal. The residential group of EEI's sales division will coordinate the national promotion of ranges, dishwashers, refrigerators, and laundry appliances.

Retail material is available. (For your convenience, the 1968 calendar is provided below to clip and save.) In addition to the extensive national advertising that offers retailer tie-ins, the Edison Electric Institute is making available in-store promotional materials, filmstrips, various sales brochures, ad layout kits, and display ideas and suggestions.

The 1967 promotional planbook

and calendar have the support of the National Appliance & Radio-TV Dealers Assn. (NARDA), the American Home Laundry Manufacturers Assn. (AHLMA), the National Electrical Manufacturers Assn. (NEMA), and U.S. Steel.

The planbook, plus an ordering and pricing information supplement on promotional materials, are available through EEI itself, and through some 190 utilities that make up the EEI group. EEI's address: The Edison Electric Institute, 750 Third Ave., New York, N.Y. 10017.

1968 ELECTRIC INDUSTRIES COORDINATED PROMOTION CALENDAR												
PROMOTION ACTIVITY	JANUARY 1 New Year	FEBRUARY 14 Valentine 22 Washington 11-17 NAT. ELECTRIC WEEK	MARCH 17 St. Patrick	APRIL 14 Easter KITCHEN REMODELING MONTH NEW HOMES MONTH	MAY 12 Mother's Day 30 Memorial Day HOME IMPROVEMENT MONTH	JUNE 16 Father's Day GRADUATIONS WEDDINGS	JULY 4 Independence Day	AUGUST Aug 15-Sept 30 BLBS TAG LAMP PROGRAM	SEPTEMBER 2 Labor Day NATIONAL HOME WEEK	OCTOBER 31 Halloween	NOVEMBER 5 Election Day 28 Thanksgiving	DECEMBER 25 Christmas
ELECTRIC RANGE "Total Cleanability . . . Only with a New Flameless Electric Range"												
ELECTRIC WATER HEATER "No Flame-No Flue-No Pilot . . . Installs Anywhere"												
DISHWASHER—DISPOSERS "You Are Born Free . . . Live Free! Buy A Dishwasher"												
REFRIGERATOR—FREEZERS "Buy Big . . . Buy No-Frost . . . Change Now to a No-Frost Refrigerator Freezer"												
FREEZERS "Shop Less—Save More with an Electric Food Freezer"												
ELECTRIC LAUNDRY APPLIANCES "Make a Clean Break with the Past . . . End Washday with a Flameless Washer and Dryer"												
ELECTRIC HOUSEWARES "Electrical Portable Appliances Add to the Joy of Total Electric Living"												
HOME ENTERTAINMENT "Add More Pleasure to Your Leisure Time with TV (color), Stereos, Tape Recorders"												

**IN
CASE OF
EMERGENCY,
CALL
(800) 253-1301**

Let's say it's 95 degrees in the shade and your air conditioner is on full blast. Suddenly it conks out. Your house starts to feel like a steamroom. What do you do?

Or suppose your washing machine goes on the blink right after you move into a new town. You're miles away from the dealer you bought it from and you don't know the name of a reliable serviceman. Where can you turn for help?

Or what if your refrigerator breaks down just after you've loaded it with a week's supply of food. Where are you going to

find someone to fix it in a hurry?

Well, if it's a Whirlpool appliance, your search is ended. You just call the number listed above. (Or (800) 632-2243, if you live in Michigan.) Free of charge. At any time of the day or night. From anywhere in the continental United States. (By the way, if you have an access code in your area, don't forget to dial it.)

When you call, our operators will give you the name and number of the Whirlpool Tech-Care Center or Whirlpool Servicing Dealer nearest your home. Which means that your

appliance will be repaired by men trained and authorized by Whirlpool. Men who know every Whirlpool appliance inside and out.

So if you own a Whirlpool appliance, we suggest you cut out our number and paste it somewhere on the machine. And if you don't own a Whirlpool, we suggest you save it anyway, because someday you might.

Whirlpool is the first major appliance manufacturer in the country to provide a service like this. Although, since our machines need so few repairs, we should have been the last.

no one else dares run ads like this...

why?

It's simple. We can back it up! Whirlpool makes every effort to build the finest products. But even the highest quality appliance sometimes requires repair. So, we do our utmost to have well-trained servicemen available everywhere to provide service if needed.

Now, we've gone a step further. Owners of Whirlpool appliances across the nation are seeing this ad. They simply call the number and we'll tell them where to get Whirlpool authorized service.

How do you benefit? Repeat sales! Because the brand that customers trust...and buy again and again...is the one on which they can get proper service when they need it.

It's another reason why it's easier to sell Whirlpool than sell against it.


Whirlpool
CORPORATION

ATTENTION!

Anyone interested in learning at firsthand about the tape cartridge field. Here is the greatest concentration of speakers ever brought together to discuss the experience-to-date, the opportunities, the challenges in the burgeoning tape cartridge business.

- Where is the tape cartridge business heading in sales and profits?
- How have the successful merchants met the problems in this fast-breaking field?
- What must be done by every element in the business if the predicted potential is to be achieved?

ATTENDANCE WILL INCLUDE:

DEALERS—Auto accessory, record, appliance, car, department store

DISTRIBUTORS—Record, one-stop, rack, auto accessory

MANUFACTURERS—Tape equipment, appliances, record, tape cartridge, tape, automobiles

SERVICES—Music publishers, financial institutions

REGISTER NOW!!

PROGRAM

THE 2ND NATIONAL TAPE CARTRIDGE FORUM

Sponsored by Billboard and Merchandising Week • New York Hilton Hotel, New York City, October 16-17, 1967

MONDAY, OCTOBER 16

9:30 A.M. - 12:15 P.M.

SESSION 1 THE SHAPE OF THE TAPE CARTRIDGE FIELD—TODAY AND TOMORROW

- Talk A What Has Happened in the Tape Cartridge Field and Where is it Heading?
(Speaker to be Announced)
- Talk B The Experience to Date and Future Plans of the Automobile Manufacturer
Oscar T. Kusisto, Vice-President and General Manager
Motorola, Inc.
Franklin Park, Illinois
- Talk C The Development of Product and Promotional Programs for the Home Market
Jack Wayman, Staff Vice-President
Electronic Industries Association
Washington, D.C.

1:30 P.M. - 5:30 P.M.

CONCURRENT SESSIONS

The following sessions will be held at the same time. Each registrant will select two of the five following subjects. The discussion of the five subjects will be repeated twice so that the registrant will attend the discussion in successive hours.

SESSION 2 MARKET FACTS ON THE CUSTOMER AND HIS PURCHASE OF CARTRIDGES AND EQUIPMENT

- Talk A Who is Buying and Why?
Lee Zhito, Editor-in-Chief
Billboard Magazine
New York, New York
- Talk B Analyzing the Type and Amount of Equipment Sold and Their Outlets
Martin Miller, Editor
Merchandising Week
New York, New York
- Talk C The Potential in the European Market and Progress to Date
Graeme Andrews, Editor
Record Retailer
London, W.I., England

SESSION 3 HOW CAN A RETAILER PROFITABLY GET INTO THE TAPE CARTRIDGE BUSINESS?

- Talk A The Experience of a Record Retailer
Russ Solomon, President
Tower Records
Sacramento, California
- Talk B The Experience of an Appliance Retailer
Harold Wittler, President
H & H Service & Sales
New Castle, Indiana
- Talk C The Experience of an Auto Accessory Retailer
Murray Klein, Executive Administrator
AID Inc.
Woodside, L.I., New York
- Talk D The Experience of a Tape Cartridge Stereo Retailer
Chandler V. Hottel, President
Auto Fidelity, Inc.
Washington, D.C.

SESSION 4 SOME DISTRIBUTOR APPROACHES TO INCREASE SALES

- Talk A How the Distributor Can Diversify His Retail Outlets to Increase Sales
(Speaker to be Announced)
- Talk B Developing an Organized Stocking Plan for Retailers to Maximize Product Turnover
James LeVitus, President
Car Tapes, Inc.
Chicago, Illinois
- Talk C Pinpointing Your Sales Effort Through Creating a Customized Catalogue vs. a Standard One
Irwin Jennis, President
J & J Corporation
Newark, New Jersey

SESSION 5 SALES OPPORTUNITIES IN THE BROADENING APPLICATIONS OF TAPE CARTRIDGES AND EQUIPMENT

- Talk A Its Use in Company Training Programs
Thomas F. Hatcher, Director of Experimentation and Innovation
The Equitable Life Assurance Society of the U.S.
New York, New York

- Talk B Its Use in Adult Language Instruction
Robert E. Livesey, President
Cortina-Institute for Language Study
New York, New York
- Talk C Its Use in Keeping Doctors Informed of Medical Advances
Claron L. Oakley, Vice-President and Editor
Audio Digest Foundation
Los Angeles, California

SESSION 6 CHARACTERISTICS AND DIFFERENCES AMONG MAJOR TAPE CARTRIDGE SYSTEMS—AN ENGINEERING EVALUATION FOR THE LAYMAN

- Talk A The Four Track System
Ralph E. Cousino, Director of Engineering
Orrtronic, Inc.
Toledo, Ohio
- Talk B The Eight Track System
Martin Ehrlich, Manager of Engineering
Lear Jet Industries, Inc.
Detroit, Michigan
- Talk C The Playtape System
Frank Stanton, President
Playtape, Incorporated
New York, New York
- Talk D The Cassette System
Edward R. Hanson, Technical Commercial Manager
North American Philips Company
New York, New York

TUESDAY, OCTOBER 17

8:30 A.M. - 12:30 P.M.

CONCURRENT SESSIONS

Each registrant will select three of the following five subjects. He will be assigned his three subjects so that he can attend each in successive hours.

SESSION 7 REACHING SPECIAL MARKETS TO EXPAND CARTRIDGE AND EQUIPMENT SALES

- Talk A Selling to the Automobile After-Market
Earl Muntz, President
Muntz Stereo Pak
Van Nuys, California
- Talk B Selling to the Boat Market
Herb Levin, Executive Vice-President
Stereo City, Inc.
Chicago, Illinois

SESSION 8 GETTING GREATER MILEAGE IN SELLING AND DISPLAYING PRODUCT

- Talk A Training Retail and Distributor Salesmen to Sell Cartridges and Equipment More Effectively
Richard D. Hershey, Sales Training Supervisor-Electronics
Philco-Ford Corporation
Philadelphia, Pennsylvania

- Talk B Controlling Pilferage in the Retail Store and Its Impact on Product Merchandising
J. A. Sasch Rubinstein, Sales Manager
Calectron Tape Division
Daly City, California

SESSION 9 MANAGERIAL CONSIDERATIONS IN LEGAL AND ENGINEERING ASPECTS OF TAPE CARTRIDGES

- Talk A The Critical Need to Know Music Copyright Dangers as Tape Use Expands
Albert Berman, Controller
Harry Fox, Agent and Trustee
New York, New York
- Talk B The Status in the Development of Standards and Compatibility for Equipment and Cartridges
(Speaker to be Announced)

SESSION 10 RUNNING AN INSTALLATION CENTER FOR AUTO EQUIPMENT WITH A RETAIL OPERATION

- Talk A Selecting a City Location and Key Factors in Minimizing Costs of Operation
(Speaker to be Announced)
- Talk B Selecting a Suburban Location and Key Factors in Minimizing Costs of Operation
Marvin Talmatch, President
Stereomatic of Long Island
Floral Park, L.I., New York

SESSION 11 CREATING GREATER CONSUMER AWARENESS OF TAPE CARTRIDGE AND EQUIPMENT AT THE LOCAL LEVEL

- Talk A Promotional Approaches at the Local Level to Arouse Consumer Interest
Larry Finley, President
International Tape Cartridge Corporation
New York, New York
- Talk B Developing Consumer Interest Through Door to Door Selling
Gerald C. Katcher, Secretary-Treasurer
Tape-Rac, Inc., and Universal Stereo Studios, Ltd.
Freeport, L.I., New York

1:30 P.M. - 4:00 P.M.

SESSION 12 WHERE DO WE GO FROM HERE?

The final session will deal with some of the critical questions facing companies in the tape cartridge field in the months ahead. The registrants will be pre-assigned to round tables seating ten people per table. Everyone will be given an outline of questions. The men will select three of the questions. Under the guidance of a table leader, the men will exchange ideas, experiences, suggestions on ways to solve the questions. Here is a unique opportunity to learn from other executives the new practices that have been successful, to orient every person's thinking to the opportunities and pitfalls ahead, and to stimulate each registrant to seek ways to make his participation in the tape cartridge field a more profitable one.

TAPE CARTRIDGE FORUM

Sponsored by Billboard Magazine & Merchandising Week

The Tape Cartridge Forum will acknowledge your registration immediately upon receipt and will forward all details pertaining to procedures.

Please register _____ people from our company to attend the TAPE CARTRIDGE FORUM, October 16-17, 1967, in New York. Check is enclosed to cover all registrants.

Company Name _____

Address _____

City, State, Zip _____

We are ☐ manufacturers ☐ wholesalers ☐ retailers
☐ distributors ☐ other _____

We are associated with the ☐ music-record industry
☐ automotive field ☐ other _____

We are now in the tape cartridge field ☐ Yes ☐ No

REGISTRATION FEE: \$100.00 per person

Fee includes attendance at all sessions, work materials, and luncheon on Monday and Tuesday. IT DOES NOT INCLUDE HOTEL ACCOMMODATIONS. Payment Must Accompany Order.

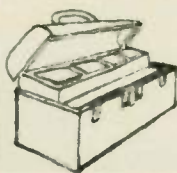
Please Make Check Payable to:
Tape Cartridge Forum
—and mail to Room 1408, 500 Fifth Avenue,
New York, N. Y. 10036.

Names of Registrants and their Titles:

(Additional registrants can be listed on your company letterhead.)

Your signature and title _____

SERVICE NEWS



Nashville's Jimmy Capps explains the plight of the small operator

Increases in state and local taxes and the difficulty of finding good servicemen have cut down on the number of service calls made by Jimmy Capps, owner of the oldest radio-tv service and retail center in Nashville, Tennessee.

Capps has operated C&H Radio &

TV Service Co. for 26 years, and time was when he had as many as three full-time servicemen working for him. Today, however, he is reduced to none; he does all the servicing himself.

The tax problem began with the wheel tax on truck axle loads, Capps

explained. "Then there was the extra cost for a service-truck license plate. Then all the increases in the gasoline tax." (Tennessee's is one of the highest in the nation, which brings the average cost of a gallon of regular gasoline to 36 cents.)

"The average retailer," Capps said, "can't afford to do a lot of servicing because of the tax structure." He said it costs "thousands of dollars" just to operate a small service truck.

The help problem, says Capps, also has contributed to the situation he finds himself in today—not being able to afford to make as many service calls as he used to.

"I just can't find good servicemen any more at a price I can afford to pay. If I hire someone who takes three hours to make a minor repair, then, by the time I pay him, I'm al-

ready over the cost of the call," Capps bemoaned.

Before the wage-and-hour law hiked up the minimum wage, Capps said, he could afford to hire apprentices, who would take a long time to get something done. Now, however, the cost of maintaining help is virtually prohibitive, he said.

The result of these problems is that Capps won't service any in-warranty set that some other retailer has sold. "I service all of my own radios, tv sets, stereos and amplifiers," he said, "because that's my business. But, by the time I make a call for somebody else's in-warranty set, I've lost money."

Capps will, however, service out-of-warranty sets sold by somebody else. "Most of these calls," he said, "are just for bad tubes anyway, and I can change a tube in seconds, so I come out ahead. I pretty well know what to take along."

Although Capps sells only Zenith tv, he will service any brand, black-and-white or color, as long as the set is not still in warranty with someone else.

Service charges to his customers, Capps said, can't exceed a "reasonable" rate for a check-up call, which he sets at \$5.00 for a black-and-white tv, \$7.50 for color. "But," he said, "if I have to go out and check a set, find a blownout tube, return to the store and get the tube, go back and put it in, I've already spent more than the cost of the service call."

The veteran dealer-serviceman said he makes calls all over Davidson County. "My customers from 20 years ago still call me," he said, "even though they live 20 miles away. Naturally, I go out to take care of them. No, they don't have a set in warranty with someone else. They buy from me."

Capps' advertising is confined to the Yellow Pages of the phone book. He says he is so well known by now that "there's no point in putting out flyers or printing newspaper ads. After all these years, the people know I'm here, and I've got all the work I can handle myself."

Capps began as a radio repairman in 1941, and two years later went into the retail business, selling radios. In 1950, when Nashville's first television station (WSM-TV) began broadcasting, he was the first "authorized" tv serviceman in town. He stocked his store, on the west side of the city, with Zenith sets. This was the first company that approached him. The stereos, phonographs and amplifiers came later.

Out of the store most of the time now, he leaves the retailing to his wife. She also performs the other necessary store functions, including the taking of service calls.

Capps would like to see the day again when he could "afford to service everything." But he doesn't believe it will come.

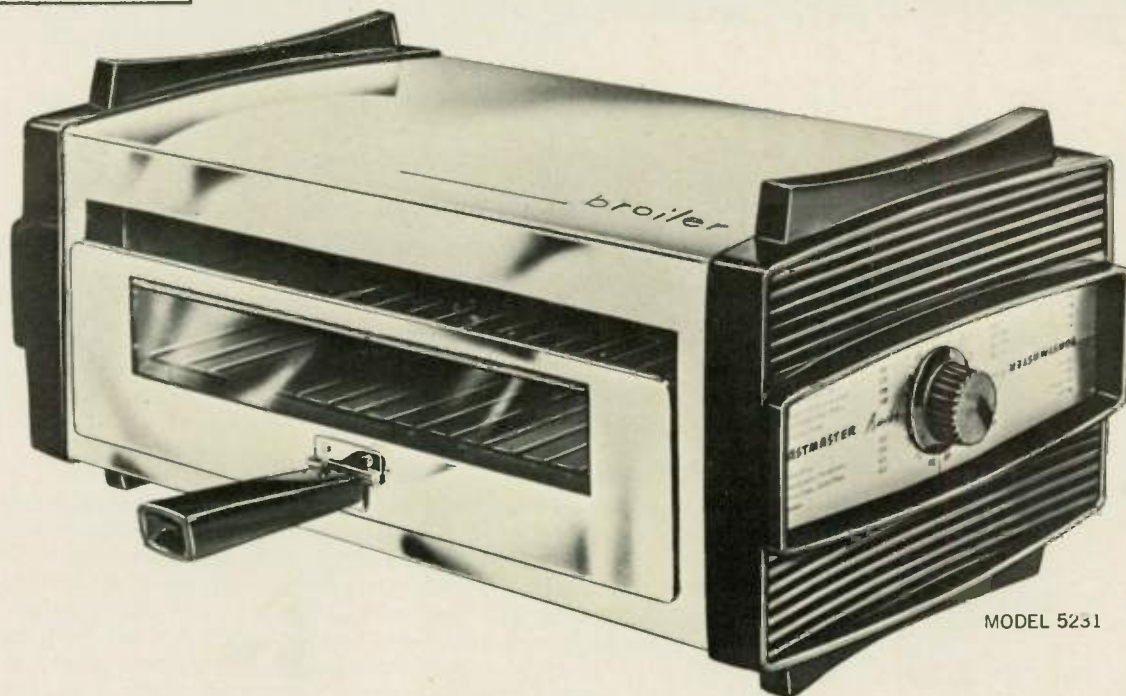
"If we ever get even again," he said, "they'll just come up with a new tax."

NEW LITERATURE

"How to Read Schematic Diagrams," is the title and subject of a new book by Donald E. Harrington. According to the publisher, the book explains the symbols for resistors, capacitors, coils and transformers, electronic tubes and other components, and shows the symbols for connecting the parts, and helps the reader follow a signal through a typical radio receiver. The 160-page, \$2.95 book is published by Howard W. Sams & Co., 4300 West 62nd St., Indianapolis, Ind., 46206



one good thing leads to another...



MODEL 5231

A portable broiler-oven that acts like a \$300 stove!

TOASTMASTER®

Smokeless Broiler-Rotisserie, Model 5256. Broils over water in stainless steel pan. Drippings can't stick. Cooks without smoke, spatter or mess. 3-position grill. Notched bracket for spit. Easy to convert from rotisserie to broiler.



Portable Broiler, Model 5211. Broils, warms, toasts. Use for anything from frozen dinners to steaks. Easy to clean two position broiler tray, with wire grill and hinge handle. Polished chrome finish. Broiling guide on side panel.



Show the lady how a flip of the wrist converts this modern marvel from a broiler to an oven and she'll flip... she'll buy! Cooks just like a full-size stove: with sheathed, self-cleaning heating unit on top, it broils steaks, chops, hamburgers. With heating unit on the bottom it bakes cakes, pies, pizza! This is the quality-built Toastmaster 2 in 1 appliance your customers will see again and again in national magazines and on TV. Sales of all Toastmaster broilers are already skyrocketing. And now we're adding impact advertising to make next season the biggest ever. Don't get left out. Feature Toastmaster broilers!

Sell the line consumers are sold on—

TOASTMASTER®

...where one good thing leads to another



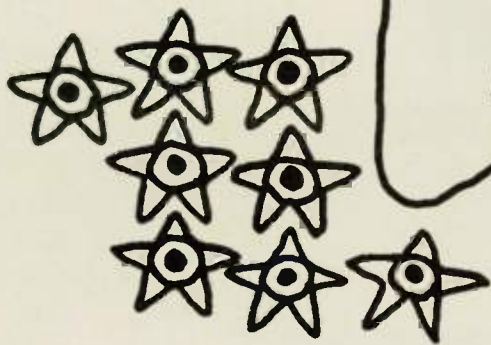
TOASTERS • COFFEE MAKERS • BROILERS • IRONS • FRY PANS • PORTABLE VACUUM CLEANERS • WAFFLE BAKERS • MIXERS • BLENDERS • CAN OPENERS • HAIR DRYERS • HAIR CLIPPERS • VIBRATORS • SHOE POLISHERS • POWER TOOLS • FANS • HEATERS • HUMIDIFIERS • ELECTRIC KNIVES • BUFFET RANGES

TOASTMASTER DIVISION • MCGRAW-EDISON COMPANY • ELGIN, ILLINOIS

Westinghouse Room Air Conditioners introduce

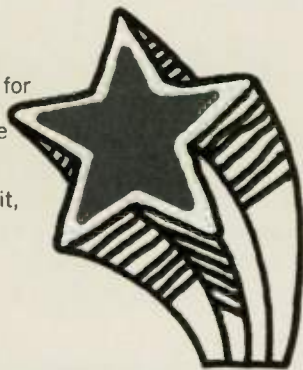
MR. SHOW BIZ

This is your chance to see the coming attractions for next year — the new 1968 line of Westinghouse room air conditioners. Mr. Show Biz will show you how you, too, can be a Mr. Show Biz. Because with Westinghouse the entire room air conditioning market is your stage.



There are dozens of stars in the Westinghouse show — room air conditioners to satisfy any room and window requirement, including the Westinghouse Slider model for horizontal sliding windows. And styles and colors to please everyone: the new tambour fronts, the exciting furniture-style panel fronts, the high-BTU Southerners.

Anyone can star with Westinghouse for 1968. Mr. Show Biz is your key to getting your orders in earlier. Before your competition does. Before the heat's on. Before you lose sales on out-of-stocks. And before you know it, Mr. Show Biz will help your profits grow for 1968.



Admission to the Mr. Show Biz Key Club is by our special key only. If you haven't received yours yet, call your Westinghouse distributor. It's your chance to see and order the new Westinghouse room air conditioners for next year. See you at the Key Club.

You can be sure if it's

Westinghouse





□□□□ **Betty Furness** will spend most of her time in the next few months trying to get the appliance and auto industries to solve their service problems. She mentioned the subject at a recent meeting that Commerce Secretary Alexander Trowbridge held with ap-

pliance manufacturers. Since then, she has been reading her mail—and has decided that service is the No. 1 problem annoying consumers.

Miss Furness, President Johnson's adviser for consumer affairs, plans to create two industry committees to work out

solutions to the problems—one in appliances and one in automobiles. They will be fashioned after the textile committee formed by her predecessor, Mrs. Esther Peterson, which agreed on voluntary standards for the labeling of permanent press and other textile items.

This, as a matter of fact, will be the Furness approach to all problems. She is "greatly encouraged" by signs of industry cooperation. But she does have a word of warning. If service problems are not solved,

and if customer annoyances and frustrations continue to mount, the consumer may well stop buying those extra products that mean the difference between profit and loss to merchants as well as manufacturers.

□□□□ **The ITT - ABC merger hangs in the balance.** The merger agreement expires at the end of the year, and the unofficial word is that ITT will back down unless the controversial matter is settled by then.

Last week, the Justice Department filed a 171-page brief with the U.S. Court of Appeals in Washington, outlining its belief that the Federal Communications Commission (FCC) erred when it twice approved the merger. Justice is adamant in its belief that the merger is a clear-cut violation of the antitrust laws.

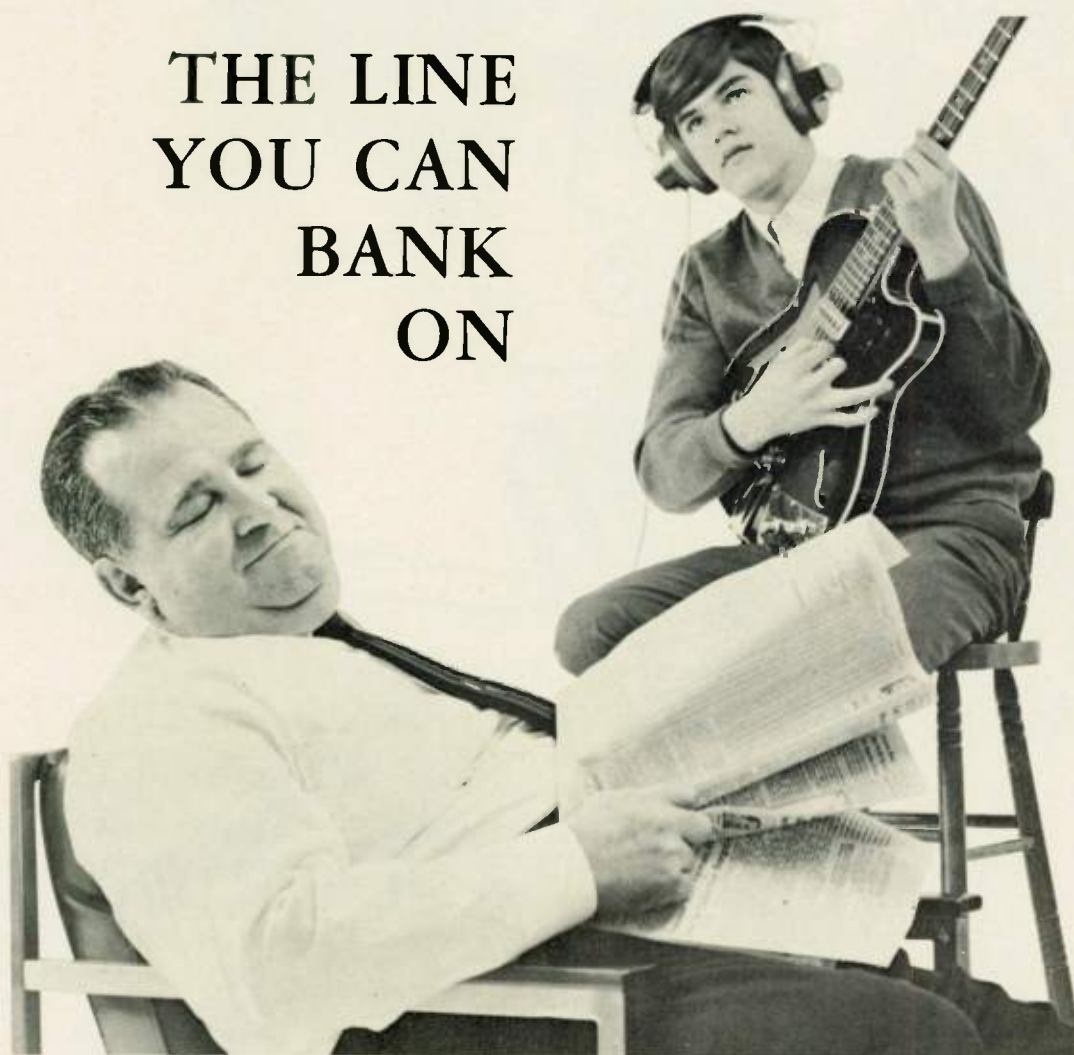
The Court has the year-end deadline well in mind. It will receive replies from the FCC, ITT, and ABC on Oct. 2, with oral arguments following quickly—probably during the week of Oct. 16. A decision could be handed down by mid-November or early December.

□□□□ **Paul Rand Dixon**, the often controversial chairman of the Federal Trade Commission (FTC), will be around for another seven years. President Johnson has named him to a second full term as head of the FTC. But, this time, the business community is nowhere near as worried as it was in 1961 when the late President Kennedy first appointed Dixon.

Business feared the worst, then. Dixon, a lawyer, was staff director of the Senate subcommittee, headed by the late Sen. Estes Kefauver (D-Tenn.), which conducted headline-grabbing investigations into the auto, steel, bread, and drug industries. He was instrumental in passage of the Kefauver-Harris drug amendments of 1962, considered one of the broadest pieces of regulatory legislation ever adopted by Congress.

Dixon has calmed down considerably since then, however. His approach to regulation now is deemed quite reasonable by most.

THE LINE YOU CAN BANK ON



The exciting new Telex Amplitone — guitar headset with built-in battery operated amplifier — youngsters like it for practicing, parents like it because it is silent, pros like it to tune-up backstage, your floor salesmen will like it to demonstrate guitars, and you'll like the sales.

Telex offers you the broadest line of stereo headphones, stereo controls and private TV listeners — models from \$15.95 to \$79.95 — all made with the same rugged dependability that made Telex the standard in air-craft and space communications.



When it comes to innovations and quality the Telex line means depth you can bank on — whenever your bank is open for business.

For complete information write Sales Manager.

TELEXacoustics
DIVISION OF THE TELEX CORPORATION

3054 EXCELSIOR BOULEVARD MINNEAPOLIS, MINN. 55416

INDUSTRY TRENDS

Distributor-to-dealer sales of color tv sets lost momentum in the week ended Aug. 25, registering a gain of 2.73% over the comparable week last year. The 34-week total stands at 2.73 million sets—9.77% above last year.

By comparison, in the previous week—ended Aug. 18—color tv sets recorded a 17.67% gain over the corresponding week in 1966. The seeing statistical picture in color tv contrasts with a generally "minus" picture for other home electronic units.

For the week ended Aug. 25, distributor-to-dealer sales of portable and table phonos were off 29.14%; console phonos declined 23.50%; home radios dropped 20.38%; and b&w tv sets dropped 22.92% from the comparable

week last year.

For the 34-week period, only portable/table phonographs join color tv on the plus side. Distributor-to-dealer sales of portable/table phonographs are up 5.45% for the 34-week period over the same period in 1966.

The biggest decreases for the 34-week period were recorded by black-and-white tv receivers, which were off 27.29%, and console phonographs, off 23.84%. Distributor-to-dealer sales of radios lagged 11.56% behind 1966.

The absence of July and 7-month figures for floor polishers results from a withholding of reports by the Vacuum Cleaner Manufacturers Assn. pending further reports from its member manufacturers.

An up-to-the-minute tabulation
of estimated industry shipments of 16 key products.
New figures this week in bold-face type

	Date	1967	1966	% Change
FLOOR CARE PRODUCTS				
Floor Polishers	June	78,779	94,378	- 16.53
	6 months	497,615	577,758	- 13.87
Vacuum Cleaners	July	415,237	414,581	+ .15
	7 months	3,058,196	3,145,025	- 2.77
MAJOR APPLIANCES				
Dryers, clothes, elec.	July	105,000	115,200	- 8.86
	7 months	790,300	757,000	+ 4.39
Dryers, clothes, gas	July	47,100	46,700	+ .85
	7 months	354,000	347,400	+ 1.89
Washers, auto. & semi-auto.	July	294,200	347,900	- 15.44
	7 months	2,120,000	2,294,300	- 7.60
wringer & spinner	July	26,000	40,100	- 35.17
	7 months	261,900	306,500	- 14.56
Air Conditioners, room	July	261,500	488,900	- 46.52
	7 months	3,337,300	2,554,400	+ 30.64
Dehumidifiers	July	47,200	35,200	+ 34.09
	7 months	232,700	203,000	+ 14.63
Dishwashers, portable	July	25,100	28,200	- 11.00
	7 months	270,900	239,800	+ 12.96
under-counter, etc.	July	63,400	71,100	- 10.83
	7 months	496,100	575,500	- 13.80
Disposers, food waste	July	109,800	108,600	+ 1.10
	7 months	707,900	812,800	- 12.91
Freezers, chest	July	46,400	43,800	+ 5.93
	7 months	260,300	276,400	- 5.83
Freezers, upright	July	63,700	68,500	- 7.01
	7 months	394,500	388,900	+ 1.43
Ranges, electric	July	131,700†	157,100	- 16.17
	7 months	1,033,500	1,217,600	- 15.12
Ranges, gas	July	139,900*	131,900	+ 6.06
	7 months	1,187,900	1,279,000	- 7.13
Refrigerators	July	410,300	450,900	- 9.01
	7 months	2,669,600	2,960,200	- 9.82
Water Heaters, elec. (storage)	July	92,200	88,000	+ 4.77
	7 months	613,000	619,600	- 1.07
Water Heaters, gas (storage)	July	193,100	219,700	- 12.11
	7 months	1,466,800	1,597,100	- 8.16
HOME ELECTRONICS				
Phonos, port.-table, distrib. sales	August 25	69,548	98,142	- 29.14
	34 weeks	1,879,103	1,782,007	+ 5.45
monthly distributor sales	June	235,992	195,241	+ 20.87
	6 months	1,391,390	1,170,744	+ 18.85
Phonos, console, distrib. sales	August 25	28,930	37,815	- 23.50
	34 weeks	800,710	1,051,343	- 23.84
monthly distributor sales	June	93,871	133,656	- 29.77
	6 months	593,323	793,007	- 25.18
Radios (home), distrib. sales	August 25	228,512	286,990	- 20.38
	34 weeks	7,013,287	7,930,104	- 11.56
monthly distributor sales	June	1,223,952	1,173,010	+ 4.34
	6 months	5,312,391	5,976,902	- 11.12
B&w Television, distrib. sales	August 25	106,630	138,337	- 22.92
	34 weeks	3,265,636	4,491,065	- 27.29
monthly distributor sales	June	385,900	543,992	- 29.06
	6 months	2,413,702	3,426,789	- 29.56
Color Television, distrib. sales	August 25	109,024	106,122	+ 2.73
	34 weeks	2,730,168	2,487,037	+ 9.77
monthly distributor sales	June	284,949	332,848	- 14.39
	6 months	1,977,030	1,821,194	+ 8.56

†July Electric Range Total includes: 89,900 free-standing ranges; 41,800 built-ins.

*July Gas Range Total includes: 93,500 free-standing ranges; 16,600 high-ovens; 15,900 set-ins; and 13,900 built-ins.

Source: AHAM, EIA, GAMA, VDMA

THIS BUSINESS IS PEOPLE



S.C. Patterson



R.B. Franklin

Credit Foundation names former Penney's executive

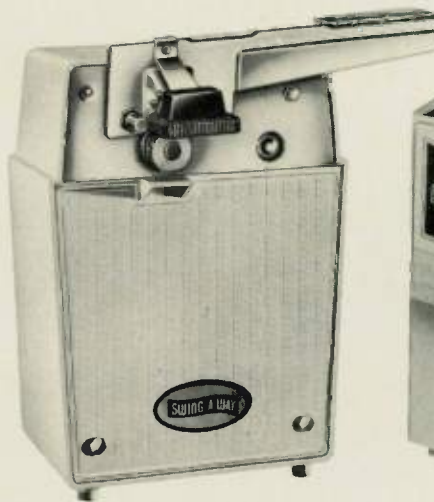
The National Foundation for Consumer Credit, a non-profit organization, has elected S.C. Patterson as its executive vice president. Patterson recently retired as general credit manager for J.C. Penney Co. New president of the organization is Don L. Jordan, chairman of Johnson-Carper Furniture Co., and past chairman of the National Assn. of Manufacturers.

Franklin succeeds Cashin in Sylvania lamp position

Sylvania Electric Products Inc. has tapped Robert B. Franklin to serve in the post of vice president and general manager of its lamp division. Franklin succeeds Thomas H. Cashin, who was promoted to senior vice president and head of Sylvania's entertainment products division (MW, 11 Sep., p.12). Franklin had previously served in the post of corporate director of procurement and facilities planning.

KEY MOVES: A company with a new name, NMS Industries Inc. (formerly Ross Products), has named Noel M. Seeburg as chairman and president. NMS brings together Ross Products and two divisions of N. Marshall Seeburg & Sons: Steelcraft Tools and J.A. Olson Co. . . . John F. Kearney has been appointed marketing manager for Mallory Distributor Products Co., a division of P.R. Mallory & Co. . . . The National Retail Merchants Assn. has named David Breedon as public relations director. . . . William L. Mayo has been named assistant to the vice president of marketing for Controls Co. of America. . . . Thomas Q. Fisher, formerly of Philco-Ford, joins Symphonic Electronic Corp. as marketing manager. . . . William Silverman, formerly a Eureka-Williams branch manager, has been appointed New Jersey sales representative for the Grundig electronics line. . . . Robert F. Abell, formerly with Western Auto, joins Pay'N Pak Stores, a West Coast electrical and plumbing supplies and hard goods retail chain, as executive vice president. . . . Panasonic names W. L. C. Industries Ltd., of Albany, N. Y., as its distributor for northern New York State. . . . Toshiba America names W. R. Light Co. as its distributor for New York City and Long Island. . . . Stanley A. Harris Co., of Needham, Mass., has been appointed New England sales representative for Harman-Kardon; Tom Mullin joins Harris in charge of sales operations.

WE'RE NOT IN THE ELECTRIC HOUSEWARES BUSINESS FOR OUR HEALTH, AND NEITHER ARE YOU! IT WILL PAY TO CHECK THE SWING-A-WAY PROMOTIONAL LINE. IT'S MADE AND PRICED TO SELL ...WITH GUSTO!



No. 4000 Electric Can Opener



No. 5000 Electric Ice Crusher

SWING-A-WAY

SWING-A-WAY MANUFACTURING CO., 4100 Beck Ave., St. Louis, Mo. 63116 In Canada: Utility Housewares, Toronto, Ont.

**World's biggest*
electric housewares ad
in the
world's biggest† magazine.**

SUNBEAM AND

Right at the peak of the Christmas shopping season—12 full-color pages—47 Sunbeam Gift Ideas will be delivered to:

- **16,500,000 homes**
 - **41,000,000 adult shoppers**
 - **It is the biggest electrical housewares magazine ad of the year**
 - **It is exclusively Sunbeam**
- It will reach almost 30% of all households in the U.S. ■ It is detachable, designed to be a gift guide for the entire Christmas season ■ It will pre-sell style, choice, and Sunbeam quality—for you.

*12 consecutive full-color pages by a single manufacturer.

†largest magazine circulation: 17,222,440 average monthly circulation for 6 months ending Dec. 31, 1966 (Audit Bureau of Circulation).

47 happy solutions for your Christmas shopping problems!

SUNBEAM SHOWCASE OF GIFTS



TEAR
HERE

A TEAR-OUT CHRISTMAS GIFT GUIDE

1.



2.



Style I.



Style II.



Style III.



built with integrity
backed by service



A

Sunbeam **GIFT STARTS EVERY DAY OFF RIGHT**

Here are gifts to brighten the morning and gladden the heart —long after Christmas is over. They're only a few of the wonderful ideas in the Sunbeam Showcase of Gifts.

1. **Teflon* Coated Waffle Baker & Grill.** Non-stick, double-coated DuPont Teflon*. Grills sandwiches, too! TCGL.
2. **New Thinline Automatic Toaster.** Slim space-saver design. Toast lowers, raises by itself. Up-front control. AT90.
3. **Decorator Automatic Toaster.** New idea! Colorful glass side panels fit any decor. Uniform toast everytime. AT80.

Five New Percolator Styles

Style I. Slim styled automatic. Brews 2 to 6 cups. Signal light. Pop-up basket. AP71.

Style II. Traditional beauty. 12-cup family size. Strength selector. Signal light. AP72.

Style III. 12-cup chrome. Low silhouette model with coffee level gauge, strength selector. Makes hot water, too! AP73.

Style IV. Striking modern design. 8-cup capacity in Stainless Steel makes it easy to clean. Strength selector. AP74.

Style V. 12-cup Stainless Steel. High fashion styling. All luxury features, coffee level gauge, strength selector, signal light and hot water setting. AP76.

MOST *Sunbeam* GIFTS FOR SLICING, BLENDING AND MIXING

1. **Custom Deluxe Mixmaster Blender.** 8 speeds—create new desserts, sauces, toppings, drinks. 5-cup capacity. Removable blades for easy cleaning. Slide switch. BL800.

2. **Electric Knife.** "Tip that trims" makes carving a real pleasure. Scalloped stainless steel blades. Convenient wall rack. Safety lock. Removable cord, too. EK111.

3. **Mixmaster Mixer with Drink Mixer Attachment.** 2 glass bowls, removable cord, mixing selector, full-mix beaters. 10-speed thumb-tip control. Converts to portable. EM3.

4. **12-Speed Mixmaster Mixer.** Brand New! World's finest! Deluxe chrome finish, Mix-Finder dial, 2 stainless steel bowls. Bowl-Fit beaters. Automatic bowl speed control. Use as a portable, too! MM200WS.



built with integrity
backed by service





KITCHEN CHORES ARE EASIER WITH A *Sunbeam* GIFT

1. **Teflon* Coated Cooker Fryer.** Deep-fries delicious doughnuts, french fries—cooks rich stews, soups. Double-coated DuPont Teflon* for non-stick cooking, easy cleaning. TCF6.
2. **Automatic Electric Egg Cooker.** Uniformly cooks up to 8 eggs. Timer signal, removable Teflon* coated poacher attachment. EP4.
3. **Teflon* Spray, Steam or Dry Iron.** Deluxe "Spray-Mist" model. 36-vent soleplate for all-over steam. DuPont double-coated Teflon* for smooth ironing, no starch build-up. Water level gauge. Fabric guide. TSS3.
4. **Sunbeam Can Opener.** Opens any standard size or shape can in a jiffy, automatically. Sharpens knives, scissors, too. Magnetic lid holder. Woodtone trim. ACO.



B

RIGHTEN SOMEONE'S HOME WITH A *Sunbeam* CLEANER

1. Courier Cord Reel Vacuum Cleaner. Slim, trim shape. Our most powerful motor. Inside tool storage. Five cleaning tools. Model 677.
2. New 2 + 2 Upright Vacuum Cleaner. Two suction fans, two cleaning actions, beater bars plus brushes. Headlight, two speeds. VC210.
3. Outdoor-Indoor Heavy Duty Vac. Powerful. For garage, patio, basement, yard, fireplace, cars. 10 gal. cap. Big 2½" dia. hose. VC110.
4. Vacuum Broom. For quick cleaning rugs and floors. Slim design. Lightweight. Disposable bags. Easy-to-store. Model 638.
5. New Electric Carpet Cleaner. Cleans with foam. Won't soak rugs, carpets. Dries fast. Scrubs floors, too. FC629.



A
Sunbeam

CLOCK REMINDS THEM OF YOU ALL YEAR LONG

1. "Vicksburg" Cordless Decorator Clock. BW421. $11\frac{1}{2}$ "w, $13\frac{3}{4}$ "h.
2. "Spring" Cordless Decorator Clock—BW429. $8\frac{3}{4}$ "w, $21\frac{1}{4}$ "h.
3. "Vineyard" Cordless Decorator Clock—BW415. $19\frac{1}{2}$ "w, $19\frac{1}{2}$ "h.
4. "Salon" Cordless Decorator Clock—BW419. $20\frac{1}{2}$ "w, $20\frac{1}{2}$ "h.
5. "Country Squire" Electric Wall Clock with moving pendulum.—KW108. $6\frac{1}{2}$ "w, $11\frac{1}{2}$ "h.
6. "Country Platter" Cordless Wall Clock—BW119. 10" Dia.
7. "Vermont" Electric Pendulum Table Clock, B104. $10\frac{1}{8}$ "h, $4\frac{3}{4}$ "w.
8. "Spree" Electric Kitchen Clock—KW201. $7\frac{1}{2}$ " Dia.
9. "Malibu" Electric Pendulum Clock—EB114. $4\frac{1}{2}$ "w, $8\frac{1}{2}$ "h.
10. "Intimate" Electric Alarm Clock—EB116. $5\frac{1}{4}$ "w, 4"h.
11. "Preferred" Electric Alarm Clock—B101. $4\frac{1}{2}$ "w, $3\frac{1}{8}$ "h.
12. "Soft Touch" Electric Touch Alarm Clock—EB115. Up-front alarm bar—Press to set alarm at night—Press to shut off alarm in morning. $4\frac{3}{4}$ "w, $3\frac{1}{2}$ "h.



B

EAUTY
IS BUILT INTO
THESE *Sunbeam*
GIFTS

1. **Deluxe Electric Shoe Polisher.** Takes the work out of shining shoes. Includes 2-speed electric power handle, 2 brushes, buffer, polish, wood case with foot rest. Model 222.

2. **Lady Sunbeam "Jet Set" Hair Dryer.** For the girl on the go. Our fastest drying hair dryer—dries wet hair in average of 22 minutes. Compact, portable, powerful. 4 heat settings with self-storing hose. PHD2.

3. **Lady Sunbeam Manicurist.** "Beauty Salon" manicures—pedicures, too. Grooms cuticle, trims, shapes, buffs nails. Built-in nail dryer. 5 attachments. Pink or blue. MS1.

Shown on Cover
Sunbeam Professional-Type
Hair Dryer. Excellent over-all drying action. Portable. Sets up in seconds. Convenient remote control. HD30.



built with integrity
backed by service

A

**Sunbeam VISTA
GIFT MAKES
EVERY TASK
EASIER**

1. Vista Buffet Style Teflon* Frypan. Cooks roasts up to 9 lbs. Bakes cakes, roasts chickens, too. Buffet styling for table serving. Non-stick DuPont Teflon*. VLBT. Also available without Teflon. VLMCB.
2. Lady Sunbeam Vista Hair Dryer. So compact and portable! Everything stores inside: hose, bonnet, curlers, quick curl attachment. 4 heat settings. VHD22.



**built with integrity
backed by service**

3. Vista Electric Slicing Knife. Sharp to the very end—carve between bones, close to ribs. Perfectly balanced for easy handling. Safety latch. VEK500.

4. Vista Mixmaster Hand Mixer. Striking sculptured shape, balanced design. Broadbase heel rest. 3-speed, thumb-tip control, beater ejector, VHM1.

EVERY MORNING
IS BRIGHTER WITH
A GIFT BY *Sunbeam*



1. **Oral Jet Rinse** with "Controlled Pressure." Refreshing way to aid oral hygiene. Cleans debris between teeth regular brushing may miss. A pulsating jet of water does it easily and quickly. HJ200.

2. **Denture Cleaner.** Swirling fluid action cleans dentures fast and effectively. Convenient. Safe. Only liquid touches dentures. Electro-magnetic action. DC1.

3. **Cordless Hygienic Toothbrush.** A bright smile for every member of the family. Brushes up and down—automatically—1800 strokes per minute. Safe, cordless. 4 brushes. Recharges in storage base. CT7.

GIVE A *Sunbeam* GIFT OF CLOSE COMFORTABLE SHAVES

1. **Lady Sunbeam Electric Shaver.** Lovely legs deserve the best—the Lady Sunbeam shaver with the Built-in Light. Grooms softly and safely with never a nick or scrape. Push-button head release, on-off switch. Boudoir gift case. LS7B.

2. **Sunbeam Deluxe Shavemaster Shaver.** The naturally-curved shaving screen and six real blades bring a unique combination of closeness and comfort to electric shaving. There is a professional-type Barber Trimmer to set sideburns straight. In a handsome display gift case. Model 777.

3. **Sunbeam Cord/Cordless Shavemaster Shaver.** For the man on the go . . . shaves anywhere with a cord or without. Nickel-cadmium batteries give a full week of shaves on a single charging. And the charging unit is right in the gift case for easier handling. On-off switch. Model 888.



*SUNBEAM, MIXMASTER, MIX-FINDER, SHAVEMASTER, LADY SUNBEAM, VERMONT, PREFERRED, COUNTRY SQUIRE, VISTA, SPRAY MIST, T.M. THINLINE, DECORATOR, COURIER, MALIBU, TOUCH ALARM, SPREE, COUNTRY PLATTER, VINEYARD, SALON, VICKSBURG, INTIMATE, SOFT TOUCH, JET SET, 2+2.

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*DuPont's Registered Trademark for its TFE non-stick finish

READER'S DIGEST

If some early Christmas shopper has already removed Sunbeam's gift guide from this issue, ask your Sunbeam man or distributor for another.

Big Christmas Sweepstakes too!

1000 Sunbeam prizes will build readership and customer interest for all Sunbeam appliances.

In-store Sweepstakes display available. Place it near your Sunbeam Gift Center.

Call your Sunbeam distributor and ask him for the merchandising ideas on how you can profit from the year's biggest appliance promotion by a single electric housewares manufacturer.



**built with integrity
backed by service**

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LIFE

Suite size for an ad.

The generous 143-square-inch LIFE page lets you do some king-size advertising. Week after week.

Surveys show that product information is something people expect from an ad. Especially when it asks them to make a big-dollar buy.

Furniture, major appliances and other big-ticket items get the kind of space they need if you want to list the points that make them worth a major cash outlay.

In LIFE you reach more adults in households that bought major big-ticket items in the past year than in any other magazine.

Give them some LIFE-sized reasons to buy.

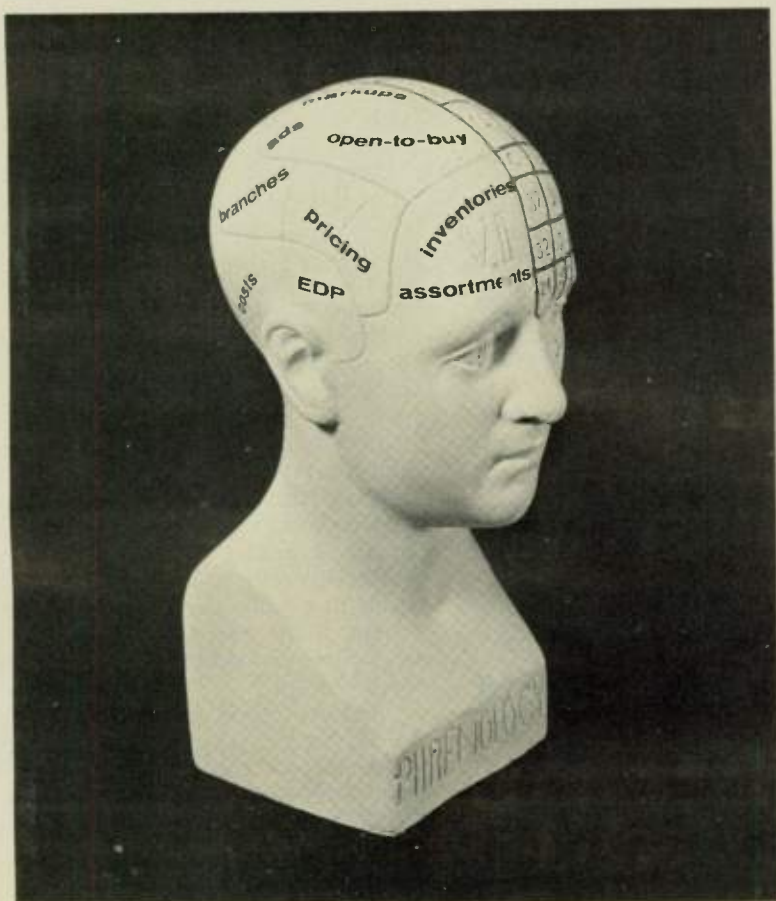
LIFE

LIFE goes to market every week just the way people do.

Housewares Marketing & Merchandising: Concentrating on assortments

Story by Ed Dubbs

Cover photograph by The Robert M. Denelsbeck Studio



With profits on their minds, housewares retailers are concentrating on revamping—and paring—product assortments for the all-important Christmas sales season.

In the front of buyers' minds are product assortments: they are the key around which profits turn.

Housewares is an assorted business loaded with assorted problems. Profits on electric housewares come at assorted markups; that's been a lingering problem. Products come in assorted models and colors—a growing problem.

Customers come in assorted tastes—an unending problem. Stores under a single buying operation come in assorted locations—an expanding problem.

By concentrating on assortments, this third annual Housewares Marketing & Merchandising Report hopes to cast some light on these and additional related problems facing housewares retailers today—and perhaps come up with some solutions.

Never before have housewares retailers been forced to take such a long hard look at their product assortments. This is the result of continuing pressure to hold down costs and increase efficiency.

What items should be added?

What items should be re-ordered?

What items should be featured?

What items should be dropped?

What categories should be beefed up?

What categories should be pared?

The housewares industry is at a turning point in its transition from the decade of discounting to the period of profitability. For the past several years, retailers have been working hard to speed up this transition. Now the pressure is on as never before.

And changing product assortments provide a clue to what is happening and what will happen in the future. What happens affects not only retailers, but manufacturers and distributors, too.

One thing appears certain, judging from talks with leading retailers: there will be more paring of product assortments in the days to come. Eventually, the paring process will move away from simply dropping single items to dropping entire lines.

But, perhaps ironically, there may be less cherry-picking of product lines than in the past; instead, there may be a more concerted effort on the part of retailers to get more solidly behind the remaining lines and push them.

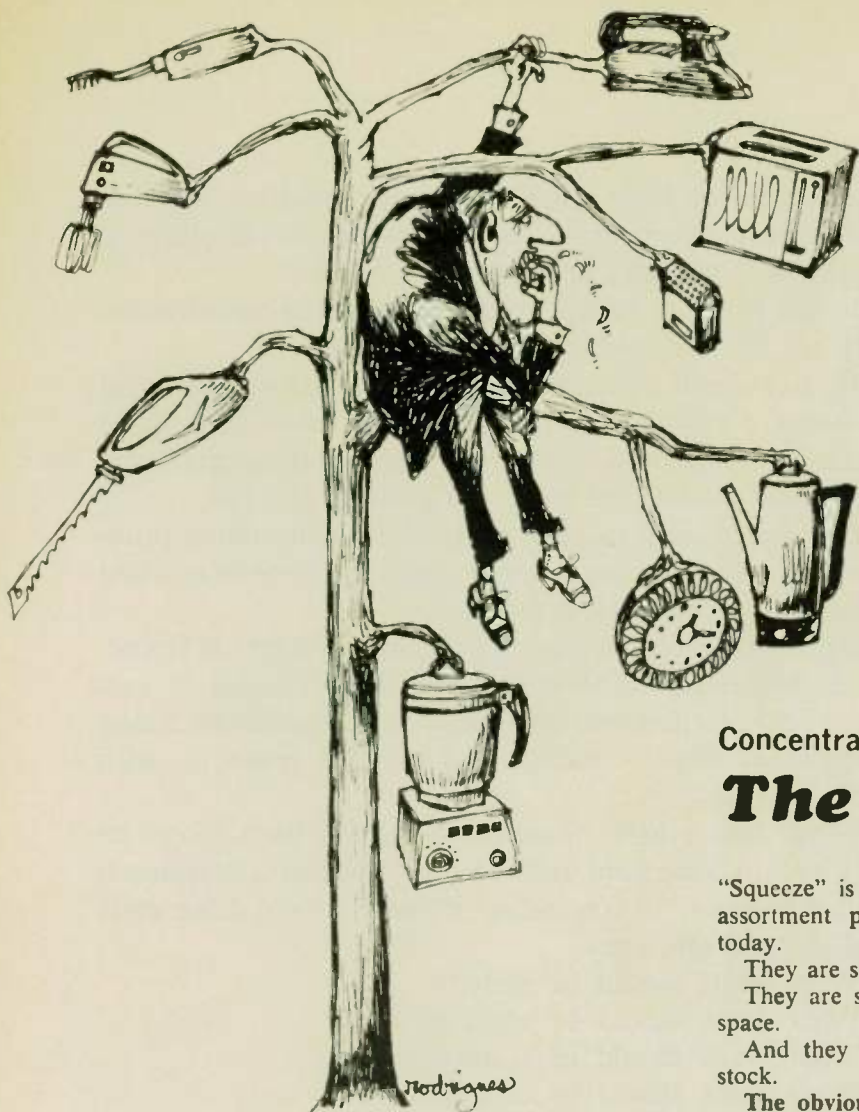
There is little doubt that retailers everywhere are seeking to work more closely with fewer suppliers; this, in itself, could produce profound changes, not only in retail product assortments, but also in buying patterns.

In Merchandising Week's first annual Housewares Marketing & Merchandising Report, published in September, 1965, we described the growth of housewares as the growth of "the innovating industry." We documented the movement from product innovation to "product proliferation."

In the second annual report, "Housewares Is a Happening," published in September, 1966, Merchandising Week focused on the consumer revolution and the New Consumer—and how these were changing the marketing and merchandising patterns of the entire industry.

Today, the third special report gets down to the basic problem of tailoring product assortments for the greatest level of consumer acceptance—and, by implication, volume and turnover—and the greatest possible level of profit.

It is a study in juggling and of quick-change artists. The act opens in the "pare" tree. ➡



Concentrating on assortments:

The squeeze in the 'pare' tree

"Squeeze" is the word that sums up the product assortment problem facing housewares retailers today.

They are still caught in a profit squeeze.

They are squeezed more than ever for display space.

And they are squeezed for space for backup stock.

The obvious answer to the squeeze is to pare. But nothing is that simple.

Although merchandising has traditionally called for changing of product assortments to meet changing consumer needs, retailers more than ever are being forced to pare for profit's sake.

Even retailers, particularly department stores, which traditionally have prided themselves and promoted themselves as offering a broad consumer choice in their product assortments, are now concentrating harder on getting their assortments down to a workable and more profitable level.

"We offer the widest assortments anywhere," said the buyer for a large department store. "I can drop items and still offer a broader consumer choice than my competition because they are being forced to do the same thing."

So consumer choice, it appears, is relative.

But for every toaster or hand mixer the buyer can pare, there seems to be another product the buyer feels he must carry. Under present conditions, for every slicing knife dropped, a blender seems to have been added; for every basic kitchen electric pared, a personal care electric has come along to take its place.

So, despite the paring, retail display space remains the No. 1 problem, especially for the electric housewares buyer who would like to do more with the shop concept, and, in particular, with personal care items.

There is, of course, nothing new in older, slower-moving items having to make way for newer, hotter items being produced by the industry.

What is new about the squeeze now, however, is the more concerted effort on the part of housewares retailers everywhere to take a closer, harder look at those items and lines without which he can live.

Right now, housewares buyers, particularly those for department stores, are working on eliminating duplication within their departments.

The duplication developed logically enough—as the inevitable outgrowth of the "double standard" used by some stores to display electric housewares: at one location, displays by product—for example, all irons together—which is the most widely followed practice; at another location, displays of products by manufacturer. Few retailers have the space to indulge in the luxury of putting the same item in two displays: with other products in the manufacturer's line, and the multi-manufacturer display of the product category.

Some stores now are being forced to forgo this duplication, even though they would like to single out the full line of one manufacturer, especially when that producer provides a higher-than-

average markup. The decision has to be made on whether to continue showing the manufacturer's products as a full line or settling for splitting up the line and displaying products with those of other manufacturers in the same category.

One of the few lines most likely to escape this effort to eliminate duplication—and most likely to be displayed in full (excluding, of course, private labels)—is Braun, largely because of its distinctive styling.

But even more dramatic steps are being taken to pare down product assortments.

The weeding out of brands has already started, to a certain extent, and most trade observers believe it will pick up momentum. Where the process will end, however, few persons are willing to predict.

At the big-store level, the paring of brands seems to be developing in two major ways: one, by cutting down on the number of distributors servicing the stores, and therefore eliminating a brand or two handled by only one of the distributors (generally a secondary line); and two, by cutting down on the number of lines purchased direct, in order to work more closely with, and seek more cooperation from, fewer suppliers.

Retailers are still employing the power play with their distributors and direct-sell suppliers. The price for having a manufacturer's line in a big chain operation keeps going up: give this extra allowance, buy this catalog page; provide X number of demonstrators, are several typical demands.

The price is climbing too high for some distributors and some secondary manufacturers. By refusing to pay the "price" for big-store support, they are being squeezed out, rather than being actually pared out.

On the smaller-store level, the paring of brands is developing as the result of the single-line concept that is growing in major appliances and home electronics. It results principally from the desire of the smaller store to work closely with, and become important to, one supplier.

"A department store can be important to a dozen suppliers," said the portable appliance buyer for a small-store chain, "but I can only be important to two or three at the most."

Behind the paring of product assortments—and the paring of brands that is almost sure to follow—are a number of motivating factors, all of which boil down, eventually, to the search for improved profits. These are:

The desire to improve turnover by eliminating items that pull down the average turns;

The desire to keep inventory investment down to a minimum and thus free capital for expansion or investment;

And the desire, on the part of discounters in particular, to better control their drop-shipping programs by cutting down on the number of items and lines.

These three factors alone are transferring the pressure of the retail squeeze from the retailer to the manufacturer-supplier.

MEET ^{THE} NEWEST MONEY MAKERS

from PROCTOR-SILEX



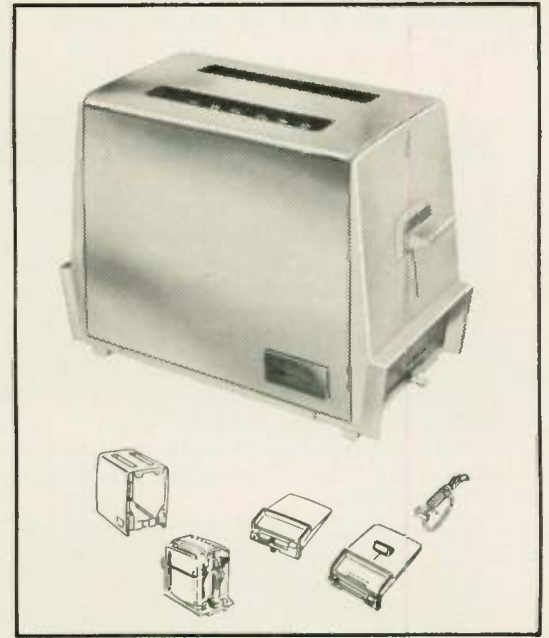
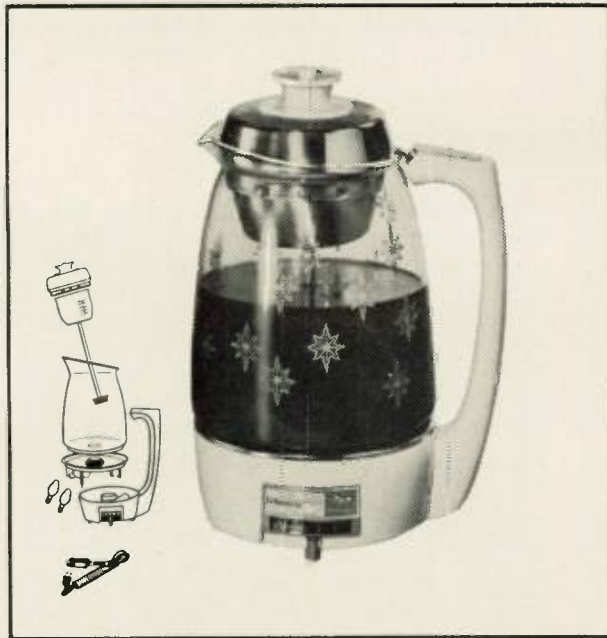
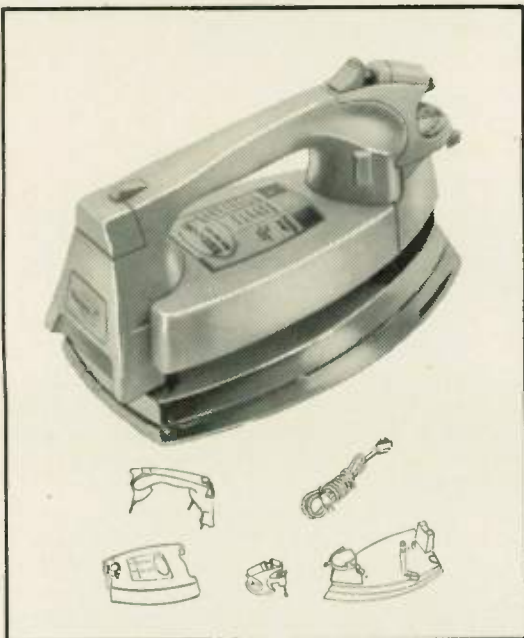
first line of appliances that never never never need service!

Today the big *money-making* idea in appliances is innovation! Exciting new products! Unique design! Advanced new features! Proctor-Silex knows this. That is why it has created LIFELONG—*first line of appliances that never need repair shop service!*

Each LIFELONG appliance is made of only a few easily, replaceable "snap together" units. *Easier to replace than a lightbulb!* This eliminates costly, annoying, time-consuming servicing. (The number one gripe according to consumer research.)

What does LIFELONG mean to you? M-O-N-E-Y!
Money from *increased* consumer demand.
Money from *greater* store traffic.
Money from *important* new sales (both of initial LIFELONG products and replacement units).

made of only a few easily-replaceable "snap together" units!



Who to contact? Your local Proctor-Silex distributor. Now, more than ever, the money maker... for you!



PROCTOR-SILEX
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...first with *money-making* new ideas for you!

Concentrating on assortments:

A close look at three traditional goals

Aiming for broad consumer choice

Department stores are paying an ever-growing price for their desire to offer customers a broad assortment of products.

And, although they are expected to continue to provide some of the widest product selections in the business, more and more department store buyers are beginning to talk a new line:

Too much choice can lead to customer confusion.

Whether this is a rationalization for increased paring, or the recognition of an old axiom, is a matter of conjecture.

"The bigger the store, the smaller the order," an astute official of a leading distributor organization pointed out. By this, he meant that the big department stores—and, increasingly, the so-called discounters, too—are carrying less and less back-up stock and are relying instead on distributors to carry their product inventories for an increasing number of units.

"They don't have the space to stock deep," this distributor continued. "The small guy with the back room is the one placing the big orders."

The department store, more than ever, is being forced to rely on the housewares distributor for fast delivery service and, in essence, for carrying his inventory.

For the past few years, several of the larger New York City department stores have relied on distributors to fill and ship through United Parcel Service (UPS) those products which the customers purchased with a request that they be "sent." The distributor picks up the "sent" order slips at the store and delivers the item to the UPS loading ramp, home-addressed to the department store client. The store, therefore, need only carry sufficient back-up stock to cover "take-with" purchases. And any time that an item is out of stock, the customer can have the item delivered to his home.

Manufacturers and distributors participating in these programs point out that they encourage retailers to show items on their sales floor which they normally would not stock because of added inventory investment and poorer turnover.

There is nothing new about vendor delivery in retailing, of course, but the fact that the distributor performs the function provides a new—and perhaps growing—twist.

There is little doubt that department stores—and discounters, too—are seeking not only to pare their product assortments, but also to keep back-up stock at the barest possible level.

In the process, of course, the big stores are in great danger of being in an out-of-stock position on their best sellers than ever before. But the cost-price for remaining in an in-stock position during 100%—even 90%—of the time is just becoming too high for the department stores to pay.

Aiming for high turnover

For mass merchandisers, the price of high turnover is becoming too high.

Although turnover remains a magical word in the world of discounting, the old adage that, if one maintains high volume and turnover, profits will take care of themselves, is just not proving true today. Costs for discounters—like everyone else—are rising. And, besides, turnover is slipping in discountland. As for volume, discounters are being forced to work increasingly hard as the retail sales pie is split up into more pieces.

The aim for high turnover has necessitated too much promotional effort on the part of discounters behind the promotional leaders in name-brand manufacturers' lines. Discounters have been too slow to cash in on the strong trade-up trend at work in electric housewares.

This late start probably explains why discounters are working harder than anyone else to trade up quickly and to improve profits.

Because of their far-flung stores and their reliance on drop-shipping, product assortments—and inventories, in general—pose a more perplexing problem for discounters than for other retailers.

For the past year or so, most discount chains have worked to get their basic stock into better shape—and, particularly, to speed up the reporting of stock levels from the individual stores. They have sought to expedite the reordering process and to cut down the size of the orders placed.

Discounters are moving to some of the more sophisticated controls in retailing, relying heavily on electronic data processing. Many of the discount chains are establishing elaborate control systems for the first time, and, as a result, have been able to take advantage of the very latest in EDP advances—even more than the department stores, which have developed their con-

trol systems over the years.

In the electric housewares business, a buyer can easily tailor a line for high turnover and minimum product assortment and inventory investment. In irons, for example, a store could carry as few as five models over two brands, and probably few customers would "walk." "But, boy, would you lose money," one buyer was quick to point out.

Product assortments among the discounters are being altered probably more than they are being pared. There is little doubt that discounters are seeking additional ways to make a decent profit: more price-protected name brands; more secondary brands on which there is limited price competition; more trading up within big name-brand producers' regular lines; and greater entry into private labels.

And all of these moves have contributed to the slowdown in turnover.

Aiming for high markup

A small retailer or a prestige department store seeking to remove themselves from the price rat race can get a good markup—and a respectable volume—in electric housewares today.

In fact, it is easier than ever before.

If the retailer plays his cards right, he can mix in a few "specials" at sharp, traffic-drawing pricing and still come through with a respectable 30%-or-better markup.

And the retailer can buy direct or work closely with a distributor, depending on how he wants to do business.

His stock, of course, will be heavy on fair-traded or otherwise price-protected lines, including one or two consigned lines.

(A discussion of the growth of "price-protected plums" in the electric housewares industry, part of this special report, appears on p.36.)

To remove themselves from sharp price competition, some profit-conscious retailers, of

course, have gone as far as to throw out their best-selling brand. Some retailers still hide that brand; others are "careless" about keeping it in an in-stock position.

Such drastic steps are not needed as badly today as they were five or six years ago.

In every big name-brand producer's line, there are anywhere from half a dozen to a dozen models that everyone knows are models on which to reinforce a low-price image or to avoid for profit's sake.

Even in the line that enjoys the widest consumer acceptance in the electric housewares industry—and, therefore, suffers the most price-cutting—there are plenty of models on which price competition is far less severe.

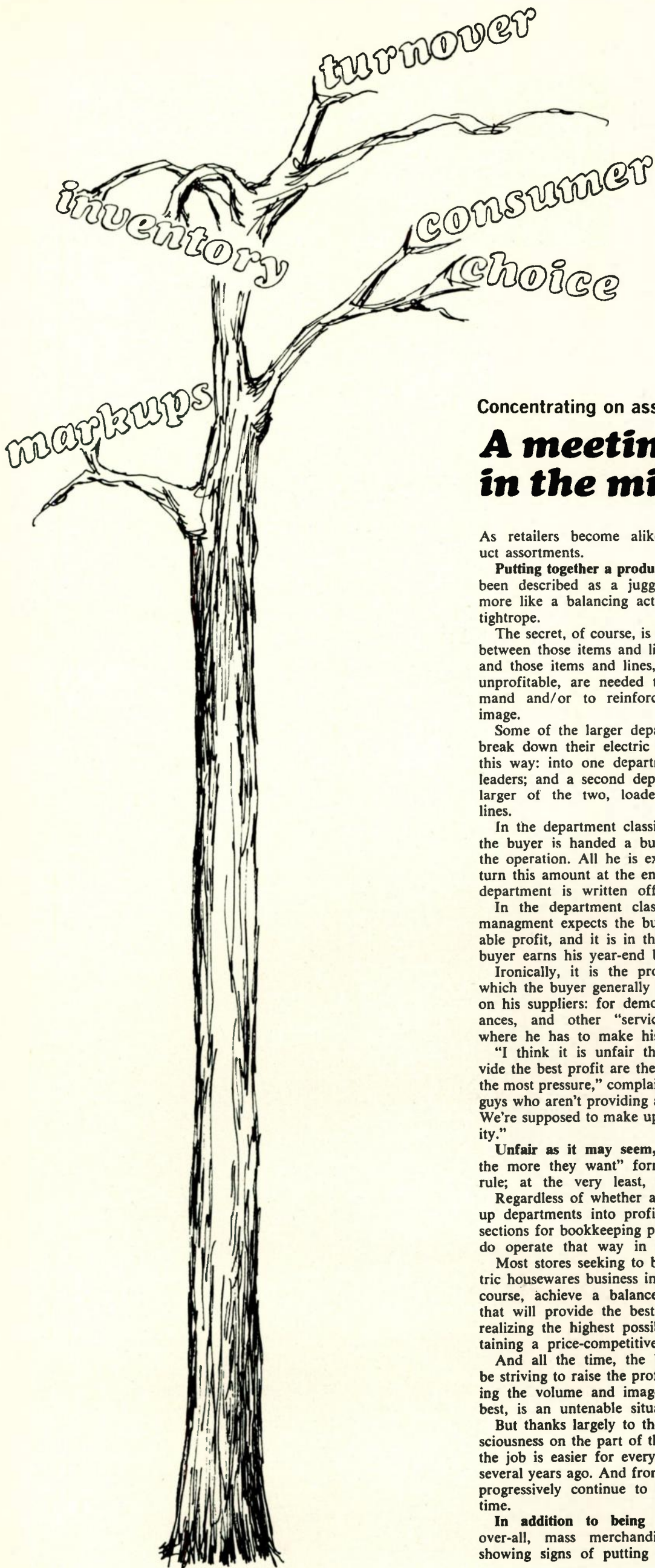
The smaller store, or the prestige department store, seeking a minimum of 33% markon on electric housewares, faces an easier competitive situation today than several years ago. The main

reason, of course, is that most department stores and more and more discounters, too, are carrying the same items at the same prices. Naturally, this is blunting their price image.

One trick being used by smaller stores is to set up mass displays of back-up stock on the sales floor to project an image similar to that of the mass merchandiser. The sale-priced item—and that is the image it is hoped the consumer will have of the item—is one that carries a good markup.

And the profit-minded retailer is no longer confined to private labels and secondary brands on which to make a profit. Some of the price-protected lines carry some of the biggest names: Sunbeam's Vista, General Electric's Universal, and Proctor-Silex' Citation are but three examples.

With big brand names and big displays, electric housewares retailers can have their cake and eat it, too.



Concentrating on assortments:

A meeting of minds in the middle ground

As retailers become alike, so do their product assortments.

Putting together a product assortment has often been described as a juggling act. Today, it is more like a balancing act, more like walking a tightrope.

The secret, of course, is in the mix: the balance between those items and lines that are profitable and those items and lines, which, while actually unprofitable, are needed to meet consumer demand and/or to reinforce a price-competitive image.

Some of the larger department stores actually break down their electric housewares operations this way: into one department loaded with loss leaders; and a second department, hopefully the larger of the two, loaded with the profitable lines.

In the department classified as "unprofitable," the buyer is handed a budget on which to run the operation. All he is expected to do is to return this amount at the end of the year, and the department is written off to store advertising.

In the department classified as "profitable," management expects the buyer to turn a respectable profit, and it is in this department that the buyer earns his year-end bonus.

Ironically, it is the profitable department in which the buyer generally puts the most pressure on his suppliers: for demonstrators, extra allowances, and other "services"—because that is where he has to make his profit.

"I think it is unfair that the lines that provide the best profit are the ones that come under the most pressure," complained one supplier. "The guys who aren't providing a profit get a free ride. We're supposed to make up for their unprofitability."

Unfair as it may seem, "the more you give, the more they want" formula seems to be the rule; at the very least, it is often the case.

Regardless of whether a retailer actually splits up departments into profitable and unprofitable sections for bookkeeping purposes, many retailers do operate that way in theory.

Most stores seeking to be a factor in the electric housewares business in their market must, of course, achieve a balanced product assortment that will provide the best possible profit, while realizing the highest possible volume and maintaining a price-competitive image.

And all the time, the buyer must constantly be striving to raise the profit level without throwing the volume and image out of line; this, at best, is an untenable situation.

But thanks largely to the increased profit consciousness on the part of the so-called discounter, the job is easier for everyone today than it was several years ago. And from all indications, it will progressively continue to become easier all the time.

In addition to being more profit-conscious over-all, mass merchandisers are increasingly showing signs of putting time limits ("Monday

and Tuesday only," for example) and quantity limits ("only 100 each store," for example) on their loss-leader promotions. Here, the discounter, who borrowed many of his tricks from the supermarket chains, is following a pattern long practiced in the food field. Sears, too, has relied heavily on this tactic.

The discounters are taking on more and more lines that are fair-traded and otherwise price-protected, and are holding firm on pricing on other lines that are controlled through "selective distribution."

By toying with private labels, discount department stores also are moving closer to department stores in tailoring similar, if not identical, product assortments. Even the neighborhood hardware-housewares store and the big discount chains are carrying more of the same items at the same prices.

Take the Vornado line, for example. Distributed by Vornado's Leeds-Fox distributor subsidiary, and heavily featured as a profit-maker at Vornado's Two Guys discount department stores, the line also is handled by many small accounts in the Middle Atlantic states.

All this cannot help but blunt the price image of the discount field. In fact, there are some discount executives who feel the search for profits has been carried too far. This is even true now at E.J. Korvette, and no discount chain has been more profit-conscious than Korvette since coming under the tight control of Charles C. Bassine, of Spartan Industries.

To reinforce its low-price image, Korvette has embarked on a stepped-up campaign to run more price specials. But these are being run on the limited-time and limited-quantity basis designed to prevent Korvette from going too far in giving away too much merchandise. The "limited-time" sale approach has been followed successfully for years by Korvette's record department.

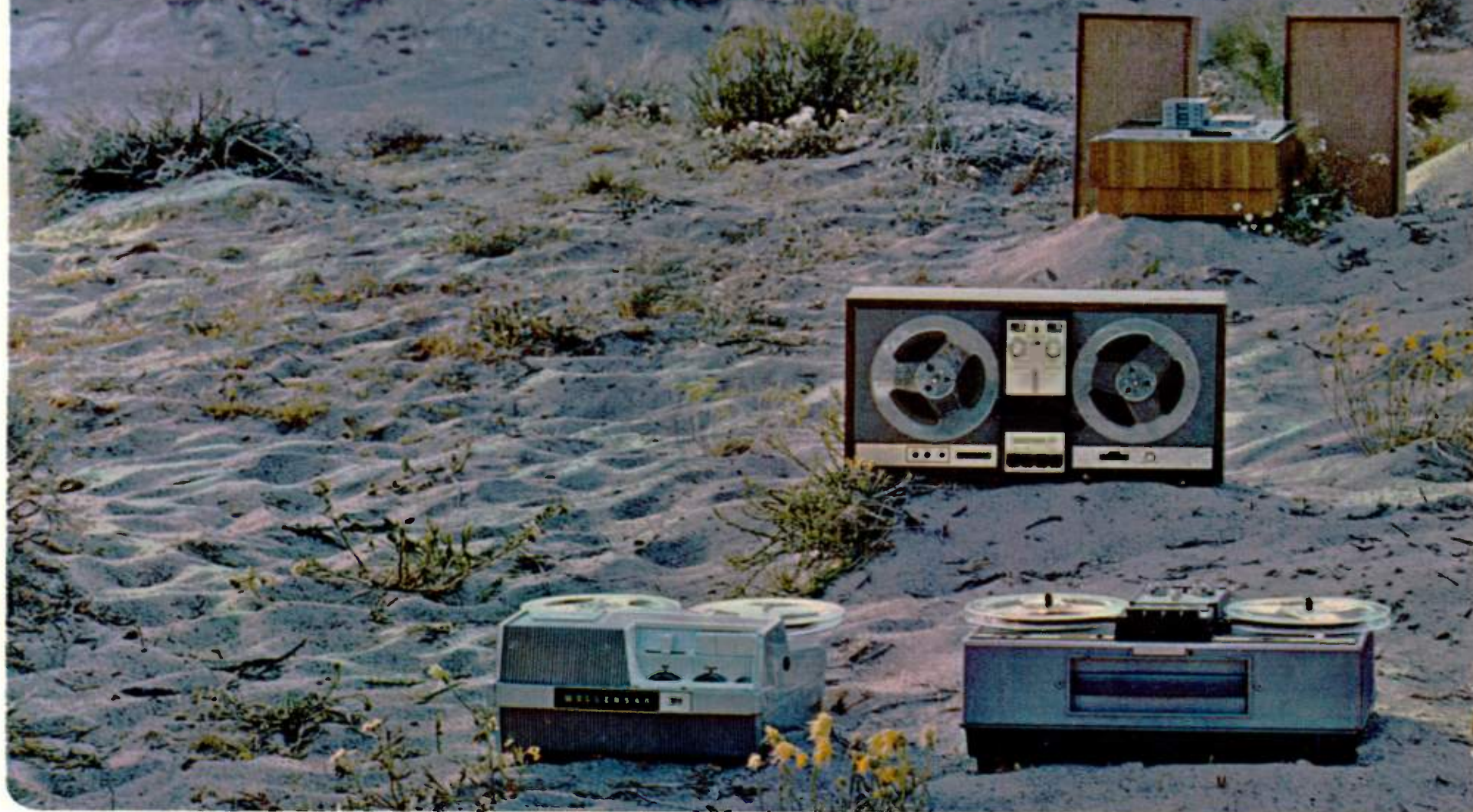
A line designed for small retailers is doing a reverse switch on the Vornado line: a line bought for the Two Guys chain. Proctor-Silex' Citation line was established chiefly to appeal to the small retailer, to provide him with a profit and servicing through a distributor.

For the big stores, Proctor built a similar line, Starflite, which was set up on a direct-sell basis. However, a number of department stores—and some discounters, too—have opted to go with the Citation line.

Their reasoning: the profit structure is about the same on Starflite and Citation, but the Citation line has the extra advantage of being serviced by a distributor; this, of course, means less inventory investment and less overhead for the store.

In the process of taking on Citation rather than Starflite, the big stores had to give up some extra promotional funds that go with Starflite. But then, co-op funds traditionally have been easier to come by than good, solid profits in the electric housewares industry.

Sell The Natural World of Wollensak Sound



The new Wollensak '68 program makes

Take a good look at the Wollensak line for '68... a line that includes everything from a portable, cassette model to the glamorous wall stereo 5800! Every Wollensak is designed and price-bracketed to sell!

Wollensak tape recorders are advertising supported, too, by national print, national network TV, and backed by generous co-op.

Tie into this line now! Your Wollensak salesman will see you get in on all the action.

A. 1500 SS Monaural: More audio-visual pros choose this Wollensak than any other tape recorder made. Case is die-cast aluminum. 2 speeds. Solid state construction. Powerful 10-watt amplifier.

B. 5730 Stereo Recorder: Full stereo performance in

a compact, contemporary recorder. Fiber glass-reinforced plastic case. Solid-state electronics. Self-contained speakers.

C. 4200 Battery-operated Cassette Recorder: As easy to operate as a radio. Records up to 90 minutes of sound on one easy-loading cassette. Comes with unique, exclusively-Wollensak carrying case that holds the recorder, dynamic microphone and "Scotch" Brand Tape Cassette.

D. 3500 AC-DC Recorder: Fine monaural sound from a recorder that operates on house current or batteries, without an adapter. Compact 5-inch reels. Automatic Record Level assures you of consistently good recordings every time.

E. 5710 Monaural Recorder: Big recorder sound at a compact recorder price. 3 speeds. VU meter. Slim, sleek styling. Exclusive Wollensak Control Central.

F. 5720 Amplified Stereo Tape Deck: The Wollensak way to round out a high-fidelity music system. 3-speed, 4-track operation. Walnut case optional extra.

G. 5750 Wing Speaker Stereo: Twin speakers can be detached and separated for room-filling stereo. Fine hardwood cabinetry. Two VU meters. Wollensak Control Central.

H. 7200 Automatic Stereo: Threads, plays and changes tape cartridges automatically, for up to 15 hours of unattended music. Beautiful walnut and teak cabinet. Plays/records from any sound source.



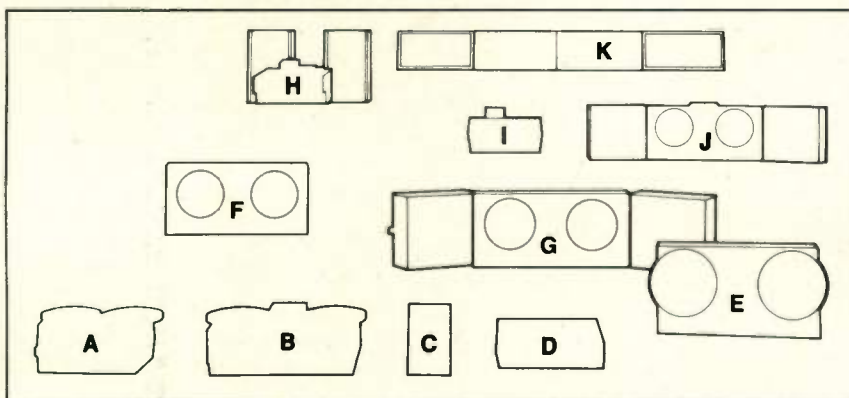
cherry-picking harder than ever!

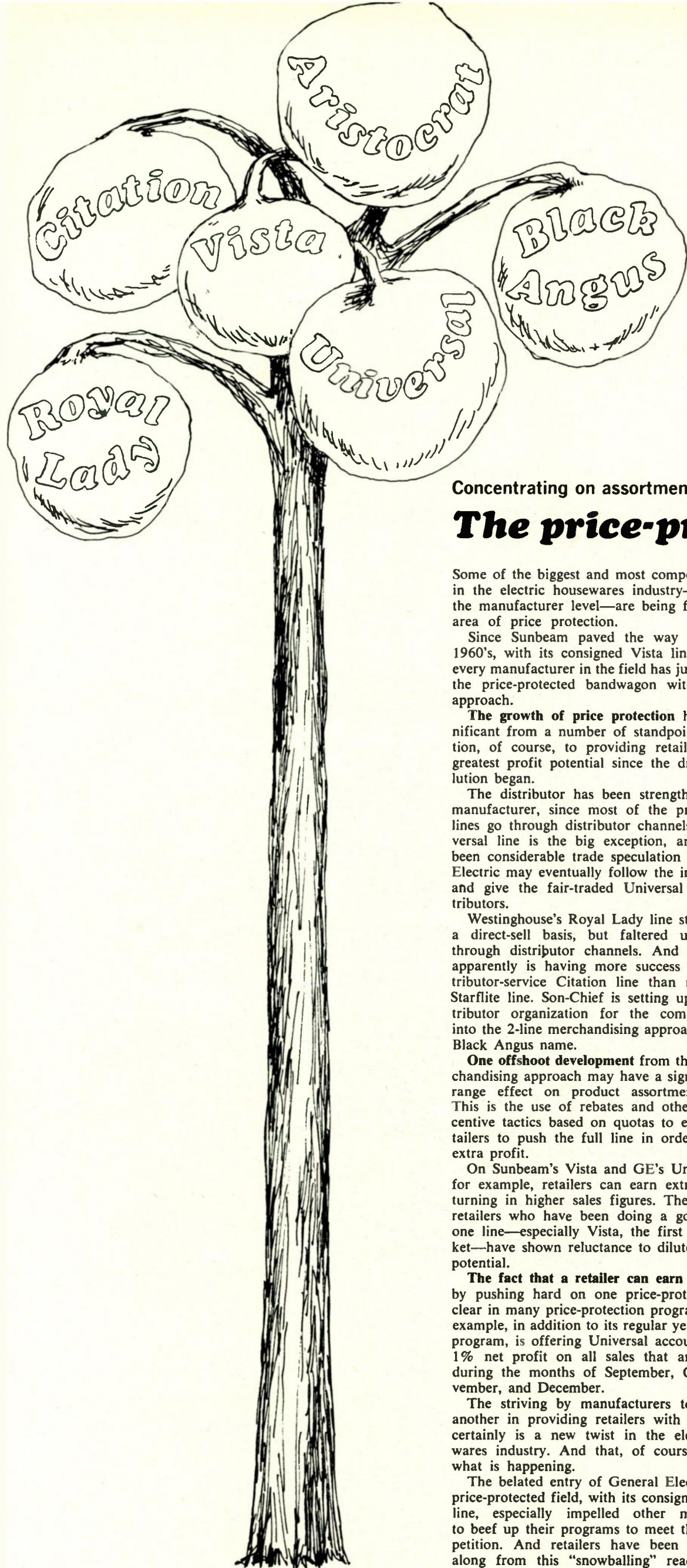
I. 7100 Automatic Stereo: Same as 7200, except case is all-metal and speakers are self-contained.

J. 5740 Twin Speaker Stereo: It's portable, but delivers outstanding stereo realism. Twin speakers fold for travel, unfold and detach for true stereo separation. Durable, vinyl-covered cabinet.

K. 5800 Wall Stereo: The most beautiful Wollensak ever. Fine, walnut cabinetry. Modular construction lets you hang it on a wall, stack it, arrange it in a bookcase. Four acoustically-balanced speakers. AM-FM tuner and storage compartment optional.

Wollensak 3M
COMPANY





Concentrating on assortments:

The price-protected plums

Some of the biggest and most competitive battles in the electric housewares industry—at least on the manufacturer level—are being fought in the area of price protection.

Since Sunbeam paved the way early in the 1960's, with its consigned Vista line, practically every manufacturer in the field has jumped aboard the price-protected bandwagon with the 2-line approach.

The growth of price protection has been significant from a number of standpoints—in addition, of course, to providing retailers with the greatest profit potential since the discount revolution began.

The distributor has been strengthened by the manufacturer, since most of the price-protected lines go through distributor channels. GE's Universal line is the big exception, and there has been considerable trade speculation that General Electric may eventually follow the industry trend and give the fair-traded Universal line to distributors.

Westinghouse's Royal Lady line started out on a direct-sell basis, but faltered until handled through distributor channels. And Proctor-Silex apparently is having more success with its distributor-service Citation line than its direct-sell Starflite line. Son-Chief is setting up a new distributor organization for the company's entry into the 2-line merchandising approach under the Black Angus name.

One offshoot development from the 2-line merchandising approach may have a significant long-range effect on product assortment at retail. This is the use of rebates and other similar incentive tactics based on quotas to encourage retailers to push the full line in order to achieve extra profit.

On Sunbeam's Vista and GE's Universal lines, for example, retailers can earn extra profits by turning in higher sales figures. Therefore, some retailers who have been doing a good job with one line—especially Vista, the first on the market—have shown reluctance to dilute their profit potential.

The fact that a retailer can earn extra profits by pushing hard on one price-protected line is clear in many price-protection programs. GE, for example, in addition to its regular year-end rebate program, is offering Universal accounts an extra 1% net profit on all sales that are transacted during the months of September, October, November, and December.

The striving by manufacturers to outdo one another in providing retailers with extra profits certainly is a new twist in the electric housewares industry. And that, of course, is exactly what is happening.

The belated entry of General Electric into the price-protected field, with its consigned Universal line, especially impelled other manufacturers to beef up their programs to meet the new competition. And retailers have been profiting all along from this "snowballing" reaction, all of

which has led to bigger profits.

Most of the programs have their individual differences in operation, and which program actually provides the best profit is debatable. "You have to be a mathematician to figure some of them out," one buyer complained.

The key point, however, is that electric housewares manufacturers are working harder than ever for full-line support from their retail accounts, and are coming up with extra profit incentives to gain it.

The protected lines remain "second" lines for housewares manufacturers playing the 2-line approach at this time. And some housewares producers have decided not to play the actual 2-line approach; instead, they prefer to fair-trade certain items in the "regular" line, or, in the case of the traditionally profitable lines in the industry, fair-trade the entire line.

Are the "second" lines temporary lines for the name-brand producers that now use the 2-line approach? On some price-protected lines, such as Vista and Royal Lady, the specific name is secondary to and dependent on the major Sunbeam and Westinghouse names. Universal, in particular—and Black Angus, too—appear best able to stand on their own. However, both Sunbeam and Westinghouse are in a position to strengthen the Vista and Royal Lady brands to do the same.

How the "second" lines evolve as profits return to the manufacturers' regular lines remains to be seen. As profits improve on the GE regular line, the Universal line could conceivably become a promotional, rather than a high-profit, line. Or, perhaps Universal and GE will follow the major appliance pattern of equal status for two brands—GE and Hotpoint—with no retailers franchised for both lines.

The "second" lines—and with them the incentive to push the complete line—also pose an interesting long-range question for the industry: will retailers become accustomed to pushing, identifying closely with, one or two or three lines—as is generally the case in major appliance merchandising?

The growth of the price-protected "second" lines may well indeed have greater long-range significance to the industry than merely as an expedient measure for producing extra retail profits in this transitional period between the decade of discounting and the new period of profit.

Not to be discounted along these lines is the clear-cut development among retailers of all types to seek a closer relationship with a smaller number of key suppliers.

Whatever the long-range significance (and p.39 discusses further the single-line merchandising concept), the price-protected "second" lines have been a profitable blessing to electric housewares retailers, and have been responsible, in large measure, for bringing about improved profits at retail.



Concentrating on assortments:

The status of private label

While far from being a flop, private labels have never been as successful in electric housewares as in some other merchandise classifications.

Even Sears—where you won't find anything but a private-label major appliance—is carrying more and more brand-name electric housewares. Sears is even including more brand-name electrics in its catalogs, especially those which are price protected. Sears, of course, uses name brands largely to fill the gaps in its private-label Kenmore offerings.

The return of profits to the electric housewares industry—through the 2-line approach—has served to blunt the major advantage of private labels under recent conditions: that of providing extra profits. While private-label electric housewares are still slightly more profitable than most price-protected name-brand electrics, the profitability gap has been greatly narrowed.

In fact, name-brand producers argue, there is no advantage to private labels today; they cite the costs of warehousing, advertising, and inventory investment as key reasons for their contention.

The main retail advantage today, however, seems to be one vaguely described as "prestige" and "status." There always has been a desire for exclusivity in retailing and private labels provide this.

There is also a desire to emulate other big retailers, and it seems today that everyone would—deep down, at least—like to be another Sears, Roebuck, the master in the world of private labels. Further, retailers can argue that in their trading areas they do have as well known and as well accepted a brand name as any manufacturer.

There is another argument in favor of private labels that appears to be gaining support in retail circles: retailers may very well some day be manufacturing many of the products they will be selling; now is the time to begin building consumer acceptance of the store's own-brand merchandise for this long-range goal, or, perhaps more accurately, this long-range possibility. There is growing evidence, of course, not only of retailers investing in manufacturing, but of manufacturers also investing in retailing.

For the moment, it would appear that private-label electric housewares, nevertheless, offer less advantage to the retailer, particularly profit-wise, than they did five or six years ago, when profits on name-brand electrics hit bottom.

However, more retailers than ever before, including so-called discounters, are eyeing, toying with, or beefing up the area of private-label merchandising in many product classifications, including electric housewares. Even the neighborhood hardware-housewares retailer has gotten into the private-label field through buying groups and co-ops.

Problems facing private labels are numerous in the electric housewares field; not the least of the problems is the "gift nature" of many of the in-

dustry's products. The General Electric name on gift electric housewares carries more snob appeal than Kenmore, Penncrest, AMC, or any of the private-label lines. The seasonal nature of some of the housewares industry's products—such as fans—provides major

pitfalls in planning private-label merchandising programs.

In terms of sheer numbers alone, private-label merchandising is loaded with pitfalls and is costly on inventory investment. For a short line of basic (excluding seasonal items) private-label electrics at least 15 items are needed. Even this number of items would not permit a minimal "good-better-best" assortment in all major product categories.

And, of course, there is no manufacturer or distributor to help foot the bill on promotions or to report inventory levels at the branch units.

Even among stores that do a good job with private-labels in electric housewares (excluding Sears), the private label is just another line among all lines. And the private label line has earned that status only through fa-

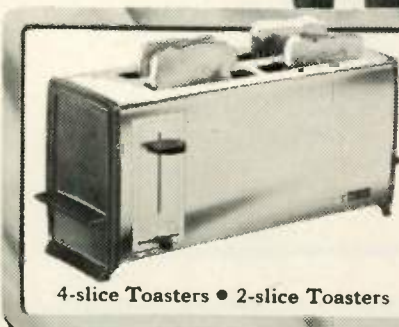
vored treatment.

By making name-brand electric housewares more profitable, it would appear that name-brand manufacturers have, at least for the time being, removed an important incentive that for quite a few years has been working to encourage private-label growth.

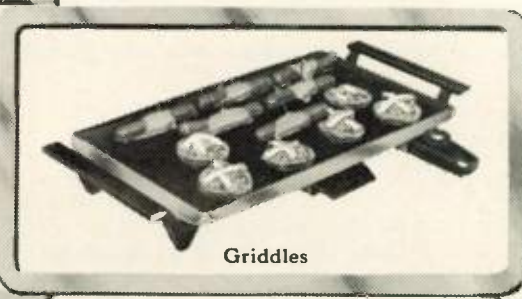
However, there is the possibility that increased profitability on name-brand electric housewares could cause department stores and discount department stores to return the private label to its original role: that of a promotional lines, rather than a high-profit line.

It is precisely this freedom of action, or, conversely, this control (E. B. Weiss prefers the term "controlled lines" to private labels) that continues to make the private label attractive, despite all its shortcomings.

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Griddles

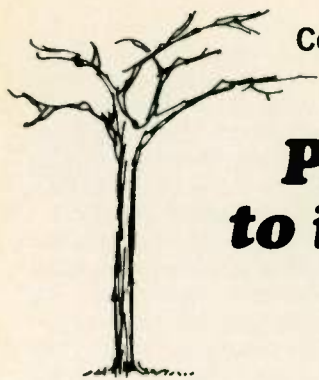


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BLACK ANGUS



Concentrating on assortments:

Pruning them to individual store needs

For the department store buyer, product assortments are a bigger problem today because he must tailor them for more and more branch stores.

For the discount store buyer, product assortments are a bigger headache today because he must plan for stores

that can be thousands of miles away, including some he's probably never been inside of, or hasn't been in for years.

The growth of the chains has brought to retailing all the benefits—and all the problems—of bigness.

Tailoring product assortments to individual store needs is an especially big problem for department stores; they are rapidly coming around to the belief that the store, including merchandise assortments, should reflect the nature of the local community and not necessarily be a carbon copy of the main store.

Some department stores are now experimenting with branch buying as a possible alternative to total central buying. Even the department stores' buyers are finding their branches are farther and farther from the main store; they're no longer just at nearby suburban locations.

The problem of controls for far-flung units is a major problem facing all chains, and one that becomes more acute all the time.

Buyers for department stores are be-

ing forced to turn more and more to distributors and suppliers for reporting inventory levels and for a host of other services, including retail sales training and the sprucing up of product displays.

Discounters have been concerned particularly with speeding up the reporting of sales and inventory levels at their far-flung stores, chiefly in an effort to speed up re-ordering. This is partly to cut down on the amount of inventory investment and partly to keep the stores from finding themselves in an out-of-stock position.

And discounters, too, have been seeking help in accomplishing these goals. Some are relying on so-called warehousing sales representatives to back up local stores on stock, particularly in the seasonal housewares product categories.

Some also have been forced to turn to local distributors to provide at least back-up support to drop-shipping plans. And discounters have been putting pressure on key suppliers to provide more regional warehousing facilities.

The distributor is clearly benefiting. And the need for his services is becoming greater all the time, encouraging Graybar Electric, the only national housewares distributor, to set up a key account program, which is only now getting off the ground. Where distributors are still "frozen out" among discounters, manufacturers are being forced to provide more of the distributor-type services to back up drop-shipping programs.

Department stores also are running more special promotions at their suburban branch stores, and this means bringing in more merchandise for these events. To a large extent, department store buyers are limited in their ability to run special branch events in stores in areas where there is a strong suburban newspaper in the branch's trading area.

"Some of our competitors don't check the suburban papers closely enough," one chain buyer confided. "They are not keeping tabs on some of our better promotions."

For discount chains that plan their advertising at their headquarters and whose ads may run in upwards of 20 or more markets, minimum co-op prices are set in the local market to reflect local market conditions. For the chain retailer who wants to feature a price in a chainwide, multi-market ad, his price may be \$1 over or \$1 under the minimum co-op price for some of the markets.

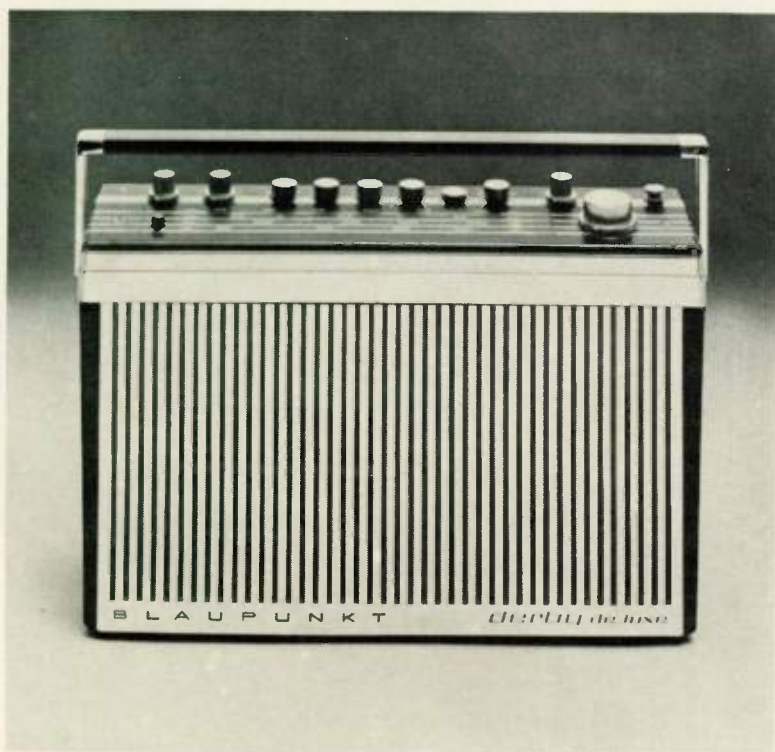
In planning chain-wide assortments, or in tailoring assortments to individual store locations, housewares buyers apparently are more willing to seek the advice of their key suppliers and distributors, whose people often are in and out of the units far more often than the buyer and who often are more familiar with the local trading area served by the store than is the main store's buyer.

In addition, of course, buyers are having to rely more and more on the judgment of department managers at their branch and out-of-town locations.

Some of the larger discount chains, such as Zayre's, also are beginning to follow the Sears pattern of establishing a regional level of merchandising executives. The regional executives serve as trouble-shooters for upwards a dozen or so stores in the chain.

Most of the moves to tailor product assortments to local marketing conditions are more or less on an experimental basis at present, as the chains grope to find answers to a problem: a problem that can only become more acute as the big retail chains open more and more stores in locations that are farther and farther from the headquarters.

Plum.



Blaupunkt Derby, another quality Bosch Product

The Blaupunkt Derby radio is a plum.

It's a plum whether you sell it, or listen to it.

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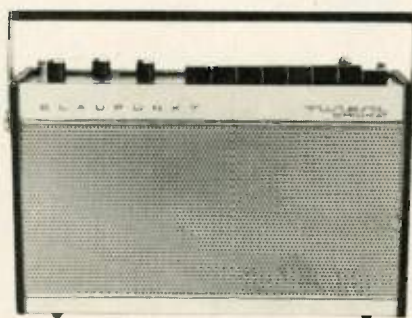
It has 4 wave bands—including FM and short wave. A large speaker. And hi-fidelity tone and sound equal

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And the Derby is made by Blaupunkt in Germany. Europe's most respected name for high-quality, precision-made radios.

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Blaupunkt Riviera, top of the line from the Robert Bosch Corporation

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Concentrating on assortments:

Singling out a single line

Few electric housewares retailers are ever expected to single out a single product line for exclusive merchandising. But more and more houseware retailers are singling out particular lines for stepped-up support—especially the price-protected and highly profitable lines—at the expense of other lines.

The single-line approach does appear to be slowly developing in the electric floor care field, where more and more retailers—especially the larger appliance-tv chains, are singling out a single line.

The full-line floor care producers generally are working to encourage retailers to get solidly behind their lines, using the so-called "shop concept" as a wedge.

Eureka-Williams, General Electric, Hoover, Westinghouse, and now Sunbeam are in a position to offer retailers a complete line of floor care products under one label.

Two other producers need only beef up and expand one segment of their respective lines to achieve full-line status; Shetland in full-size uprights, and Regina in canister vacs. Both Regina and Shetland have been strongest traditionally in lightweight vacs and polishers-shampooers.

"Several years ago, I would not have considered going with just one vacuum cleaner line," one buyer pointed out, and then added, "Now I think it may be possible."

This buyer has yet to move in this direction. And if he does, he added, he probably will do it slowly, with one line being carried more heavily than others, with one or two other brands stocked as fill-ins.

"You know there are still some customers who insist on a Hoover upright and also want to see a GE canister," the buyer noted.

The use of rebates and other incentives are helping floor care manufacturers pick up increased support from retailers, encouraging them to give preference to one line. The direct-sell nature of some floor care lines also is serving to encourage the development of this kind of support from retailers.

Even when distributors are used in the floor care field, many of these are set up on an exclusive basis, further encouraging the full-line approach from one distributor source.

In floor care and in electric housewares, the day of the specialist is ending; more and more producers have sought to become specialists in certain product categories, such as personal care electrics, rather than a single item, such as shavers.

One key remaining specialist in the electric housewares field—Waring, in blenders—reportedly is on the verge of stepping out of this role. Reportedly, Waring has set up a timetable that calls for at least two new products in new product categories for the firm every six months for the next several years.

Waring has attempted to broaden its product line in the past, but these attempts generally were unsuccessful.

Another specialist, Proctor-Silex, a key factor in two product categories

—irons and toasters—is expected to broaden its base under SCM ownership and with its closer ties to Shetland. Until recently, Proctor chiefly has been limited to housewares products using heating elements; Shetland puts Proctor more solidly in the motor-driven

appliance field. Proctor's new Shetland-made blenders provide an initial example.

The growth of the 2-line approach also has served to encourage retailers to give support to entire lines of products from one manufacturer. And this development has served to cut down on the need to "cherry pick" from a wide variety of lines in order to obtain the profit plums.

Although the single-line merchandising approach—carrying only GE or Sunbeam, for example—is not expected to become widespread in the electric housewares industry, at least not in the foreseeable future, manufacturers already have set the stage for encouraging retailers to work with fewer suppliers.

Clearly, the housewares industry is at a turning point in regard not only

to what brands are carried, but also to how many brands are carried. And the trend clearly points to retailers working closer and closer with fewer and fewer suppliers.

The momentum for this development is coming, significantly, from both sides: the marketing side of the manufacturer, and the merchandising side of the retailer.

How far it proceeds, of course, remains to be seen. Like everything else in the world of housewares marketing and merchandising, the change will take place as a continuing process rather than as an overnight transformation.

The incentive—the old profit motive—has, nevertheless, been strongly planted. And concentration—on assortments and on suppliers—is becoming the key thought.

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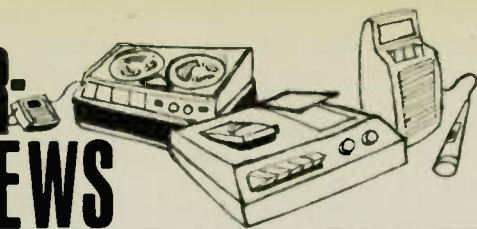
Golden Chef #09909

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Isn't it time to trade-up instead of just trade dollars? Especially when you can offer your customers the one name associated with broilers & rotisseries they know and respect. Why? Because Black Angus performs like a million and looks like a million. It pays to get your share of the second million. Black Angus is priced to stimulate sales for you—and with a full profit included! • Black Angus • Winsted, Connecticut 06098 • Phone (203) 379-5286

TAPE PLAYER- RECORDER NEWS



California retailer Lou Perlin: how he outpromotes discounters

High-powered promotion is the plus that helps sell cartridge tapes and tape units at the new Craig Stereo Tape Center, in the whimsically named community of Tarzana, in the San Fernando Valley of Southern California.

Owner of the month-old center is

Lou Perlin, a former Craig Corp. advertising manager, who "just got tired of working 18 hours a day for someone else, and decided to work 18 hours a day for myself."

So, in late August of this year, Perlin opened an exclusive Craig Corp.

audio center—although, as he warns: "I don't want anybody to get the impression that this is a factory-owned branch, because I don't want Craig to feel obligated for any problems I incur." Nevertheless, Craig does train all Perlin's employees in the latest installation techniques, free of charge.

Perlin's product mix includes 4- and 8-track automobile players, cassette recorders, and reel-to-reel units from Craig Panorama, plus Motorola and Continental stereo phonograph/AM-FM radio combinations. Perlin does not as yet carry cartridge players for the home.

The cartridge market is rich in Southern California, where Earl Muntz and his Muntz Stereo-Pak Inc. gave the whole industry its first big push a few years ago. But even in that fertile market, Perlin finds he can hypo sales at

retail with some of the customer promotions he originally dreamed up for Craig Corp.

A free Las Vegas vacation is one come-on he finds successful. Every customer who purchases a car stereo player can get a free package of three days and two nights in Las Vegas, excluding transportation. Perlin buys the vacation certificates entitling his customers to the Las Vegas package from a Los Angeles-based vacation promotion specialty firm, which has also helped Perlin devise another promotion. Each customer who buys a \$295.95 stereo phonograph console from Craig Stereo Tape Center earns a 4-day, 3-night package (excluding transportation) in San Francisco, Mexico City, or Guatemala.

Perlin's premium consciousness goes still further. Each customer who buys a tape player or recorder becomes a member of Perlin's cartridge key club, and receives a membership card entitling him to a 10% discount on all prerecorded tapes. Membership in the club is free for the first 90 days; lifetime dues after that costs the customer \$3.00.

In addition, every car that rolls off the installation line with a new cartridge recorder in it is cleaned, wiped, and vacuumed as though it had just gone through a car wash.

As a topper, with each player sale Perlin makes a contribution in the customer's name to the Vista Del Mar Adoption Agency. "It's my way of saying thanks for the business," says Perlin.

With the help of all these extras, Perlin is in a position to charge full markup on the tapes and units he stocks. "White Front right now is selling 8-track tapes at \$4.44," says Perlin. "I'm getting a full \$6.95 for them." Perlin carries both 4- and 8-track prerecorded tapes, and aims his sales at Young America.

—Eliot Tiegel

3 TO GET READY...

and 4 to go... for a 4th quarter that can exceed even your expectations, get ready with 3 winning radio combinations by Midland.

In fact, lead off October with shelves fortified with a full line of self-closing, fast-finishing Midland merchandise. You'll come out like a rose in January. It's easy with all you'll have going for you!

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Top quality, latest features, and sharp design, you take for granted with Midland. Example:

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Model 10-644—The tall, terrific lamp-radio that's setting sales records. Now in 5 colors. Solid state radio. Great sound & power. Built-in antenna. Earphone jack. High-intensity, adjustable lamp. UL line cord.

Model 12-714—The phono-radio everyone's going around with. All solid state. AM radio. 2 speed phono: 33 1/3 & 45 rpm. Turq & white. AC adaptor jack. Earphone, 3 "D" cells & 45 adaptor included.

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Lou Perlin sells a cassette recorder



Teens duplicate records onto tape

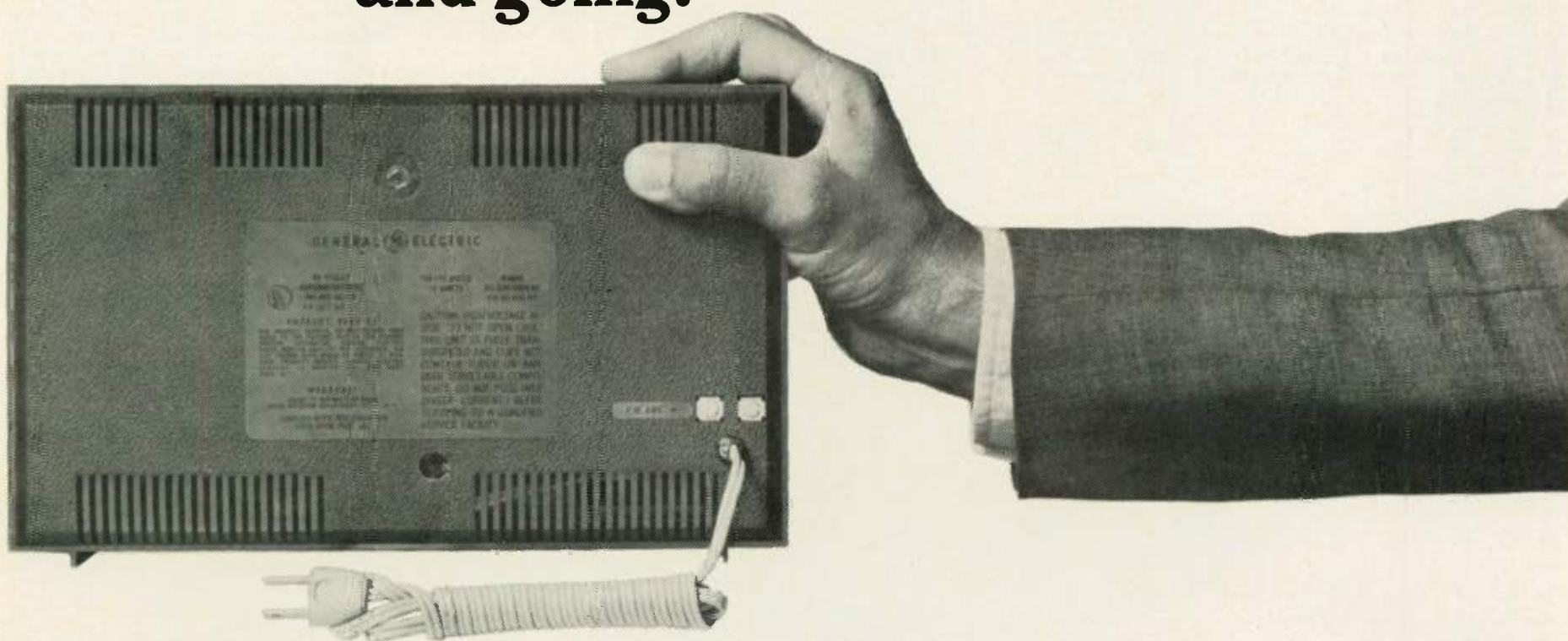


A spic-and-span car after installation

**General Electric
FM/AM radios
are now designed
to look good coming**



and going.



They've always looked good up front.

Now you won't have to pardon their backs. They're molded plastic.

GE radios are designer-styled all the way around.

These new backs aren't just a front, either.

They'll do more than look good.

The total enclosure design will contribute to a better sound reproduction. It'll even help protect the chassis components.

It's all part of an improvement program to make the most popular brand more so.

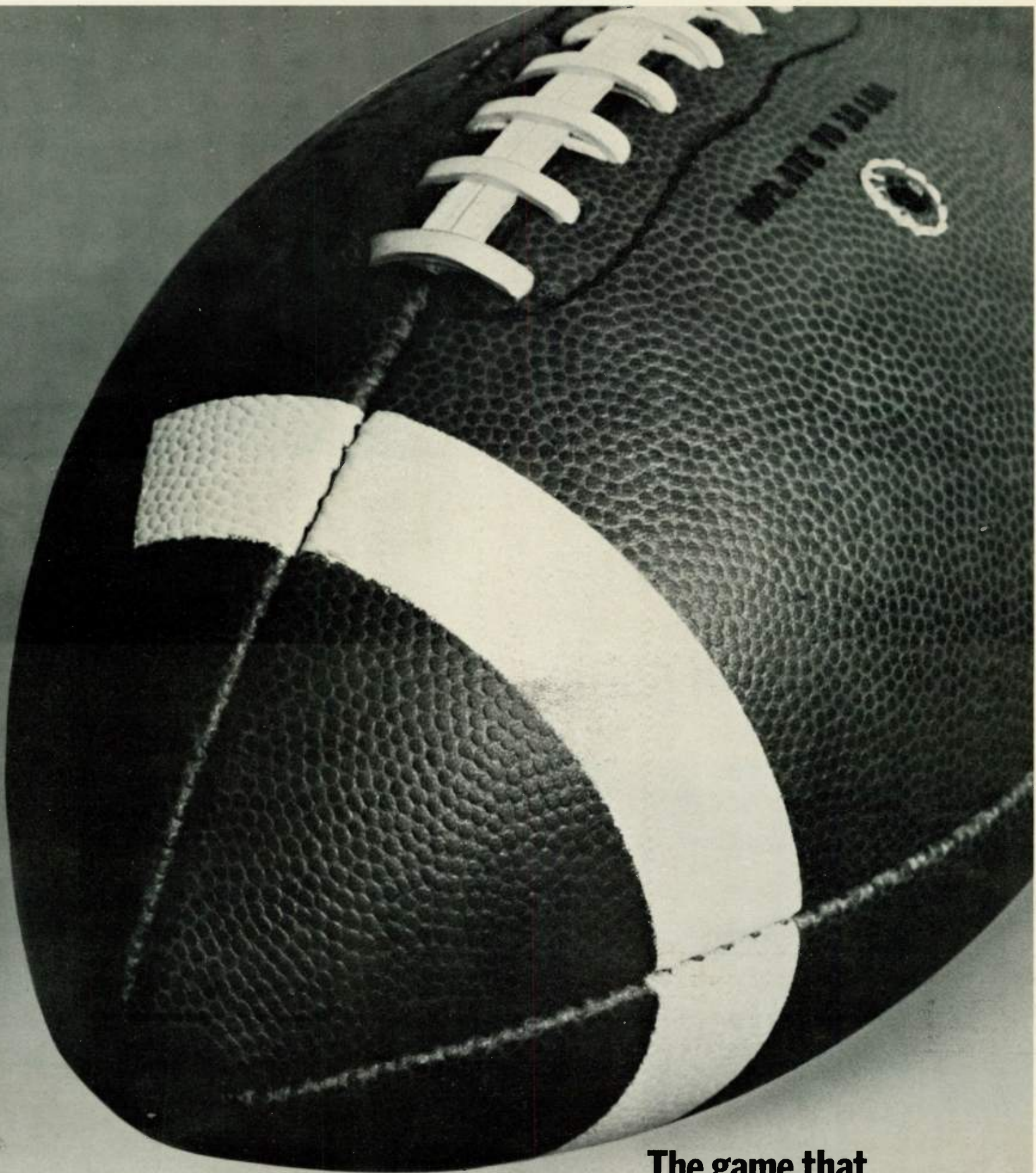
GE radios are supposed to be seen. As well as heard.

No wonder GE radios outsell every other brand almost 2 to 1*

GENERAL  ELECTRIC

Radio Receiver Department, Utica, New York

*Audits and Surveys Company, Inc., running 12 months' sales, 1966.



The game that Panasonic doesn't play.

It's a great game. But not for our industry. Nobody makes any profit "footballing" a product around. It's one game

Panasonic doesn't play. Maybe that's why our sales keep going up over 50% each year. Maybe that's why our line has grown to 101 products this year. But we also think it's because of our other consistent policies.

Like design that makes sense. Products that lead the field. Advertising that speaks out. Nationwide parts and servicing. And a loyal dealer organization that's as dedicated to profit as we are. We're real proud of that reputation.

That's why we think "football" should be played on the gridiron, not in the electronic industry. What's our solution to this problem?

A full profit margin for our dealers. Talk to a Panasonic Sales Representative. Or a Panasonic Dealer. He's used to making it.

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HAWAII/MATSUSHITA ELECTRIC OF HAWAII, INC., 205 Kalihi St., Honolulu, Hawaii 96819. Phone 852-928

RCA comes up with new answers for improved retail sales training

Retail sales training has entered a third phase for RCA Victor, and retailers who are not yet benefiting from the new program should probably talk to their distributors.

The new program is a refinement of a process that began when RCA brought small groups of dealers to the Indianapolis factory for several days of intensive study. This was the first phase, and, while the training was good, RCA felt it was not reaching enough retailers.

RCA replaced this training with a second phase—group field instruction. The factory sent two-man teams of trainers from distribution point to distribution point where they held day-long meetings for groups of retailers from each distribution area. RCA was able to reach far more dealers this way, but the factory trainers could not get around often enough and the meetings were too large for effective instruction.

"I have come to the conclusion that the smaller the group, the more each individual is likely to learn," says Dale Petersen, RCA Victor's director of training.

In-store retail sales training began in July, as part one of a two-part third-phase program designed to solve these problems. RCA now has five factory trainers who travel alone across the country to cities where RCA factory-branch or independent distributors are located.

When one of these trainers arrives in a distributor city, he picks up the distributor's sales trainer and moves on to individual retail stores. For each store, the two men hold training sessions with the retailer's sales staff, preferably in the store itself and with small groups, 10 to 15 salesmen at a time.

"With a small meeting, we get more meaningful participation," says Petersen. "We try to hold the meeting in the store because it is the most practical

place and because it is the place where the salesmen are used to working."

The trainers hold two-hour meetings, either before the store opens or after it closes. Petersen says that a meeting is roughly one-third product features and benefits and two-thirds "a planned sales strategy for applying the product information. This last is pure retail selling techniques."

The retail salesmen are called up to the front of the class to play roles; they take turns playing customer and salesman, and the group criticizes the performances.

"The response," says Petersen, "has been excellent, and very often the men don't want to quit. They tell us they need help with their selling techniques" and retailers and salesmen are eager to get help if what is offered is meaningful.

Meaningful help should soon be coming from the other part of the third-phase program. This involves training the trainers—bringing distributor personnel to Indianapolis for RCA Victor's new workshop.

Every week now until the end of October groups of six distributor training specialists are attending four-day workshops at the factory. These men are being taught how to conduct a sales-training meeting for retail personnel, how to prepare an agenda, how to get the retail salesmen to participate actively, how to get feedback, how to communicate, and how to get the participants to cover one subject thoroughly rather than going off on tangents and skimming lightly over several subjects.

The workshop uses video tape recordings so that each student sees himself on television delivering a presentation five times.

RCA's objective is to teach these distributor men to be effective sales trainers and to put 66 of them into the field by the end of October.

□□□□ The greatest week ever recorded for color tv sales at the distributor-to-dealer level ended Sept. 1, indicating that fall sales are gathering more steam than was anticipated. A total of 155,737 units—representing an increase of 48.09% over the same week last year—were sold, according to the Electronic Industries Assn.; this raises the 35-week total to 2,885,905 units, up 11.33% from the same period in 1966. Black-and-white tv sales hit their highest point since Mar. 3, reaching 128,849 units for the week—but still off 14.59% from their 1966 pace, and down 26.87% for the year. Console phonos reversed a sharp decline to post a modest 3.94% gain for the week, the first since mid-July; but total sales are still running 22.96% below those of 1966. Just the opposite was true for the portable-table phono models, which had a 23.19% loss for the week, but are 3.83% ahead of sales for last year. Radios sell 7.52%, off 11.40% for the 35-week period.

□□□□ Color tv sales at RCA are up 30% over 1966—despite the 5-week strike this summer, which idled production lines—according to Delbert L. Mills, executive vice president of the company's consumer products division. Mills told the Indianapolis Society of Financial Analysts that gains in color tv dollar volume for the year through August surpassed the unit increase, indicating a consumer preference for higher-priced receivers. Last month, he said, more color sets were shipped by RCA than any home instrument product (including radios, phonos, and b&w tv sets) during any August. "August factory shipments," Mills said, "showed an 80% increase over the same month of last year. Most of the economic indicators," he added, "are pointing upward."

□□□□ Hit songs for Philco-Ford's new mini-discs, the first releases to appear on the company's new Hip Pocket Records label this fall, will include Tommy James and The Shondells with "I Think We're Alone Now" and "Hanky Panky"; Sam The Sham and The Pharaohs' "Wooly Bully"; Neil Diamond's "Cherry, Cherry"; and The McCoys' "Hang on Sloopy." Also scheduled are The Happenings' "See You in September"; The Buckingham's "Kind of a Drag"; The Doors' "Light My Fire"; The Young Rascals' "Groovin'"; and Sonny & Cher with "I Got You Babe." The original release will include a total of 24 selections.

□□□□ A "sell-in" by home electronics dealers in Phoenix, Ariz.—designed to kick off fall sales—will run through this week. Featured in the campaign, which is sponsored by the Valley of the Sun Electric League, is a free set of vinyl leatherette tv trays, complete with a Shepard caster cart (a \$29.95 value), given with all purchases of participating brands and models of tv sets and stereo phonos. The promotion was launched last week with a 24-page special section in the Sunday supplement of the *Arizona Republic*, which featured a preview of new tv shows as well as product information. More than 40 retailers in the Phoenix area are participating.

□□□□ New packaging for Norelco's Carry-Corder is in effect on all orders for the cordless cassette tape recorder. A spokesman at North American Philips Co. Inc. said a new 4-color package has been designed as a self-merchandiser to facilitate sales for the dealer. Panels show the unit, its applications, and display accessories.

A 14-inch drop-in sets new price base for RCA color tv

Drop-ins for the 1968 RCA line include a new color television price leader: a 14-inch portable at \$299.95 optional list, down from \$329.95 for the company's other 14-inch color portable model.

RCA's first under-\$300 color set—the new Carry-Ette—sets the price base for the color tv line, which saw price hikes of 2% to 3% on 46 of 53 basic models, effective this month (MW, 4 Sep., p.5).

A 23-inch color console—designed to sell at about \$570—is offered at open list. The Fairhaven comes in autumn mahogany or natural walnut, styled with a 3-tiered top with deep-set frame moldings and fabric inlays that bracket the picture area. It has the Super-Brite Hi-Lite picture tube.

Among the six RCA drop-ins that distributors viewed last week is a 15-inch portable black-and-white television set, at \$109.95. The Dapper



The 14-inch color set at \$299.95.

model comes in a plastic, 2-tone cabinet of alabaster and mist white.

All-transistor stereo console phono, the Campobello, comes with AM-FM/FM stereo radio and sells at \$399.95. The Danish-styled unit, in walnut, has six speakers, a 4-speed record changer and a 75w amplifier.

Two AM table radios complete the new lineup. The Timester, at open list, is designed as RCA's lowest-priced AM clock-radio. The Arrow—about the size of a shoe box—comes in at \$11.98 suggested retail.



Newmark & Lewis' Stereo Expo '68 attracted a steady crowd of Long Islanders to its booths at the Hempstead, N.Y., Armory



Show visitors could take a seat or mill around the merchandise. Here, Dave Mapstone (second from left), of Newmark & Lewis, assists one Long Island couple among the estimated 7,000 visitors at the Armory.



Getting his point across about new audio equipment is Joseph Depraidda, audio manager at N&L's Lawrence, L.I., store. Depraidda said he closed his deal.



In charge of the show was Edward F. Askin, manager-audio division of the company's Syosset, N.Y., store. Here, Askin (center) greets two factory representatives.



Counting sale orders is the final act of the day for N&L audio managers. Left to right: Herb Galper, Ed Green, Kent Springer, Dave Mapstone.

Newmark & Lewis turns Pied Piper with jazzy audio show

The first major audio equipment show ever sponsored by an independent retailer on Long Island, N.Y., turned out a whopping success for Newmark & Lewis, the sponsor.

An estimated 7,000 people browsed through the Hempstead, L.I., Armory during the 3-day Newmark & Lewis Stereo Expo '68, where 30 audio equipment producers displayed the latest in stereo products.

Richard Lewis, president of Newmark & Lewis, which has 11 appliance-tv stores on Long Island, termed the show "magnificent."

"Sales were better than expected, and so was the attendance," Lewis said. "I would say that between 6,500 and 7,000 people attended. On Sunday alone, we had about 3,800—by far the largest turnout of the 3-day period."

The show was financed jointly by Newmark & Lewis and the 30 participating manufacturers on a \$20,000 budget.

One of its objectives was to promote Newmark & Lewis' expanding audio division. The company, established in 1927, is known primarily by Long Islanders as an appliance-tv re-

tail outlet. "Two years ago," commented Lewis, "audio equipment was sold at only one of our stores. Last year, it was extended to two more outlets, and this year to another two. So far this year we've realized a 250% to 300% increase in sales over 1966 in audio equipment."

Getting the music show underway was the responsibility of Edward F. Askin, general manager-audio division at the company's Syosset, N.Y., store.

Askin said the project began five months ago. The first step, he explained, was to compile a portfolio that would detail the show plans, including promotions and advertising. Then manufacturers were contacted and offered the following advantages if they joined the show:

- A spacious area to display their merchandise.
- Opportunity to show their products in "the fastest growing suburb in the country."
- Low-cost product exposure.

In return, Newmark & Lewis requested that the manufacturers provide demonstration merchandise, as well as authorized representatives to

man their displays.

Of 34 manufacturers contacted, Askin said 30 agreed to enter the show.

"Six of the manufacturers were enthusiastic about the idea," Askin added; "but the others were not until plans were finalized, and they realized it would be a professional-type affair, not one of these in-the-store type shows."

Askin said that of the \$20,000 show budget, manufacturers contributed about \$11,000, Newmark & Lewis the remainder.

"We paid about \$2,600 just to the interior decorator, another \$2,400 for use of the armory. But the bulk of the expense was in advertising."

Full-scale advertising began one week before the show. The company ran full-page ads in *Newsday*, a Long Island newspaper, and included blurbs about the show in major appliances ads.

Three radio stations announced the show to Long Islanders. Two of them carried commercials each half hour, 7 a.m. to 8 p.m., Thursday through Saturday during the show week. On Sunday, radio commercials ran each half hour, 7 a.m. to 1 p.m.

The show ran from 1 p.m. to 10

p.m., Sept. 8; from 10 a.m. to 10 p.m., Sept. 9; and from 10 a.m. to 6 p.m., Sept. 10. As a promotion, the company held a drawing on the final day, giving away a complete stereo component system, two tape recorders, as well as lesser products.

Consensus of the manufacturers: the results of such an exhibit are hard to determine immediately.

"None of the factory representatives did any direct selling," said one rep. "We merely displayed and promoted our own merchandise at our respective booths. When a customer was interested in placing an order, we would send him over to the Newmark & Lewis people."

"Attendance was good to excellent," he continued. "Of course, it started slowly on Friday afternoon, but we were mobbed Sunday. Beginning with the after-church crowd, we were packed right up to closing time. It was much better than I think anyone anticipated."

Newmark & Lewis did not disclose the sales results. Askin described them as "fantastic," however. "The people came, and they bought," he said.

—Story and photos by Neil Spann

Back again by popular demand, the greatest values in Color TV today!
Plan now to build traffic and explode real retail action with the

ADMIRAL WORLD SERIES SPECIALS \$399⁹⁵



The Brayton Model L211—
227-sq.-in. rectangular color
picture. Dramatic Contemporary
console in polished Walnut veneers
and selected hardwoods.

Three new special Admiral 227-sq.-in.
rectangular color consoles with your
customer's choice of three fine
furniture styles, all with Instant
Play—all priced to sell profitably!



The Seneca Model L218—
227-sq.-in. rectangular color
picture. Authentic Italian Provincial
styling in genuine Pecan veneers
and selected hardwoods.



The Fremont Model L215—
227-sq.-in. rectangular color
picture. Beautiful Early American
console in lustrous Maple veneers
and selected hardwoods.

Contact your Admiral Distributor! Quantities are limited.

Admiral®

MAJOR APPLIANCE NEWS

□□□□ **The Frigidaire strike is still on**, and although almost half of the 52 demands made by Local 801 of the International Union of Electrical Workers (IUEW) have been resolved, there is no hint of when 12,000 striking production employees will return to their jobs. (MW, 11 Sep., p.5). "We have made progress," announced Local head Joe Shump, "but there is an issue on the table which is set aside, so to speak, that is an extension of a national agreement." Until the "issue"—the lapse of the old IUEW contract, and the lack of a new one—is settled, the union will continue to follow its policy of "no contract, no work."

Dealer problems resulting from the strike probably will not become too serious unless the work stoppage extends beyond a month's time.

Meanwhile, the Philco-Ford division of the Ford Motor Co. expects that a prolonged United Auto Workers (UAW) strike against the parent company could have an effect on appliance production.

□□□□ **Hotpoint's new 24-cu.-ft. Food Center** is being advertised as the "biggest side-by-side to ever occupy a 36-inch space." The 35¾-inch, no-frost model which rolls about on wheels, provides 15 cu. ft. of refrigerator space and a 9-cu.-ft. freezer. The new Food Center 24 operates on a single evaporator coil system, with dual controls provided for individual regulation of temperatures in both compartments. The refrigerator section has five full-width cantilevered storage shelves, a divided storage drawer with a porcelain-on-steel finish, and a convertible meat conditioner. The freezer offers four basket-type shelves—two of which can be adjusted vertically—that are slightly raised in the front to insure secure package placement.

□□□□ **GAMA's new commercial equipment guide** is available for use by utility sales staffs, manufacturers, service organizations, and commercial cooking schools. The Gas Appliance Manufacturers Assn.'s 4-page booklet includes listings for all manufacturers of commercial cooking equipment that belong to GAMA, and indicates where catalogs, specification sheets, and other product information can be obtained.

□□□□ **Plaques for "Waltz" action committees** have been awarded to 16 communities by the Assn. of Home Appliance Manufacturers for their "outstanding promotional support" of the 1966 "Waltz Through Washday." Winning local action committees include: Atlanta, Birmingham (Ala.), Boston, Chicago, Cincinnati, Dallas, Hartford (Conn.), Minneapolis, Mt. Vernon (Ill.), Newark, Newport News (Va.), Norfolk, Pittsburgh, Raleigh, Richmond, and Savannah.

□□□□ **Chicago-area home products retailers** are taking part in a "Creative Living and New Products" exhibit, which began last Thursday and will run through tomorrow. The Ford City Shopping Center, located in Chicago's South End, has rented out booth space in its enclosed mall to 300 retailers for product displays and promotions. Dealers have been using the show to sell as well as display various new-concept home goods. Some manufacturers—Whirlpool, with its Kitchen of Tomorrow, for example—are also taking part in the 6-day cooperative home products effort.

Late summer ups and downs: what the August figures show

Adjustments in the air treatment categories dominate newly released manufacturer shipment figures—compiled through Aug. 31—but sales gains in other areas show that August was a good month in general, with all categories showing growth over July.

And, except for air conditioners, upright freezers, electric ranges, and wringer washers, sales totals were up for the month over the comparable 1966 period.

Air conditioner shipments have leveled off from their 46.52% drop during July, compared to the same month during the previous year. They are off 12.49% for the month, however. Eight-month cumulative totals show that consistent decreases have brought the year's sales to 28.79% above those of last year, down considerably from the 60.29% increase for June.

Dehumidifiers are still up, however. Shipments for August were 70.30% ahead of those for August, 1966, and the cumulative total is up 18.81%.

Laundry equipment is up in all product categories. Electric clothes dryers, for example, sold 15.85% better this August than last, and the 8-month total is up 6.58%. Gas dryers rose 15.30% in August, bringing their cumulative increase to 4.48%.

Automatic and semi-automatic washers were up 8.79% in August, although the cumulative total shows that shipments are down 5.16% from those of the previous 8-month period.

Portable dishwashers showed a big

gain for the month. Shipments were up 33.89% during August, and 15.64% for the cumulative period. Under-counter dishwasher units were up for the month, 15.52% above August, 1966, but down 9.91% for the year.

Food waste disposers rose 21.57% in August, but their cumulative shipments remain off, too—down 7.97%.

Freezers were up, both chest and upright varieties. Chest freezers fared best: up 15.90% for the month, although still down 2.76% for the cumulative period through the end of August. Uprights rose .72% in August, but their cumulative increase dropped to 1.11% above shipments for 1966.

Electric ranges were down from 1966 totals, but August shipments represent a somewhat smaller rate of decrease. Range shipments were down a slight 1.49% for the month, as compared with their 16.17% decrease recorded for July, 1967 versus July, 1966. Eight-month totals, while still down, rose similarly, to a 13.47% decrease for 1967, compared with the 15.2% decrease reported for the first seven months of the year.

Refrigerators showed a similar pattern: still down from 1966, but apparently on the way up. Shipments for the month of August were up only .64% from the 1966 period, but July figures showed a 9% decrease. Again, cumulative totals are still down, off 8.40% from 1966, but slightly up from the 9.82% decrease reported after July 31.

Westinghouse designs '68 air conditioners for decorative choice

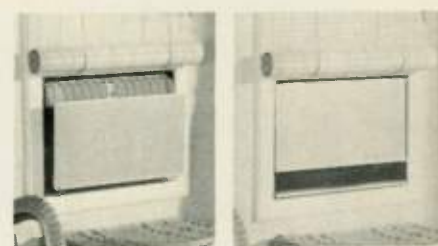
Westinghouse's 1968 line of room air conditioners has been styled up with three types of decorative front panels, each available in eight color and finish choices.

To ease inventory problems, units throughout the 53-model line will be available with "no-fronts." On these units, Westinghouse will back up retailers with a fast-delivery system on specific panel orders.

The panels come in a choice of three wood finishes (rattan, walnut, and fruitwood) or five semi-gloss colors (avocado, black, antique white, Polynesian green, and autumn gold).

The line begins with the Compact series—five 5,000 Btu models and three 6,000 Btu units. Some models in this series feature a newly designed tam-hour front that totally closes over the flush-mounted grille when the units are not in use; side panels pull all the way across to form the decorative front. Retail pricing on the Compact series ranges from under \$100 to about \$165.

Another type of decorative front, utilizing snap-out panels, is available for models in the two middle-capacity series, Mobilair (a name borrowed from the company's fans) and High Capacity. The Mobilairs range from 6,000 to 8,000 Btu in 115v models, plus one 230v model rated at 9,000



Southerner series offers one of three types of decorative front panels, shown open (left) and closed (right).

Btu. Units in the High Capacity series range from 10,500 to 16,500 Btu. Retail pricing on Mobilairs ranges from under \$155 to about \$205, and on High Capacity models from under \$220 to about \$280.

Reversible slide-out panels, the third type of decorative front, show up in the Southerner series, returning to the line this year. Four different panels are available for this big-capacity (18,000 Btu and up) series. The same capacities, but not the decorative fronts, are available in the Super Heavy Duty series. Retail pricing for these two series ranges from under \$260 to about \$400.

Two units for sliding windows are being kept in the 1968 line and have been slightly restyled. Retail pricing is under \$170 for the 5,500 Btu unit, under \$200 for the 8,000 Btu model.

To support the line at retail, Westinghouse is offering buy-back inventory protection, floor planning, trip incentives, and early-buy deals. Pricing is up an average of 3% throughout the 1968 room air conditioner line (MW, 4 Sep., p.5).

The world of TV is all we talk about.

Yet we're constantly changing the subject.

And constantly changing pace. Depends on whether we're reporting how TV reports Vietnam, how Hollywood handles Oscar night, how a rich starlet makes it on her own, or how the new Westerns got thataway. The range and change in every issue keep readers interested—right through the advertising. They give ads in TV Guide more per-dollar readership than in any other mass magazine. We're talking about 26 million adults, with buying strength in every important product market. Your TV Guide man has more facts about them that could indicate some changes—in your schedule.



Sources: Current Simmons, Starch Adnorms.



M. B. Cooper: he is hitting a target-market bull's-eye

M.B. Cooper of Jackson, Miss. He has a first name (new acquaintances usually ask for it), but he does not use it: "Everybody calls me M.B."

M.B., born and raised in Jackson, is a Southerner through and through. But his accent is not a leisurely drawl. He speaks rapidly, thinks quickly, manages carefully, and, in the last seven years, has built his business into the largest volume appliance-tv outlet in Jackson—perhaps the largest in the state. He has been able to do it, one observer feels, by knowing his market, controlling his business, and understanding himself.

The market

The metropolitan Jackson area has a population of about 260,000; the city itself has about 169,000 people. And this population is concentrated into a relatively small area. Says M.B., "When you get much beyond the city limits, all you've got left to count are chickens and dogs."

Jackson's citizens are both educated and young: 13.4% of those 25 and older have a college degree (ranking the city eighth in the nation), and the median age is 26.1 years (making it the 13th youngest). Perhaps as a result of the education, for the period 1960-1965, Jackson was the 10th fastest-growing city in the nation in household income; the rate increase was twice that of the nation as a whole.

As M.B. has said: "These facts indicate we have a market that is enjoying a growth rate that is outpacing our rapidly expanding national economy, and this growth is concentrated in the upper middle income bracket." And it is to this market to which M.B. has primarily directed his attention.

The business

When M.B. joined the company in 1961, there was one store in a suburban shopping center. The business had been started by a serviceman named Ed Ingels, who now heads the service department; and the name of the company is Ingels Appliances. This original store, now enlarged, has 4,200 sq. ft. of selling space and sells both appliances and consumer electronics.

In 1963, responding to growth, they added another shopping center store, enlarging it to 3,900 sq. ft. in 1964. This store also sells appliances and home electronics.

On Aug. 1, 1965, they opened Ingels Magnavox Home Entertainment Center, next door to the largest department store in Jackson. This store has 3,800 fully carpeted sq. ft.

At this point, the business had a quality image and was appealing, successfully, to a quality buyer. "For example, we never had a customer mention Sears in our stores. But we were missing part of the market," says M.B. So in February of this year, they bought Kerr's, an 18,000-sq.-ft. furniture, appliance, and yard and garden outlet. "Kerr's broadened our base," says M.B. "It is a different type store from our others. It has a large lawn mower business—and is directly across the street from a shopping center that, when it is finished, will be the largest in the state."

The three full-line stores now sell mainly RCA Victor, Magnavox, Frigidaire, and Tappan.

In 1960, the one store did around \$220,000; this year M.B. expects the four stores to do more than \$1.5 million, taking roughly 20% of the Jackson market.

A large part of the stores' success with a better-educated, higher-income customer is no doubt the service department. "We service everything ourselves and have recently gone into the reconditioning business. This gives us the advantage of basing our trades on what an item is really worth, and has increased our gross margins on some product lines substantially." They do not take trades on consumer electronics, however. They sell the reconditioned appliances primarily through the Kerr store.

The service department has nine technicians, three outside television men, one bench man, two appliance men, one man for reconditioning, and one delivery man. They have eight radio-controlled trucks, one of which is for deliveries. Anything sold before 11:30 in the morning is delivered that afternoon; everything else is delivered the following morning. A salesman

who makes an afternoon sale and promises delivery that evening can do it—but he must go out with the truck to help the delivery man.

M.B. maintains detailed and meticulous records, and with them was able to determine his frequency-of-repair record on Frigidaire. His experience indicated that he could profitably offer a 5-year warranty on all Frigidaire products except air conditioners—which he now does. He uses Frigidaire's True Value program to determine trade-in values, and the stores are a one-price operation "with no exceptions."

Ingels now subscribes to NARDA's Service Data System, which produces a monthly report on service technician productivity. And the service department runs at a profit.

The man

M.B. was born in Jackson in 1930, one of three children. His father worked for the State Highway Department. M.B. went to Millsaps College in Jackson, where he majored in business administration and economics.

"I had always had a desire to get into the retail business," he says; during college he worked for an appliance store. He was a salesman without floor time; but he did earn \$500 a month on referrals. Upon graduation, however, he was sidetracked away from retailing.

M.B. went to work for the Admiral distributor as a salesman. He must have been a 20-year-old hotshot because two years later, when he was 22, he was appointed sales manager. He stayed on at the distributorship until he was 25, when he went into the furniture manufacturing business with a large Jackson retailer.

The furniture business held him

until 1959, when he sold his interest and bought into another distributorship. This did not work out as he had hoped, and two years later he left. He was 31 years old; had manufacturing, distributing, and retailing experience; and was at loose ends. The Ingels opportunity was perfect.

M.B., although he has had considerable selling experience, is a manager, not a salesman. He manages his time, and he controls his business. An example of the first: he requires all his suppliers to make appointments so he is not occupied with idle calls.

He visits each store twice every day. Until quite recently, he held a sales training meeting every Tuesday evening. Now he is holding the training meeting every other Tuesday, alternating with a meeting of his store managers. He reports these management meetings are working out quite well; there is more communication because of them.

Every month, M.B. gets a p&l statement, which gives him a detailed analysis of sales, gross profit, and expenses, stated in both dollars and percentages, with similar figures for the year to date. He receives a monthly breakdown of sales by manufacturer with gross margins shown in dollars and percentages. He receives an analysis of gross profit, by store, department within the store, and for the service operation.

Every day he has a report of the date figure, and a projection of the month's performance at the going rate. (When M.B. says he thinks September is running 12% ahead of last year, he is not just thinking.)

The salesmen all prepare daily activity reports, which give the number of in-store contacts, customer phone calls, and salesman's phone calls—all with results. Each salesman earns \$1 for every per cent of increase over his same month last year. "It is rare when somebody does not get this bonus—and I once had to pay a man \$180."

M.B. puts in a 12-hour day, takes only Saturday afternoon and Sunday off. "My business is my hobby," he says; but he does read a lot. The last three books he read? *Atlas Shrugged*, *Death of a President*, and *The Mission*.

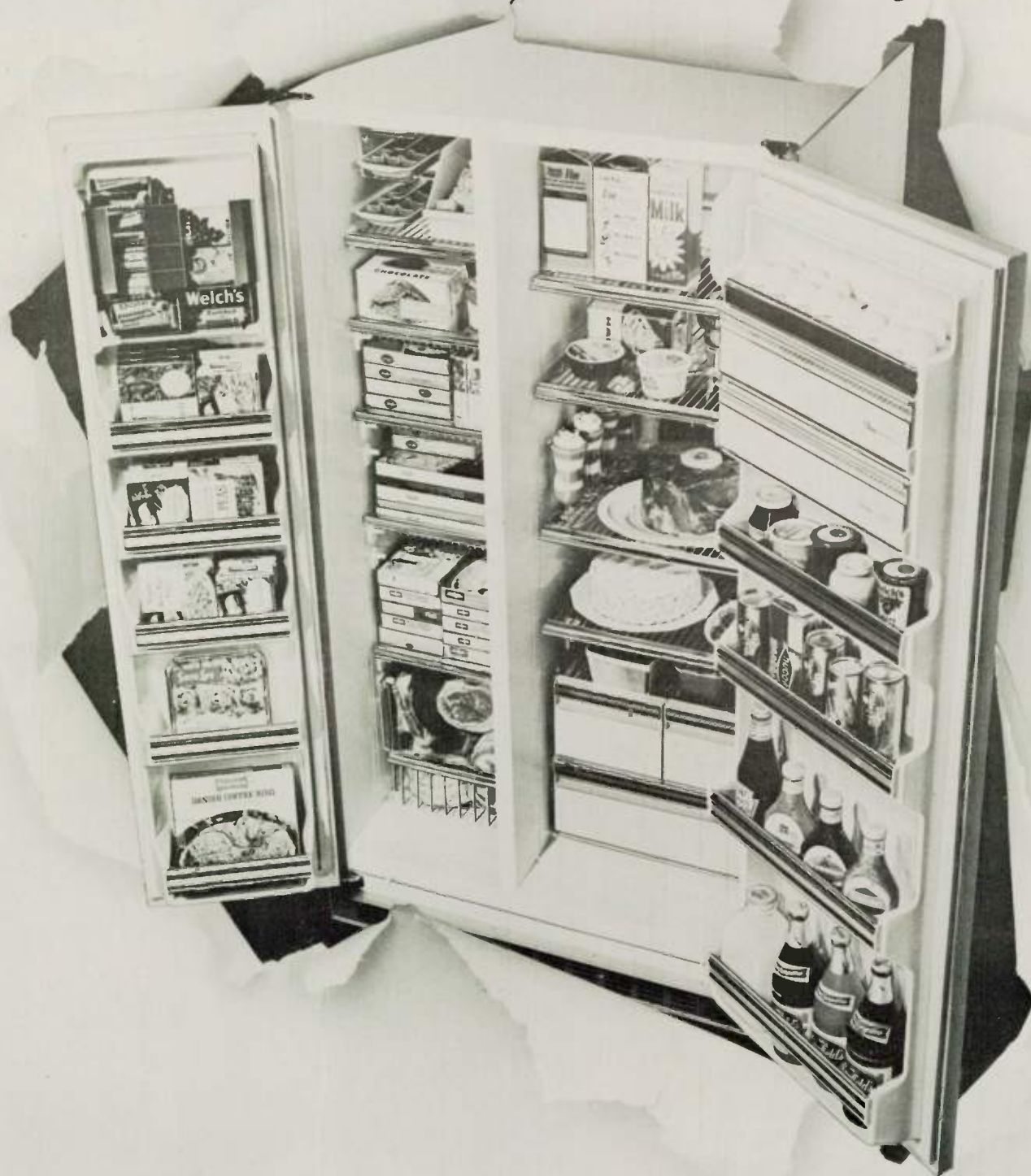
"You've got to decide which way you want to operate," he says, talking about a full-service versus a wheeler-dealer approach to business. "You might be able to make money the other way, but I'm not willing to sell my integrity or convictions for the small profit." It appears that M.B. is going to end up with both: his integrity and his profits.

—Wallis E. Wood

Great refrigeration

BREAK-THROUGH!

New 24 cu. ft. Hotpoint, 2 to 3 cu. ft. bigger than any other 35³/₄" wide side-by-side.



Wham! It's here. The biggest side-by-side that ever occupied a 36" space. 2 to 3 cu. ft. bigger than any of its 35³/₄"-wide competition. Competition?

This great new Hotpoint Food Center 24 stands alone. A 24-footer with 15 cu. ft. of fresh food area, and 9 cu. ft. of freezer area. (That's a lotta extra groceries!)

And now, just get a load of these features!

- Completely no-frost, both sides • Rolls out on wheels for easy cleaning • Adjustable cantilever shelves • Lighted interior panel with separate fresh food and freezer cold

- controls • Meat conditioner drawer for fresh meat storage • Butter spread control • Dual automatic frozen juice dispenser • Two adjustable freezer basket-shelves.

Something this great deserves a smashing ad campaign. And we've got one. On The Tonight Show, and in Life, Saturday Evening Post, Sunset, Southern Living and Progressive Farmer. Plus, a door-bustin' dealer program.

And you haven't even heard the half of it! Get on the phone to your Hotpoint Distributor, right away. It'll be a big breakthrough in profits for you.

Hotpoint

first with the features women want most

HOTPOINT • GENERAL ELECTRIC COMPANY • CHICAGO, ILL. • 60644



See Hotpoint appliances sold this week on The Tonight Show, NBC-TV, starring Johnny Carson.

HOUSEWARE NEWS

□□□□ **Insect exterminators and burglar chasers** appear to be prime areas of interest for inventive geniuses these days, judging from the products on display at the International Inventors Show, which ran last week at the New York Coliseum.

One insect exterminating device uses a "black light," called the Exterm-A-Light, developed by General Electric. The light attracts the pests to the unit where a high-frequency electron grid takes over to kill them instantly. The unit is being produced by the Hydraulic Manufacturing Co., Alexandria, Va.

O-Tronic Alarm System, of New York City, showed a burglar alarm that simulates a dog's barking when set off.

Also on view was a self-lifting flatiron that raises itself automatically from the ironing table when a pre-set temperature is reached. This safety feature was developed by Kenneth Whitfield, of New Jersey. From Italy came the Firem "SN66" wet electric shaver that uses a regular razor blade. This is already being sold in European markets. Other housewares products included an airoomatic toothbrush, powered by air; disposable grill pouches of heavy duty aluminum foil; and a bevy of floor care products (see p. 54).

□□□□ **It's unit No. 8 for Alexander's**, as the fashion-conscious New York-based chain opens the doors of its newest suburban store. Located in the Valley Stream Shopping Center, Sunrise Highway, Valley Stream, Long Island, the new outlet joins in active competition with Gimbel's and Love's. The 340,000-sq.-ft. store, with its high, illuminated signs and 30 eye-catching murals, stands like a windowless fortress just yards off the heavily trafficked highway—in such a position that both Gimbel's and Love's are often blocked from the view of passersby.

The new Alexander's has devoted most of its fourth floor to home furnishings, selling such items as electronic equipment and housewares. The sharp promotional pricing of Alexander's housewares department has already established the store as a thorn in the side of many New York City retailers, and a promotional triangle can be expected to develop between the three Valley Stream Center retailers.

Other New York-area branch store openings include a new Macy's unit, in New Rochelle, N.Y., and a Bloomingdale's unit, in Short Hills, N.J.

□□□□ **Dissatisfaction with plans for McCormick Place** may result in a delay on the reconstruction of the Chicago exhibit hall. A number of trade associations, including the National Housewares Manufacturers Assn., have criticized the projected multi-level structure as not being large enough; and it is also feared that the rental figure for the hall may tend to price it out of the market.

□□□□ **Key Moves:** Regina completes its network of regional sales managers with the appointment of Jack Dreyer to the dual post of eastern region sales manager and key accounts manager. In his new capacity, Dreyer will supervise sales from Maine to Virginia, west to Buffalo. He had been electrics buyer with Barker's and with Grand-Way division of Grand Union . . . Kurt Barnard has been named executive director of the Mass Merchandising Research Foundation. He was public relations director for the American Research Merchandising Institute.



Portuguese copperware, French cookware, Italian coffeemakers, Spanish ceramics, and Israeli pottery create the mood Mediterranean.

Macy's mood: it's Mediterranean, with a San Francisco beat

The mood is Mediterranean—but the feeling is definitely groovy—on Macy's Lower Level, Herald Square.

The World's Largest Store swings into fall with a hip show within a show, which adds the San Francisco beat to the Mediterranean rhythms that echo throughout the rest of the store.

Macy's puts pzazz in housewares for its fall show and sale. New shops spark the scene in the remodeled Lower Level: a nifty new Cutlery and Flatware Show, a switched-on Electrical Appliance Show, a Mug Shop, a Basket Bazaar, and a Bar Gadget Corner. To say nothing of the old stand-bys (with a new look, of course): the Bath Shop, the Closet Shop, the Paper Shop, and the Hearth Shop.

The newest swingers at Macy's are the small electrics. For teenie-boppers, there's Oster's new hair dryer with the transistor radio or Sunbeam's Jet Set hair dryer in psychedelic blue-green case. And for the space-conscious homemaker, Macy's offers "Braun's new baby—a teeny-weeny juicer."

Major appliances make the scene, and the store tunes in on time-savers in

major appliances and floor care products. Macy's features its washday wonders: the 16-lb. Westinghouse Weigh & Save Washers and the new Norge 18-lb.-capacity, 4-cycle washer in coppertone, avocado, and white. And there are over 50 Magic Chef ranges, Welbilt's 30-inch gas range, and refrigerators from Philco-Ford and Admiral. For floor care buffs, Macy's turns on electric brooms from Regina and vacs from Shetland-Lewyt, Eureka, and Sunbeam.

Housewares pzazz is a cook-in, too. Chefs from New York restaurants prepare a feast of Mediterranean delicacies for daily "taste-ins," and then let customers take home the recipes to whip up in their own potpourri of "hot new cookware in pretty paisley prints, kooky colors, and crazy checks"—to say nothing of stainless steel and aluminum.

The Mediterranean mood is captured, too, in the Mediterranean Mart, which conveys Old World atmosphere, complete with a potter-in-residence. And there are demonstrators for almost every kind of housewares product.

In a word, Macy's housewares show and sale, is a "blast."



Dozens of product demonstrators work in colorful, gaily decorated booths under lanterns projecting the flavor and mood of the Mediterranean motif

Read all about it— 80 million others will

On Oct. 1—for the fifth straight year—a big 4-color, 8-page RCA Victor Week insert in over 400 newspapers will kick off the industry's most famous and successful promotion. Want the follow-up story? Network radio and TV commercials, newspaper ads, in-store displays, outdoor, and more! All this *plus* traffic builders—a give-away pen and pencil set, two fantastic record offers, a stereo headphone offer and a spaceship offer for the kiddies. Your customers will read all about it. Why don't you hear all the details...from your RCA Victor distributor, today. **RCA Victor Week—the industry's most famous and successful promotion five years running.**



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Era of unending change seen at industry's 'Open End' seminar

Mostly old arguments, rather than new ideas, were voiced during a sometimes lively "Open End Discussion of the Housewares-Hardware Industry," staged in New York City, last week. The discussion, sponsored by the Housewares-Hardware Representatives of Metropolitan New York Inc., was the group's third annual seminar.

Panelists voicing the manufacturer representative's point of view were Ed Bobrow, of Bobrow-Lewell, and



Rouslin Shapiro Gutmanstein Bobrow Gropman Pringle

David Gropman of Representatives Inc. Representing the manufacturer's viewpoint: Warren Pringle, of J.R. Clark Co., and Robert Dell, of Melard

Mfg. Corp.

The retail side was expressed by Arthur Gutmanstein, of Judore Distributing (Shoppers Fair); Marvin

Rouslin, of Arlan's; Jack Shapiro, of Fortunoff's; and Roy Connolly, of W.T. Grant. For the warehousing distributor, Gene Haubenstein, of Federbush was spokesman.

Connolly substituted for Richard Dix, of Grant's; Lester Gribetz, of Bloomingdale's, a scheduled panelist, was unable to attend because of illness. Jack Ross served as moderator and David S. Lapine introduced the panel. Herman Horowitz was chairman.

The change: giant corporations emerge to sell the giant retailers

The General Foods of the housewares industry are beginning to swallow up smaller firms and old established brand names at a pace described as "a little frightening."

The alarm was sounded by Warren Pringle, of J.R. Clark Co. His firm was recently merged with another, and he rattled off a list of big-name corporations buying their way into the housewares industry. The list included American Home Products, Textron, SCM, Kidde, Mobil Oil, and Scovill. "We don't realize how fast they are entering," Pringle said.

Housewares is attractive to the giants

because it is made up of a large number of family owned businesses that can be bought at the right price, and because of the sales growth of the industry. "Our annual volume of \$10 billion is bigger than the furniture and appliance industries combined."

Pringle sees a reduction in the number of family-owned businesses that swallowing up of smaller firms, many of which rely on independent sales agencies rather than factory salesmen. The sales representative agencies that remain will be bigger and more important in the future, Pringle added.

Wider use of committee buying was

one change under discussion. "Personal contact will not be as important. And there will be fewer buyers to see. We all know what has happened to hardware retailers. . . . It's all headquarters activity," said Pringle, referring to selling the co-op and franchised hardware groups, such as Cotter, Ace, and Pro.

The opinion of a retailer familiar with committee buying was sought, and Marvin Rouslin, of Arlan's volunteered. Rouslin stressed that increased overhead costs were forcing chains to re-evaluate methods of buying and purchasing — including the question:

why should we pay the sales representative's commission? "Why can't we bypass that commission, especially if he writes an order and we never see him again?"

Rouslin won few friends among the audience, which was composed largely of sales representatives whose commissions he had just seen fit to eliminate.

Rep Burt Sloane, from the audience, pointed out that the rep performs a service, or a function, and that, if that service or function is not provided, the retailer must do it himself or seek it elsewhere. —Ed Dubbs

The need: how to express retail individualism in a conforming world

A call for more creativity and professionalism was sounded when Macy's buyer Dave Muster berated the sales reps for offering "the same items at the same prices" to all New York stores.

Muster was critical of the fall housewares booklets recently mailed out by five New York department stores. He cited the duplication of items and prices from store to store, asking the panel: shouldn't reps be more "creative?"

The answer from Arlan's Rouslin: "There may be only one way to cook a turkey, but there are many ways to serve it."

Getting in a plug for his type of operation, Rouslin forecast that discounters will continue to flourish because they "go after merchandise the consumer has been exposed to, and

serve it up in a different way."

Countering Muster's criticism, too, was Melard's Dell. It is also the buyer who is responsible for the deadly "sameness" that fills the fall flyers, he suggested.

Dell accused buyers of a reluctance to stick their necks out, and of a strong need for reassurance that merchandise will sell. The combination, he said, adds up to a uniform dullness.

Fortunoff's Shapiro, speaking as a retailer who has no catalog program, nonetheless defended the big-store buyer. Instead, he accused top management of pressuring buyers to produce advertising dollars. Even with this limitation, however, Shapiro admitted that retailers cannot blame manufacturers—and their reps—if all catalogs look the same. "It is up to

us as retailers to be creative . . . even when the decision to buy depends on how much advertising money comes with an item."

Arlan's Joe Camhi, speaking from the floor, shifted the blame back to the reps. It is "misleading," he said, if a rep sells the same item to five different outlets and places five similar ads in the same week without telling each of the buyers.

Sales rep Bobrow, however, defended the practice of running the same item with several different outlets—provided that each buyer is made aware of what is happening—as a means of getting mass impact for that item. He chided buyers who merely take an ad mat and run it for their lack of creativity.

The dual question of "creativity"

and "professionalism" came up, too, as the group grappled with such problem areas as the functions of the rep and the wholesaler of the future.

Commented distributor Haubenstein: "The store that learns to use a local wholesaler creatively has no open-to-buy problems and no problems tracing shipments, freight claims, damages, and the like"—all of which add up to "hidden costs" that must be paid for, no matter who performs the function.

As for the rep of the future: he must gear his organization to the demands of the times, become more professional and creative in understanding the pulse of his market and the implications of the trends toward giantism.

—Joan Bergmann

The problem: where industry shows fit into the changing picture

Shows—from the National Housewares Exhibit to local distributor shows—were praised and panned, as their over-all value and the specific roles of manufacturer, representative, and buyer in attendance came under consideration.

"It's a chance to get away for a week," Fortunoff's Jack Shapiro said, in a lighter vein, when it was asked if the June show was necessary. He went on, however, to point out the show's importance in the formation of a retailer's program, although he did give more stress to the January exhibit.

"A Show's importance is not as a time to buy, but as a chance to see what is being offered and to make a comparison among manufacturers' offerings," reiterated Marvin Rouslin, of Arlan's. "Orders are generally placed

before a show, so you go mainly to look and to spot the trends. It's good for the buyer to be exposed to the entire industry at once."

In a comment that met with a flutter of applause, representative David Gropman went on to restate the often-heard request for an Eastern show—perhaps as an alternative to the Chicago summer exhibit.

Talking of jobber shows, Ross asked about the possibility of somehow regrouping or consolidating them.

"We've grown past the stage of being called jobbers," distributor Gene Haubenstein prefaced his reply. "Dealers enjoy these shows because no one is breathing down their necks. They leave with merchandising knowhow."

A Labor Day weekend show was manufacturer Warren Pringle's suggestion. "A lot could be done to improve

these shows, though. For instance, there's a lot of battling the breeze and reading newspapers done by manufacturer reps at these things. These personnel should be told by the manufacturer what's expected of them."

Another manufacturer's point of view came from Robert Dell, who stressed that the value of the dealer show rests in the dialogue that can be set up between dealer and buyer.

"But," interrupted rep Ed Bobrow, "you've got to do more than create goodwill and understanding. You've got to offer something special: new items or something to induce business."

Show ethics and practices came under scrutiny when Whelan Drugs' Sam Roman noted that, when a buyer walks into a booth, he cannot always get someone to help him. "A rep should spend time with a buyer, even if

he's not in his territory."

Gropman threw the issue back at Roman, questioning the integrity of visitors at a booth. "When a man wears a badge that identifies him as someone he's not—when this happens as it does so often—you're bound to be reluctant to quote a wholesale price to someone in another man's territory."

"This is shortsightedness," Norman Ripps commented from the audience. "Trade shows, no matter who runs them, are for exposure. Most buyers won't make a deal at a show. Buyers can't tell what they want at a show. Are you [buyers] going to write orders or to look?"

"I go to look," Judore's Arthur Gutmanstein concluded the dialogue. "At any show, I am there to see merchandise and find out what prices are."

—Irene Kanfer

watch for the 'big one'..

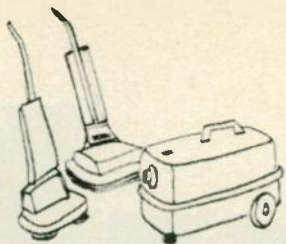
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FLOOR CARE NEWS



Wall-to-wall floor care:
E.J. Korvette's new Brooklyn,
N.Y., store uses a wall
display area to show off
vacuum cleaners for the
first time



□□□□ **Korvette will expand** its merchandising of floor care electrics when it opens the new Herald Square store, in New York City. The Korvette outlet will devote more space to the category, and, for the first time will apply the "shop concept" to it. Korvette is now a leading retailer of vacuum cleaners and other floor care products; but in most outlets, the category is cramped for display space and squeezed into the electric housewares department. The new "shop" at Herald

Square will enable retail sales people, many of whom are factory-provided specialists, to better demonstrate the products. Korvette has placed vacuum cleaners and other floor products in a wall-backed display area at its Brooklyn store (see photo, left).

□□□□ **A built-in auto vac** is being promoted by its inventor, M. Rothstein, of Passaic, N.J., under the Mobile Maid name (see photo below). The product was shown at the Third International Inventors Exposition, which ran last week at the New York Coliseum. The Mobile Maid Car Vacuum, designed for mounting in the auto's trunk or the rear of a station wagon, would cost the car owner about \$100, which includes the installation. The portable auto vacs on the market today—which plug into the cigarette lighter socket—retail at under \$10. The inventor was seeking public reaction to the built-in system.

□□□□ **A vac that flies** was among the new inventions at the Inventors Show. Created by Ella Reid, the unit is supported "by a cushion of air."

□□□□ **An electric doormat** also made its debut at the Inventors Show. Billed as an "automatic vacuum shoe cleaner," the item (which resembles a shoeshine box) sucks up dirt from the bottom of shoes. It also converts, with hose, to a portable/canister vac, a spray gun, a deodorizer, a hair dryer with bonnet accessory, and several other applications. The product was shown by Dor Valet Inc., of Long Island, N.Y.

We make each minute you sell on the floor worth more.



When you sell a Regina Elektrikbroom or Rug Shampooer/Floor Polisher, you raise your average ticket \$2 to \$5.

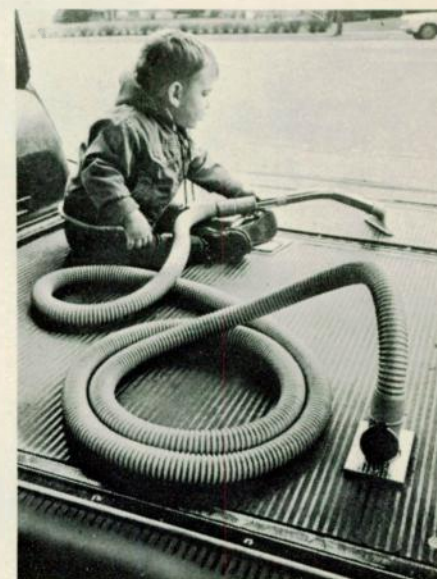
Regina's products dominate these two markets in every price category. In fact, our Elektrikbroom is the only lightweight vacuum

that sells in volume at over \$20. And our Rug Shampooer/Floor Polisher is the only one selling in volume at \$30, \$40 and higher.

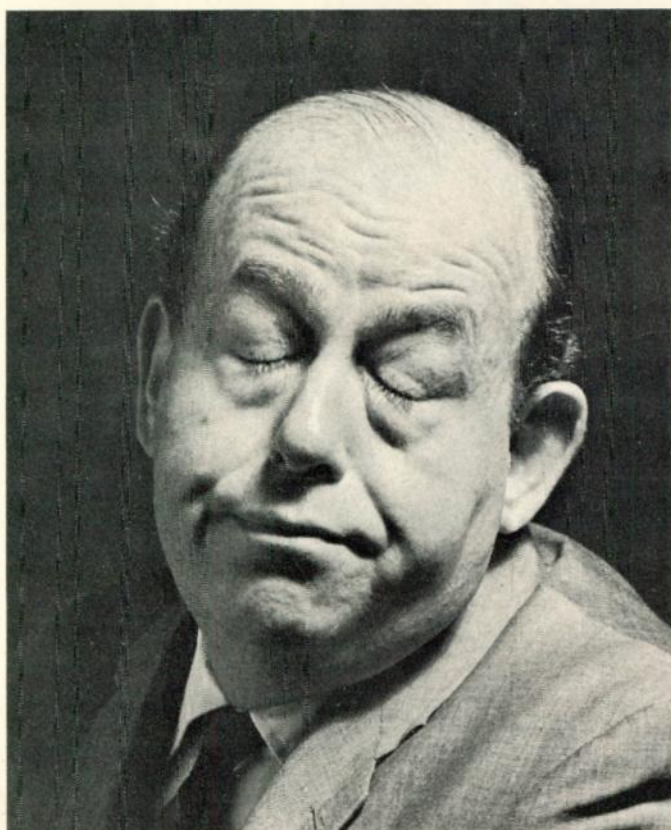
So stock the entire Regina line. Time is money and Regina helps you make more money in less time.

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A built-in vac for the car



Frankly

**the retailers
who don't read
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sell very few
appliances**

Our readers do 81% of the retail appliance business in America.

Can you blame us for insisting that if you're a manufacturer — with something to say to the men who sell your product—there is only one

logical place to do it. On the pages of Merchandising Week.

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If you're not in Merchandising Week now, do yourself the favor of asking why. The answer you get might just be surprising.

MERCHANDISING
Read By the Retailers Other Retailers Follow **WEEK**

The Weight Watcher.

Westinghouse adds the exclusive Weigh-to-Save™ lid to its '68 washers for extra sales punch.

This is it. The new Weigh-to-Save™ lid women will love.

It's a snap to demonstrate. Even if you don't have a washer hooked up you can show how the Weigh-to-Save lid takes the guesswork out of washload sizes. Saves hot water. And detergents, too.

While you're at it, point to the Heavy Duty 16 medallion on the front of the machine. Emphasize the proven Westinghouse Heavy Duty construction and performance. And how Westinghouse washes 16-lbs. of clothes really clean. You can talk about the Permanent Press settings, too. And show the matching dryer with Permanent Press cycles.

That's it.

Now watch the weight watcher add weight to your sales.

You can be sure if it's

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