

Advertising & Selling

Public Library,
Kansas City, Mo

AUGUST 21, 1920

A Bargain in Circulation

Public Library,
Kansas City, Mo

The 500 morning daily newspapers of the United States have 9,870,942 circulation and a total minimum rate of \$27.86 per line, according to a recent tabulation of Justin F. Barbour. This is cheap as compared with magazine rates, but it emphasizes the extraordinary value offered by the 450,000 daily morning circulation of The Chicago Tribune at .70 per line.

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The Chicago Tribune now
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Public Library,
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Written by The Chicago Tribune's
BOOK OF FACTS

The Utah Copper Co. is capitalized for \$25,000,000.

Its total assets December 1918 were \$90,043,661.

To December 31, 1919, it has paid \$103,475,078 in dividends.

It has the second largest developed orebody in the world.

It operates 52.87 miles of standard-gauge railroad, 2.61 miles of narrow-gauge, 1.57 miles of three-rail track.

It operates two reduction works, the Magna plant having a capacity of 20,000 tons per day, and the Arthur plant having a capacity of 16,000 tons per day; an immense compressor plant at the mine, a water-supply system, and a leaching-plant.

It owns and operates the Bingham & Garfield Railroad, a steam standard-gauge line 133 miles long.

In 1919 the monthly output of copper was 10,000,000 pounds, while 28,907 oz. gold and 263,721 oz. silver were produced as by-products.

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Further details are at your service.



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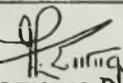
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A man may eat a lot of perfectly good food without being well fed, unless his ration is properly balanced. Quail alone does not furnish a well-balanced ration. You need bread and butter, too.

The advertising columns of *Successful Farming* offer the proper country balance to your campaign for city and town business.

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30th Year

AUGUST 21, 1920

Number 9

"Good Times" Are Up to the Advertising Men

In Common With the Nation's Banks
They Hold the Magnet That Will Draw
"Small Hoards" to the Aid of Industry

By GEORGE FRENCH

THE condition of general business, as the fall season is about to open, gives advertising interests much concern, and advertising men are studying the indications with great interest. Trade in the lines of essentials that have seasonal periods is so unsettled that the immediate future is not at all clear.

Demand in many lines is slight, and indications are that it will be unsettled and follow very strictly immediate needs of the retailers. The retailers are in doubt about the attitude of consumers. They are quite generally agreed that the period of extravagance in personal buying may be almost over, but whether it is to be succeeded by a season of self-denial on the part of consumers is the problem that sellers and buyers alike would like to have solved.

There are indications that we may be on the verge of a season of thrift on the part of wage earners and salaried people that may more than balance the period of extravagance that followed the war. Many things support this view. There is a scarcity of money in depositories from which the large amounts needed in industry are drawn.

The banks are making plans to induce people with small margins of money to deposit it with them, and the opportunities for profit for the small investors are so many and so alluring that it is easy to foresee a large buying of stable securities that are offered in small units. The railroads have been put in a position, by the new rates for freight and passenger service, to assure investors generous dividends on securities they already are planning to issue. It is practicable for the possessor of even two or three hundred dollars to buy

Meeting and Defeating a Business Slump

THE suggestions herein offered present a way to meet and overcome what, to some business men, look like conditions unfavorable to American trade.

A prominent New York financier, after reading a proof of the accompanying article, said: "Mr. French has stated the case clearly. Banks already are taking steps to meet some of the impending consequences of a reaction from the overspending of recent years."

The idea set forth is that community banking interests would find it desirable and helpful to get together in an advertising effort and that, if this were done generally, very beneficial effects would be conferred upon American business.

THE EDITOR.

bonds of undoubted safety that pay high interest rates. It is evident that the fashion to invest small sums of money in good bonds is coming in.

"SPENDERS" IN THE MINORITY

For two or three years people have been habituating themselves to economy and denying themselves luxuries and necessities. This despite the spectacular era of lavish spending that has been going on. The spenders were a small minority, while the great majority of people of moderate means were all the time conserving their resources. The buying of Liberty bonds created and entrenched a habit of saving, which has spread widely and rapidly, despite all surface indications to the contrary.

Men and women have learned to wear out their clothing, to turn their gowns and coats and get 100 per cent of service out of them. Men are this season planning to have two or three suits turned rather than buy one new one, for the fall and winter

that are coming. Women are making their own clothes who have almost forgotten that such an art as needlework exists. Men will get out last winter's derby, have it cleaned and a new sweatband and ribbon put on it, at a cost of a dollar perhaps, and save the \$10 a new one would cost.

These tendencies in retail and wholesale trade and in personal economy have created a situation that is of great importance to advertising interests, especially to advertising mediums and agencies, the two greatest creative agencies in the advertising field. What are they going to do to maintain the level of advertising business? Broadly speaking, there is but one thing for them to do—or rather there is but one attitude for them to assume: They must demonstrate to business how advertising may be employed to ameliorate the tense condition that seems to threaten all business. What is the wise policy for them to adopt, to put advertising into the crisis in that manner which will best serve all interests?

"REASON WHY" ADVERTISING

It manifestly is futile merely to urge that advertising be persisted in for the sole purpose of persuading people to buy, without giving the best of reasons for such a policy. It will not be easy to dissuade the man who has just recognized the fact that a suit turned by a skilful tailor, is just about as serviceable and good in all ways as a new suit, or to get him to blink the fact that the new suit will cost him \$50 to \$100 while turning the worn suit will cost less than \$20. He will argue that he can provide himself with three suits that are virtually new for the price of one that is actually new. Obviously, it is not

good business for advertising men to urge clothiers to advertise lavishly in the hope of changing the program of the men intent upon economy in clothes. And the same condition prevails in other lines of supplies, notably in household supplies, in women's wear, in furnishings, etc.

Advertising men have got to stand and see the great streams of money go into enterprise. Immense sums are needed to perfect the railroad systems. The amounts already named make up but a small proportion of what must be had to make the railroads able to take care of the transportation needs of the country. Great sums of money are going into shipping projects, into manufacturing, into development of power schemes, and into many other fundamental enterprises. This money has got to be contributed by earners. There is no other source from which it can be had. Add the almost unthinkable sums that the government must have for years to come to liquidate the war debt and assist the countries of the world to get themselves into a condition that assures even continued life. The total cannot even be speculatively stated, it is so vast.

ABSORPTION WILL CONTINUE

This absorption of the money of the country will go on. It cannot be stopped or checked. It diverts money from trade. It reduces the gross that can be devoted to advertising. Retail business has been forced to originate new methods to supercede the old ones. Banks cannot carry the retailers, and they have been obliged to sell stocks to get money to pay debts. They have not got money to buy large stocks, and they cannot get it. Advertising is to be switched off its usual course. It has got to discover how it can help on in the way business has got to go.

One great fact is self evident: The potential resources of the country, in the form of free capital, have not yet been developed. While it almost dazes one to contemplate the flowing this way and that of the tremendous stream of money, close observers know that there is plenty of money in the country, not now employed at all, to handle the situation as it exists, and as it is certain to develop, without crippling business in the manner it is now being crippled. If even 50 per cent of the money that is now absolutely idle could be diverted into the banks, where it would be added together into great sums, there would be more money available than could profitably be at once employed.

While sober-minded people have been scandalized by the crass exhibi-

tions of profligate spending that have been going on, other cool headed people have all the time recognized the fact that for every foolish spender there are a score, or perhaps a hundred, who have held on to their surplus money, and that a great proportion of these wise ones were really foolish, because they literally are holding on to their money. They have not deposited it, or made any other useful disposition of it. So far as the country is concerned, the man who holds on to his money is no more useful than the man who wastes it in riotous buying. He is, in fact, less useful, for the spender at least puts his money into circulation, and the man who simply keeps his money—the bills of various denominations that represent his surplus earnings above his living expenses—is all the time robbing himself, not only of the interest his money would earn him if properly saved or invested, but of that opportunity to help business in general which is the spur and stimulus of the wise saver of money.

POINTING TO THE REMEDY

It is perfectly evident that some means must be devised to bring from their hiding places the small sums of money that people falsely think they are saving and convert them into large aggregations of capital to offset the great drain upon free capital that has been going on. To do this is the duty of—somebody. Who? It has been—is being—put up to the banks. But it is manifest that the banks, of themselves, cannot do it. They do not attract small sums of money. Many of them do not desire to receive small deposits. They are not fitted to use them. It is quite evident that the banks must enact a secondary part in the actual work of getting the free money in the country into active use; but that they must originate and stand back of any effective work in that line is as manifest.

The answer is, Advertising. Advertising, of the right sort and done in the right way, would bring from their hiding places great numbers of those small hoards we believe to be in existence, and swell a total of new money for legitimate enterprise and trade that would suffice to relieve the prevailing drought and make it possible to do business on a safe and reasonable basis again. To persuade banking authorities that a carefully thought out campaign of advertising to convince men that the best use they can make of the small accumulations they may have saved is to put them in the bank, and take the interest they would there earn, may

not be an easy thing to do, but it can be done.

It is not wise simply to plead with banks to do this. A specific plan must be presented, and urged. It must be accompanied by a well thought out plan for the bankers, to prepare them to welcome the modest savings when they are offered. They are not likely to flow into the banks that operate in marble palaces, and have the marble ideas of personal contact. The men with the small rolls of bills must also be advised about the disposition to be made of their cash. They ought not to be asked to accept bank interest, after their balance amounts to \$500 or \$1,000. Then they should be advised to buy some good bond or stock that would yield them larger dividends. Now the limit of safety has risen to 8 per cent or higher, and it is probable that perfectly safe securities may be had for a long time that will yield at least as much as 7 per cent.

There is here one field of work for advertising men that is ripe for the harvest. It needs cooperative work. One man cannot well work it. Some association of advertising men may well consider making a study of it and formulating a plan. There is an opportunity in this field, and in others that will occur to live advertisers, which promises great things in the way of assistance to business and to individuals who wish to practice productive thrift but do not know how to go about it.

UP TO THE ADVERTISING MEN

It will occur to almost every thoughtful advertising man that this also is an opportunity to enforce the sound advertising doctrine that times of dull business should be times of intense advertising. That theory is perfectly sound, and is always in the minds and practice of progressive advertising men. It should be pushed to the extreme limit of wisdom at this time, and the faith that it is sound business should not for a moment be slackened. But that theory is well understood, and needs no advocacy at all. Other policies for keeping advertising vital in business despite adverse conditions are perfectly understood and persistently pushed. This idea of getting the banks to make a well planned, cooperative, forceful, and practical effort to get the stagnant money of the country into circulation, for the benefit of the owners and the general business public, has not perhaps been given the earnest consideration its importance seems to warrant.

Pivoting the National Sales Plan on an Effective Direct-Mail Campaign

How the Pittsburg Water Heater Company Is Using "Direct Mail" to Stimulate Dealer Cooperation As Well As Consumer Sales

By WARD GEDNEY

THERE are advertisers who carry on national periodical campaigns. There are advertisers who carry on localized newspaper campaigns. There are advertisers who carry on direct-mail campaigns. There are advertisers who carry on all three types of campaign at different times. There are some advertisers who carry on all three types at once. But there are few enough advertisers who, carrying on all three types at once, see them as three sides of a single campaign and make them interlocking and interdependent. Perhaps that is the answer to why very few direct-mail campaigns are as successful as the one the Pittsburg Water Heater Company is carrying on this year.

WHAT THE PRODUCT IS

The Pittsburg Water Heater Company manufactures copper coil gas water heaters. Its factory and general offices are at Pittsburg, Pa. It makes and sells a type of small copper coil gas heater which operates so that when you open a faucet anywhere in your home gas is automatically released to its burners and ignited from a tiny perpetually-burning pilot light giving you water heated instantly as it flows. When you close the faucet the water flow stops, the gas flow stops, the heating process stops, and the little pilot light, burning at a few cents expense a month, resumes its guard duty ready to serve you again the next time you open the faucet. Thanks to the company's extensive national advertising the principle and the work of the Pittsburg heater is pretty well understood everywhere.

But national advertising is not relied upon alone to sell the heater, nor is the usual local newspaper advertising encouraged by the stock dealer electro service considered a sufficient adjunct to the national advertising.

Several years ago the company embarked upon a system of direct-mail campaigns. Now, manufacturers embark on direct-mail campaigns for various reasons; some as a last, forlorn hope to put over an unsuccessful product; some for no better reason than that a new advertising man-



Typical "Reason-Why" Copy Employed to Carry Out the Direct Mail Campaign

ufacturer has weakness for "direct-mail"; some because a competitor is doing it; and some because most advertisers do it as a final touch to the sales scheme. The Pittsburg Water Heater Company did not find any of those reasons sufficient excuse for the expenditure which it was proposed to make in direct-mail selling. It did not even consider that it was making a sufficient demand on "direct-mail" in requiring it to sell more water heaters.

It expected the direct-mail campaign laid out to sell more heaters, of course, but it insisted that, in addition to this, it attract dealer and consumer attention to its national advertising, that it result in increased dealer newspaper advertising, that it win the good will of the dealer and that it deliver the final, telling blow to drive home the entire sales plan of the year.

Which is exactly what it is doing.

Perhaps we should say "what they are doing." In one month this summer eighty distinct campaigns were carried on for dealers in all parts of the United States. Each campaign is visualized as an entity and directed from the territorial branch office whence comes the order for it—sent

through on a formal order sheet giving proposed mailing dates and accompanied by a list of prospects. Incidentally, care is taken not to circularize more names than the dealer can call upon during the campaign. These campaigns are carried on in the dealer's name.

The first step after the receipt of the order is the cutting of addressograph stencils, which is done in the home office. The mailing pieces used are prepared on a Multi-color machine, which prints in the name of the local gas company or plumber as the head of the letter, the date, the body of the letter and the local manager's fac-simile signature at the bottom. This is all done in one operation. The pieces are then mailed to the dealer and sent out by him, postage paid by the company.

THE MAILING PIECES

There are three mailing pieces to this campaign. The first is a four-page piece, 7x10 inches, the front page of which is a letter to the prospect, addressed by name and residence, calling his attention in a chatty informal way to the advantages which the Pittsburg water heater provides. This is printed to resemble very closely a personally type-written letter. The second page shows two views of the heater, one with only the pilot light burning before the water is turned on and the second with the flames sweeping up around the coils and heating the water as the faucet is opened. Red arrows run from the fire boxes of each heater to panels of print in which the action "before" and "after" is briefly explained. The third page, reproduced in the small cut accompanying this article is frankly advertising copy. The text explains the simplicity and economy of the heater. The back page is blank. A red line page border adds to the attractiveness of the piece.

With this letter is enclosed a booklet, called "The Well Managed Home," which, with pictures and text, tells the story of the service that the Pittsburg can render in the performance of all the little household tasks that demand the provision



Copy Which Explains Results as an Effective Means of Selling the Housewife

of an immediate, adequate supply of hot water. The appeal is chiefly to the mistress of the home, who has most reason to appreciate the convenience the Pittsburg affords, and so care is taken to avoid technical language and to stress the simplicity of the heating process. The housewife is told to "make it a point to see a demonstration of the Pittsburg Water Heater just as it would be in your own home." An inquiry card asking a dealer's representative to call is enclosed with this piece.

TALKING TO THE PROSPECT

The second mailing piece is simply a 7x4 inch folder printed in orange and black on heavy brown antique stock appealing to householder and housewife and featuring in illustration and text the three sales slogans: "It lights itself," "Hot water at the turn of the faucet," and "When the water flows, the gas comes on—no worry, no wait." The inquiry card with this piece, addressed to the local dealer, asks for information as to the proper size heater to supply a certain number of faucets to be used by a certain number of people in the family, as specified by the prospect.

The third mailing piece is another 7x10 inch letter similar to the first, designed to get action now that the prospect has been introduced to the "Pittsburg" and requesting her the prospect is quite properly visualized as "her"—to call at the dealer's office for a demonstration "today." The inside pages of the letter show the two-page spread reproduced in the large cut with this article explaining "What the 'Pittsburg' Really Means to You." An inclosed reply card re-

quests prices on a heater adequate to provide for the needs of a family, the size of which is specified by the prospect.

These three mailing pieces are sent out—from the local dealer's office, remember—at intervals of seven days. In the fourth week, he holds a demonstration of Pittsburg Water Heaters in his store. Advance notice of the dates of the demonstration have been previously sent to his already interested prospect list on printed cards mailed from the home office of the company at Pittsburgh.

After having read so far you will probably say: "Of course, it's a mighty well-planned campaign, perhaps better than nine out of ten campaigns, but unless it has some unusual supplementary feature, it does not differ greatly, except possibly in the degree of the company's generosity of cooperation, from nine out of ten direct-mail campaigns."

That's just it. There are supplementary features.

"FOLLOW-UP"

In the first place, there is more company cooperation than is represented by the devising, and expressing of mailing pieces and the payment of postage on the same. For example, some time in advance of the demonstration week a Pittsburgh Water Heater Company salesman comes to town with a complete list of the names circularized entered on 3x5 inch cards. These cards are sorted out in districts or territories and given to the local dealer's salesmen. After they have called on the prospects and made a report on the cards, the company's salesmen per-

sonally calls on those who look promising. Many sales are thus made immediately. At the same time the dealer's campaign is being strongly backed up by window displays, car cards, booklets, folders, catalogues, moving picture slides, etc. An important feature of this supplementary publicity is the display of national advertising proofs in the dealer's window to tie up the local campaign with the big national campaign which is reaching more than 20,000,000 people a month through the general periodicals.

Another supplementary feature is the extensive use of newspaper advertising to support the campaign. This is the part of the local dealer, and to this extent the manufacturing company insists that he have a monetary interest in the campaign. His cooperation, in addition to the mere mechanical work of seeing that the mailing pieces provided are released on the correct dates, arranging the demonstration in the fourth week of the campaign and following up the sales leads given him, lies in running this local newspaper space, amount not specified or limited, while the campaign is on. Cuts and text matter may be obtained, if he wishes, from the Pittsburg offices. In the one instance where local conditions have "unsold" the dealer on the value of newspaper advertising he is asked to substitute, for this cooperation, payment of postage on the campaign, which amounts to six cents a name.

ADVICE TO THE DEALER

Some admonitions to the dealer ranged under the head of "How to Conduct a Campaign" in the dealer book explaining the campaign and sent out by the Pittsburg Company will prove interesting to readers. In addressing the dealers, H. G. Mentzer, advertising manager of the company, who gets the credit for this big selling idea, writes:

Do not jump at the conclusion that you will take advantage of this publicity—hunt up an old list of prospects and after the campaign is arranged, sit back and wait for results. They will not come. A campaign should not be started without careful deliberation. . . . The chances of failure should be and can be eliminated by careful preparation.

The most essential feature that enters into the preparation of a campaign is, of course, the list of prospects to be circularized. Great care should be taken to secure names of people who own their homes and are in a position to purchase a Pittsburgh Water Heater. Do not try to compile lists from a telephone book or directory, unless you are absolutely sure

(Continued on page 42)

Fixing Advertising Costs in Advance

Discussion of Methods of Basing Appropriation So That Profits Resulting May Carry the Load Economically

By ERNEST COHN

Secretary of the Homer McKee Co., Indianapolis

SUCCESSFUL business men have methodical minds. It is their custom to chart their expenditures on a percentage basis, arbitrarily governing their business in a way calculated to move the various percentages up or down, so as to make the final percentage which is represented in the profit column yield the greatest cash returns.

It is not a matter for wonder that such men find themselves striving most strenuously for a percentage basis on which to fix their advertising appropriations in advance. As a matter of fact most advertisers are striving for such a basis, but the number who have reached it is far less than the number of those who glibly talk about the "percentage of sales spent in advertising" in their particular business or line of business. It must be borne in mind that it is a much simpler matter to estimate the percentage of gross sales given over to advertising for a given period after that period has terminated, than it is to forecast a similar percentage for a period yet to commence.

FINDING THE ANSWER

It is because so few men take this difference into consideration when attempting to set the size of their own appropriations that they are bewildered by the apparent ease with which others seem to arrive at a basis for forecasting advertising expenditures.

Such men can be pardoned for asking whether, after all, there is such a thing as a percentage basis for forecasting advertising appropriations.

Let us ask the question with them and proceed to try to find the answer.

It is but natural for us to seek our solution in the mass of figures comparatively easy to collect in connection with this subject. While many advertisers are loath to divulge the amount of their total sales, together with the size of their advertising appropriations for a given period, and some even refuse to publish the per cent of gross sales invested in advertising, enough information of this character is available to guide us to a conclusion.

After all, if we can get an idea of what percentage of gross sales others

MANY advertisers have the judgment, born of long experience, to enable them to employ just the right amount of advertising. Others overstep, through inexperience and detract from yearly profits to an unnecessary extreme. And still others, more timid or more hopeful of the carrying power of their advertising, devote less than they should with the result that very often their advertising fails to scratch the market's surface.

If this article does not tell you what your appropriation should be, it, nevertheless, does give readers of ADVERTISING & SELLING a general working idea which should be of valuable assistance to that end.

THE EDITOR.

employ for advertising, we may come to some conclusion as to what we ought to spend.

But before we reach that step in our investigation there are certain questions we are forced to answer.

First of all—what is an advertising appropriation? Is it all the money used by the advertising department, or just the cost of the space? In case it is all, just what does that term mean—does it mean the salaries of the mailing clerks and the rent on the space occupied by the advertising department; the depreciation on the furniture and fixtures in that department and a lot of other similar items?

Manifestly, unless all advertisers who give us their figures compute them in the same manner, then at the outset this whole question of percentages becomes a fallacy. For it is easy to see that the 2 per cent of the man who includes the cost of the space may exceed in actual dollars and cents the 5 per cent of the man whose figures include hundreds of thousands of dollars' worth of expensive art, engravings, etc., and costly salaries of high priced advertising directors.

Second—when men speak of the advertising appropriation as being a certain per cent of the gross sales, do they mean they are giving you last year's sales figures and last year's advertising figures? Or are they giving you last year sales figures and this year's advertising figures?

It is, of course, unfair to compare next year's appropriation on a cer-

tain percentage of this year's sales, as against the figures of the man who is speaking about the percentage of last year's sales used for last year's advertising.

Yet many men who deal in percentages do not pause to make the distinction noted above.

PROPER ADVERTISING CHARGES

To answer the first question—what does the advertising appropriation include?—let us examine such information as may be available, to determine what is common practice on the part of advertisers.

Of twenty-one technical advertisers concerning whom statistics were available in 1912, there was from 23 per cent to 81 per cent disagreement as to what items comprise an advertising of appropriations. The only thing that all twenty-one agreed upon should be included was the cost of the space.

All who used space in publications agreed that this item was a logical part of the advertising appropriation. Yet there was from 23 per cent to 81 per cent disagreement concerning the very items which furnish the bulk of the appropriations of such important concerns as the Ford Motor Company, for instance, who do not use space advertising.

The figures for 57 national advertisers, selling toilet goods, clothing, machinery, raw products, jewelry and a wide list of equally divergent products, whose figures for the year 1916 are available, are so similar to those of the year 1912 group that it is apparent there was little if any more agreement on the subject at that later date.

And so far as it is possible to sound advertising managers and cost accounts to-day, there is still a similar disagreement.

One concern with which the writer is very familiar divides accounts which some charge up to advertising among a multiplicity of departments. By its present methods the percentage of the advertising to gross sales shows up as a comparatively small figure. Yet should items which it now charges to sampling and various phases of promotion, which in some analogous cases are charged to ad-

vertising, be credited to that department, the percentage of the advertising to gross sales would almost be doubled.

Therefore, when two advertisers say they are spending a given percentage of their gross sales for advertising, there is no way of knowing whether their figures cover the same items or not.

This discovery on our part is going to make the balance of our investigation almost impossible of accomplishment. Nevertheless, in order to learn once and for all whether there is such a thing as deciding the size of the advertising appropriation on a percentage basis, and, if so, what is the best way of accomplishing that

Chart A

■ Art Goods	1.7%
■ Bed and Bedding	2.7%
■ Books	35%
■ Cameras	16%
■ Carpets etc	2.9%
■ China & Glass ware	2.7%
■ Clothing (Boys)	2.4%
■ Clothing (Men)	6.4%
■ Corsets	1.7%
■ Domestic	2.2%
■ Embroideries	2.8%
■ Gloves	1.5%
■ Groceries	1.7%
■ Hair Goods	2.7%
■ Hair Dressing	.0%
■ Hats	1.8%
■ Hosiery	1.8%
■ House Dresses	2.2%
■ House Furnishings	2.1%
■ Infants wear	2.2%
■ Jewelry	2.2%
■ Laces	2%
■ Leather goods	2.2%
■ Linens	2.3%
■ Linings	1.2%
■ Mens Furn.	.2%
■ Millinery	2.6%
■ Muslin Underwear	3%
■ Neck wear	2%
■ Notions	1.6%
■ Patterns	4.2%
■ Picture Frames	1.3%
■ Ribbons	1.4%
■ Sewing Machines	5.3%
■ Shoes	2.6%
■ Silks & Velvets	2.1%
■ Sporting Goods & Trunks	3.6%
■ Stationery	2.2%
■ Suits & Coats (Mens)	4.2%
■ Suits & Coats (Boys)	5.2%
■ Toilet Goods	1.7%
■ Toys etc.	2.4%
■ Umbrellas	3.2%
■ Upholstery	2.5%
■ Waists	3%
■ White Goods	3.5%

purpose, let us assume that when John Smith, in the underwear business, talks about his advertising appropriation, he means the same thing that Will Jones has in mind, when he talks about what he paid to advertise his motor cars.

MUST COMPARE CORRECTLY

Our second preliminary question was to attempt to discover whether men who talk about "percentage of advertising expenditure to gross sales" are always comparing the same kind of figures. Information on this subject is likewise available. We learn from investigation that some advertisers who talk in percentages base next year's appropriation on this year's sales figures—while others base it on next year's expected figures. That this situation really exists is shown by the disagreement on the part of a group of advertisers as to what factors to consider in forecasting the size of the coming year's appropriation. This data is for the year 1912 and covers the group of technical advertisers previously mentioned.

On this subject George Frank Lord, advertising manager of the Dupont Powder Company, said in the year 1915: "A majority of advertisers probably use last year's sales as a basis of calculation because they are known. But since this year's advertising never affects past business, but only current and future sales, such a basis is illogical. A lean year would allow but a lean appropriation for what is very likely to be a big year, or vice versa. Hence if a fairly accurate estimate of the new year's sales can be made, that should be the basis of calculation."

On this same subject, D. C. D'Arcy, ex-president of the A. A. C. of W., said in 1915:

"As regards the matter of fixing appropriations I entertain the opinion that it will never be possible to establish a rule of thumb that will enable any manufacturer, or any advertiser, to state beforehand and with definite assurance that he is correct in his premises that a certain percentage of his sales will represent his advertising appropriation."

During the same year G. C. Sherman, president of Sherman & Bryan, Inc., said:

"One reason why so many businesses are inefficiently advertised today is because manufacturers and advertising men too often base their advertising appropriations upon past performances, instead upon faith in their product and faith in the future. Experience teaches me that advertis-

ing appropriations which yield the best results are those that are based each year upon the anticipated sales of the next year—never on past sales."

Taking such expressions as these into consideration in contradistinction to the number of people who insist on basing advertising appropriations on the size of the last year's sales, and remembering that the percentage figures one hears and sees quoted sometimes come from one source and sometimes from another, it is evident that there is really no way of knowing just what a man is comparing when he puts advertising costs on a "per cent" basis. Here, too, we have the possibility of one man's 10 per cent being smaller than another man's 5 per cent.

Comparing "per cents" under the circumstances noted above is like trying to compare an elephant with a

Chart B

■ 35% Arrow Collars
■ 35% Baker Vawter System
■ 4% Berry Bros Varnish
■ 1% Cadillac Automobile
■ 7% Champ Spark Plug
■ 15% Cloth Craft Clothes
■ 2% Colgates Prop.
■ 6% DePree Chem. Co.
■ 8% Evenrude Motors
■ 5% Patima Cigarettes
■ 3% Globe Wernicke Cabinets
■ 1.8% Great Northern R.R.
■ 1.3% Hudson Automobile
■ 3% Ivory Soap
■ 2.5% Kewanee Boilers
■ 7% Mc Gray Refrigerators
■ 5% Markham Arriviles
■ 1.9% Nor. Pac. R.R.
■ 10% Old Dutch Cleanser
■ 1.1% Packard Auto
■ 5% Phonographs
■ 1% Reo Motor Cars
■ 3% Rudd Heaters
■ 3.5% Santa Fe R.R.
■ 2.6% Saxon Auto
■ 10% Sears Roebuck Co.
■ 3% Sherwin-Williams Paint
■ 3.5% Stromberg Carburetors
■ 2% Studebaker Auto
■ 2.5% Union Pac R.R.
■ 2% Universal Portland Cement
■ 6% Velvet Tobacco
■ 10% Welches Grape Juice
■ 2% Wooltex Clothes

Chart C

- 7.6% Well Known Spark Plug Advertiser
- 5% Well Known Automobile Parts Advertiser
- 3% Well Known Paint Advertiser
- 3% Well Known Motor Advertiser
- 5% Specially Wear (Womens) Advertiser
- 4.3% Well Known Floor Covering Advertiser
- 1.1% Well Known Automobile Advertiser

humming bird. It simply can't be done.

WHEN CIRCUMSTANCES HELP OUT

But, of course, there are circumstances when it is possible to secure comparative figures that are compiled under the same conditions, and it is by considering such figures that the advertiser must hope to find his solution to the question, "Is there such a thing as a percentage basis for fixing the advertising appropriation in advance? Can I tell, by a study of what others have done, what procedure to employ in my own case?"

The charts which follow are—so far as it is possible to determine—all based on figures compiled in the same manner, by comparing the advertising costs of a given period with the gross sales for that same period. They are, therefore, considerations of results after the expenditure has been made, rather than forecasts as to what to spend to achieve those results.

Let us compare those charts, covering different lines and conditions of business, as well as different years, and see if we can discover anything like a proper figure to recommend to a new advertiser as the correct basis from which to work.

Naturally, if we are to find a fixed figure as the proper one to recommend to all advertisers, or let us say, to all advertisers in a given line, one would expect the percentage of figures of the various departments of a given concern to hold an even tenor. Yet Chart A, which covers the percentage of advertising to gross sales of the 46 departments of a well-known Pacific Coast department store, shows fluctuations of from nine-tenths per cent to 15 2-10 per cent. If a store handling the advertising for all its products, those products all selling under the same roof and to the same public, cannot control its percentage figures more closely than this, is it not foolish

to expect manufacturers, even in given lines, operating in widely separated markets, and under widely differing conditions, to find the one fraction of the gross sales of the year which, when invested in advertising, will yield the best results?

That the conditions within this one store in the years 1914-1915 closely parallel conditions in widely divergent manufacturing businesses is shown by Chart B, which portrays the differences between the percentages of gross sales devoted to advertising by 34 national advertisers just a few years later.

Similar variations are found in the three-year averages of 50 manufacturers in various lines for the years 1914, 1915 and 1916.

To bring the investigation down to date, Chart C has been compiled, covering information just received from a limited number of national advertisers who have recently been consulted on this subject. Even here on lines that are practically staple, we find a range of from one-half of a per cent to 7.6 per cent. In other words, one of these manufacturers is spending, on a percentage basis, over fourteen times as much as another.

SOME EARLIER RESEARCH

And as if to further emphasize the apparent hopelessness of our search, the 1912 advertising averages for the railroads of the country show that even with as conservative concerns as the railroads, one spends six times as great a percentage of its income in advertising as does another.

One thing that is always disclosed by investigation, is the fact that percentages change very rapidly with a new concern. Surely this fact points its own moral, that no matter what old established advertisers may do, there is no charted ground for the new advertiser. He must break his own way. It is as impossible to tell him what he must spend to gain his markets as it is to prophesy how

much money must be spent to keep a new-born baby healthy during the vicissitudes of its life—or any human being at any period of its life.

At the end of our investigation, are we not agreed that no matter how much comfort any one of us may get out of our present method of "percentaging" our appropriation, there is little or nothing in the averages of others which we can use to chart our own course?

And since this question of per cents is most frequently raised by new advertisers, is it not the part of wisdom to tell them to forget all about per cents and look for results?

As for the old advertiser, he has, we find, learned that a per cent is merely a signal, not a command. When he wants to add a large increase to his next year's volume, even the wise old manufacturer who has played safe by appropriating a fixed percentage of last year's gross, throws precedent overboard and uses enough money, irrespective of per cents, to achieve the desired result.

As one man who has grown gray in the advertising profession puts it, "the size of the appropriation should always depend upon the result to be achieved, modified by the resistance to be overcome and measured by the size of the bank-account."

After all, is there such a thing as a percentage basis for fixing the advertising appropriation in advance? And can that appropriation be gauged by men who, as indicated in charts A and B, have never come to an agreement as to what items rightfully constitute an advertising appropriation?

Schulte Stores Expanding Rapidly

An interesting statement from the Schulte Cigar Stores has just been issued. It states that the Schulte store, which were in operation through July, of 1919, show an increase in business during July of this year, of 31 per cent; while the total sales of all the old and new stores combined show an increase of 90 per cent over 1919. Before the end of the year the Schulte chain will probably reach 200 stores—some fifty new locations are to be announced shortly.

Reader Interest in "A. & S."

Liberty Motor Car Company

Detroit, Aug. 11, 1920.

EDITOR ADVERTISING & SELLING:

You may be interested to know that the story which you ran in ADVERTISING & SELLING concerning the new Liberty house organ has brought in a number of inquiries concerning same. Each inquiry mentioned having seen the story in your publication, a fact which I believe speaks mightily well for the reader interest in your publication.

Sincerely,

VERNE E. BURNETT,
Advertising Department.

Rowe Stewart, New A. A. C. of W. President

Successor to Charles A. Otis Has Had Broad Advertising Experience and Has Accomplished Much for the Associated Advertising Clubs

Rowe Stewart, advertising manager of the Philadelphia *Record*, becomes president of the Associated Advertising Clubs of the World in succession to Charles A. Otis and the presidential gavel has traveled from Cleveland to the Quaker City. It was sent on its way at a special meeting of the executive committee of the A. A. C. of W. held at Cleveland August 12 when the resignation of the president elected at the Indianapolis was reluctantly accepted and the vice-president of the Second District was elevated to the position for which his long services to the advertisers of America had

made him the logical candidate.

FIRST NEWSPAPER PRESIDENT

Rowe Stewart is the first newspaper man to qualify for the title he now holds. If we go back to the time of Samuel C. Dobbs, who was elected president of the A. A. C. of W. in 1909, we find that the decade has placed at the head of the big organization the president of a manufacturing company, Mr. Dobbs; a manufacturer's advertising manager, George W. Coleman, advertising manager for W. H. McElwaine, shoe manufacturer of Boston; two magazine publishers, William Woodhead, at the time of

his election publisher of *Sunset Magazine* and Herbert S. Houston, vice-president of Doubleday, Page & Company; an advertising agent, William C. D'Arcy of St. Louis; a farm paper publisher, Edwin T. Meredith, of *Successful Farming* and President Wilson's Cabinet; and a reference advertiser, Reuben H. Donnelly, of "Red Book" fame. This brings us to the 1920 election which put a financial advertiser, Charles A. Otis, in the presidential chair until Mr. Otis found that the pressure of business would make it impossible to serve and handed in the resignation which has just been acted upon.

We make, but do not accept full responsibility for, the statement that Mr. Stewart is the first president of the A. A. C. of W. who started his career as an office boy. At fifteen years of age he held that exalted position on the staff of the *Record*. From it he was graduated to advertising work which later led him to the classified advertising managership of the Philadelphia *North American*. Then he went with the *New York Globe* until 1907 when he became advertising manager of the *Washington Herald*.

DIRECTED SUCCESSFUL PHILADELPHIA CONVENTION

After that he stayed for a time from the newspaper fold and broadened his advertising experience by becoming a member of the advertising agency of Tracy, Parry & Stewart of Philadelphia, now the Tracy-Parry Company. But the fates having ordained that he was to come to the presidency of the A. A. C. of W. as its first newspaper head, he was asked in 1914 to return to the Philadelphia *Record* where, amid the roar of the presses to which he once carried copy, he now sits behind the desk upon which the advertising contracts are piled and directs the destinies of the *Record's* "paid space."

Rowe Stewart has not become president of the A. A. C. of W. simply because the world's advertising clubs "hankered" to place a newspaper man at their head but because of the long record of

(Continued on page 22)



ROWE STEWART

For many years advertisers and advertising agents have been urging the adoption of the Flat Rate by all newspapers.

In many cases local conditions have made it impossible for newspapers to make the adjustment without disrupting their business.

For instance, in New York, where under old conditions the lowest rate for the standing card and later for largest volume was extended, adoption of the flat rate has been difficult.

The New York Globe

On August 1, 1920, went to the Flat Rate basis, establishing 40 cents a line with 10 per cent. discount for full evening copy, with 17 per cent. agent's commission, and 2 per cent. cash discount.

In effect, this produced a slight increase to customers who in the past have enjoyed liberal discounts for volume of space and decided modifications in rate to the great mass of users of smaller space.

In the present print paper shortage The Globe decided that now was the time to risk temporary loss in establishing its business on a sounder basis.

Old Rate
A 2,500 LINE CONTRACT

49c A Line

New Rate
REGARDLESS OF SPACE
But with full copy

30c A Line

Member
A. B. C.

The New York Globe
JASON ROGERS, Publisher

170,000
A Day

The American Automobile Abroad

Cooperation of Manufacturers Through National
Automobile Chamber of Commerce to Assure
Permanent Markets for the American Product

An Interview with

J. WALTER DRAKE

President, Hupp Automobile Co.; Director, National Automobile
Chamber of Commerce; Member, National Foreign Trade Council

By JOHN L. BINDA

Statistician, National Foreign Trade Council

PROBABLY no more sudden change ever will occur in the fundamental habits of the human race than in the acceptance of the automobile as a means of transportation. In a fraction of the time that it took the railroad and steamboat to displace the stage and sailing vessel, the motor vehicle came into its own as a family necessity. Today, the small farmer who raises the money to buy a car for purposes of utility or pleasure is not looked upon by the neighbors as a subject for guardianship. It is not difficult to realize that the automobile is a necessity of life in our own country where there will soon be ten million in use; but few have the knowledge of foreign countries or the vision of their possibilities to realize that only the production of motor vehicles and the building of roads for this use limit the sale in enormous quantities in foreign markets.

The part taken by motor transportation in the great war demonstrated immediately and completely that the motor truck and passenger car occupy first place as the most adaptable and quickly obtainable motor equipment. The result has been that no requirement in reconstruction of the war-torn countries is more insistent than the demand for automotive equipment. To satisfy this demand as it exists today and as it continues to grow in the process of rehabilitation is the problem of the American automobile manufacturers. A recent authoritative report of an investigation of the conditions in Europe, states that it will be many years before European manufacturers will be able to supply their markets.

It is not likely that the large extensions of many of their plants for war purposes, and the steps taken in some cases to introduce American methods of large scale production, will succeed in preventing the American manufacturers from obtaining the greater part of the European business.

The National Automobile Cham-

ber of Commerce is now endeavoring to have removed one obstacle to extending the import of American cars by Europe, by the proposal that the present import duty into the United States be reduced to 30 per cent upon cars of all values. The duty as it now stands is 45 per cent on cars having an import valuation of \$2,000 and over, and 30 per cent on those under that valuation. The construction placed upon this tariff law by European countries has been to consider our import duty as the higher rate and to impose correspondingly high rates upon imports into their countries. Production by the United States to the lower rate is expected to induce a material lowering of European import duties.

THE PSYCHOLOGICAL MOMENT

In connection with the presentation of this request to the tariff authorities, an unusual and significant example of the trade industrial cooperation may be referred to here. In spite of the fact that a considerable number of the members of the National Chamber of Commerce manufacture cars whose sale might be affected in the United States by the reduction of the import duty from 45 per cent to 30 per cent on automobiles valued at \$2,000, or over, the entire membership of 123 companies was unanimous in urging the reduction of our import duty, on the broad grounds of general benefit to the industry. In urging this reduction of duty, it is the belief of our manufacturers that this is the time to strengthen the already favorable position of American motor vehicles in foreign markets. The disorganization of transport facilities in the belligerent countries of Europe and the subsequent increased demand for our product, due to the inability of European manufacturers to produce, make it possible for American manufacturers to complete their domination of these markets begun before

the war. The extremely adverse rates of exchange, together with European tariffs, almost prohibitive in many instances, resulted in retail prices in most cases twice those in the United States. To remove the excessive tariff barrier will greatly stimulate the purchase of American cars at this time when the purchasing power of European money is so impaired.

The future of American automobile manufacturers is a question of frequent discussion, in view of this already huge production before the war and of the extension of capacity since. Our manufacturers are not unaware of the necessity of providing for the absorption of their product against the time when the domestic market will not take it all. There are nearly eight million automobiles in use in the United States or almost 90 per cent of the number in the entire world. This is substantially one to every 13 persons in our country. Our manufacturers are now producing at the rate of two million a year—but this does not mean, however, that the domestic market will reach the so-called point of saturation in a few years or, indeed, in many years.

But with these figures before them, the American manufacturers are preparing for the great foreign business of the future which will furnish an outlet for their product and become a great stabilizing factor in their business. Climatic conditions in the United States are responsible for the slack period in automobile sales which occurs during the winter months. Into this, the foreign demand fits in such a manner as to enable many of the manufacturers, especially those producing the lower priced cars, to operate their plants at a profitable rate through the winter months. December, January, and February are the months when orders are lowest in the States in which snow and wet weather render the roads

(Continued on Page 30)

Collier's

THE NATIONAL WEEKLY

5¢ a copy



Iver Johnson and Collier's

Iver Johnson Arms
and Cycle Works is
using Collier's as
the backbone of its
national advertising
campaign.

Watch Collier's

How Much of Your Publicity is "News"?

Some Inside Information Concerning the Methods of Wm. H. Walsh, Advertising Manager of the Salada Tea Company

By CHALMERS L. PANCOAST

I WAS so much interested in the article, "Cooperating With the Advertising Manager," by William H. Walsh, Advertising Manager of the Salada Tea Company, which appeared in the June 5 issue of ADVERTISING & SELLING, that I made it my special business to call on Mr. Walsh on a recent visit to Boston. I found him at his office in the Salada Tea Building immersed in a mass of correspondence, advertising material and press matter generally. He looked up smiling, and greeted me most cordially on my entrance. But first of all, I must say that he is a thorough newspaper man, with the true intuitions of the craft and possesses that happy faculty of psychology, of sizing up men, which long experience in the newspaper field makes natural.

If you never have been in the Salada Tea building in Boston it would prove a veritable revelation, for nowhere, I venture to say, in this country is there a commercial building fitted and furnished so luxuriously as this with such a blending of the home life with the commercial life, and all in such perfect harmony. Oriental rugs, rare tapestries, teakwood and mahogany furniture and statuary of various sizes and forms attract the eye on all sides.

So much for the introduction.

After talking with Mr. Walsh and reading page after page of his publicity scrap book, I am inclined to believe that he is right in his statements about newspaper publicity methods as stated in ADVERTISING & SELLING. His accumulation of scrap books containing news items concerning activities of the Salada Tea Company, which he showed me, proved beyond question that many newspapers are run strictly by advertising managers and not by city editors, as we often suppose they are. This is his contention.

MR. WALSH'S EXHIBITS

He is getting publicity—worlds of publicity—in hundreds of newspapers simply because advertising managers and solicitors say to the city editors, or the news editors, or the society editors, "run this because it will help us to keep the

Publicity Plus

SOME time ago ADVERTISING & SELLING published an article by William H. Walsh, in which the advertising manager of the Salada Tea Company complains that the only way he could win space in newspapers was by gaining the good graces of the advertising manager.

This article is a reply to Mr. Walsh which will interest every national advertiser.

THE EDITOR.

Salada business," and it is run.

Now the news paragraph or item in question is certainly good news. There is no question about this, as Mr. Walsh is a newspaper man. He served his apprenticeship as printers' devil, went from there to the counting room, from the counting room to the reporters' rooms and thence up the various rounds of the ladder to the position of managing editor on both Boston and New York papers. He knows how to write and prepare news matter. The point he makes is that the city editor should publish the item if it is good news, but he contends that it gets into the paper because the advertising manager says "run it."

Recollect that Mr. Walsh goes with his item to the advertising manager because it would reach him finally in any event, and, furthermore, he does not care to go over his head, although he knows that, as news, it belongs to the city editor.

The truth is, judging from the appearance of the Salada publicity scrap book, some advertising managers of newspapers have more to say as to what goes into the paper than the editors.

I asked Mr. Walsh if his success in getting publicity has proven to him that if you want publicity you must go direct to the advertising manager instead of by the usual channel of news. His answer was "decidedly yes, because if news items concerning the activities of the Salada Tea Company were sent direct to the city editor he would undoubtedly say to himself 'this bears the taint of advertising and if we publish it as news it will be giving so much free advertising to the Salada Tea Com-

pany. Nothing doing.' The advertising curse is put upon it and it doesn't get over.

"Of course it would be otherwise if some crack-brained professor or freak were to come out with a statement that Salada tea is made of colored shavings, when we might expect a lot of newspapers to give us front page preferred position.

"It is the exception, rather than the rule, where a newspaper will print good news about an advertiser. If it is sensational or rips the tar out of a product it goes over and I find that is true not only of the tea business but all business in general; particularly so, it seems to me, where it is a case of a commercial house or factory which spends annually several hundred thousand dollars in newspaper advertising."

Mr. Walsh was particular not to include all newspapers in this class as being run by advertising managers, but had in mind such newspapers as have given him free publicity purely on the business basis, and others which refuse it, not on the ground that it is not news, but because he sent it as advertising and publicity manager of the Salada Tea Company.

IT EITHER IS OR IT ISN'T

Now, the system or practice of publishing a manufacturer's publicity in order to get his business is all wrong. My contention is that it is either news or it is not. If it is good news, either local or commercial, it ought to go in irrespective of whether the firm is an advertiser or not. There is the whole matter in a nut shell.

Mr. Walsh gets a world of publicity for the Salada Tea Company not only in Boston and New England but from all over the country. Newspapers in Los Angeles, Terre Haute, Pittsburgh, Albany and other cities respond just as readily as Boston papers where the publicity stunts of Mr. Walsh get the regular columns. He gets publicity because he makes good news which he gets in through the advertising man generally, though sometimes in his home town, where he is known to every city editor and news editor, night and day editor

as well, he gets it through the regular channels.

If he were running a movie business, an automobile factory or a publishing plant, it would not be difficult, because peculiar though it is, free publicity seems to go with these lines of endeavor as a matter of course.

Here are some of his best publicity stunts. Recently a story was sent out about serving tea at the White House. Salada tea was mentioned in the last paragraph. It was published in the newspapers throughout the country. An expert newspaper man, though he might discern the subtle hand of the press agent in the dispatch, would find it exceedingly difficult to trace the origin. He would wonder how it came from Washington because the absolute facts went to prove that it was a real dispatch, and moreover that it was not fake news, for Salada tea was actually drunk at the White House, as stated in the news item. Now this was not put over by the regular news editor, but was first published in the *Boston Evening Record*, coming from Washington as a news dispatch. Mr. Walsh had it clipped and sent out to the advertising departments of the papers.

SOME PUBLICITY STUNTS

A short time ago the Bright-helmstone Club, of Brighton, a prominent club of society women, visited the Salada tea building to study the processes of the tea business. They were taken through the plant and entertained charmingly. Photographs were made of the club members and the newspapers were generous in giving the event space, primarily because of the prominence of the Bright-helmstone Club and, incidentally, the name of Salada was not buried either.

I will say that Mr. Walsh is a clever publicity man. He gets his stuff over no matter how much editors howl against free publicity, and his contention is that the newspapers are simply doing him justice if they publish news as news without discrimination.

The story of the enlargement of the Salada Tea Building in Boston was sent broadcast recently to advertising managers. Pages of publicity in the scrap book prove that Mr. Walsh had the correct idea.

A Pennsylvania newspaper printed a half page with pictures under the caption of "The House Behind the Trade Mark." An Indiana

newspaper ran a two column story on "Salada Tea's Romance in American Business."

Out of all these reams of matter of which I am writing, my contention is that if publicity is good enough to print it ought to have the official sanction of the editorial department rather than that of the advertising department and should get in as real news or not at all. The point is that an outsider, such as a newspaper and magazine writer, could step into the Salada offices and plant and write a good, stirring news story that would be full of heart interest. If it were sent to the editorial department in the regular way the chances are it would pass muster and be paid for. But, if Mr. Walsh, as an advertising manager, were to send the same story out, the fact that he has charge of the advertising kills his chances of getting it published.

JUSTIFYING HIS ATTITUDE

My informal talk with him convinced me that he was not trying to get free publicity or merely trying to get something into a paper. He believes that every advertiser should be treated with absolute fairness and that when real news comes out of his business it should be considered as news regardless of whether the commercial house is an advertiser or not.

The fact that the Salada Tea Company is an exclusive, persistent newspaper advertiser, deprives it of a great deal of publicity to which it is entitled, simply because the editorial department is afraid of giving free publicity to an advertiser. And yet, every day editors publish news about concerns that are not advertising or never will advertise.

As I have said, of course there are notable exceptions to this rule. Mr. Walsh cited the *Los Angeles Examiner*, the *Albany Press*, and the *Springfield Union*, the *Terre Haute Tribune*, *Pittsburgh Leader* and one or two other papers as exceptions.

Whenever he sends a real interesting item on the tea industry or tea drinking, he hasn't a chance of getting it in through the editorial end, unless he conceals the fact that it comes from the Salada Tea Company, or unless the advertising manager of the particular newspaper says to run it because it will please the Salada Tea Company, rather than because it is good news.

Dozens of other articles appear in the form of clippings in the

Salada scrap book and show that Mr. Walsh knows where to go to get these publicity notices. Now, as I turned the pages of the bulky scrap books of newspaper clippings, it seemed to me that the Salada tea plant was a rather newsy place and that news had been created there, not for the purpose of mere publicity, but for winning the good will and appreciation of the public.

A MODERN TEA PARTY

I have mentioned a woman's club being entertained and instructed in the tea business. Well, the Essex County Press Club held its last regular meeting at the Salada Tea Company's offices, which, as I have said, are more like an art gallery than a business office. Addresses were made by prominent men, including the Mayor of Boston, chairman of the Board of Aldermen, and other public officials, and the entertainment by the Salada Tea Company was of a nature to make a lasting impression. Of course all the Boston papers had a news article of the event and some of them published photographs. But the fact that it was held in the Salada Tea Company's new building caused the advertising stamp of disapproval to be placed on it by nearly all the out of town editors. It was used simply as the result of the influence of the advertising department.

Recently the members of the "Mary" theatrical company were the guests of the Salada Tea Company. A photograph of the leading man and woman, Charles Judel and Janet Vilie, was taken as they drank tea at the feet of the Chinese Goddess. This, of course, was the source of much publicity.

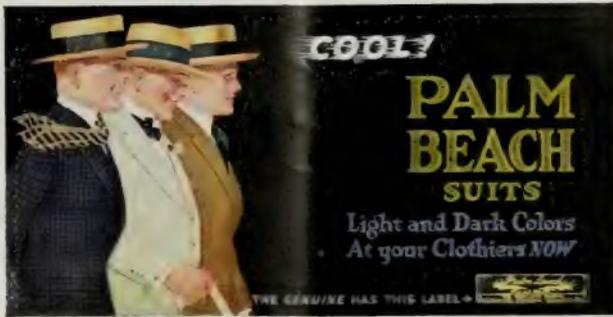
This photograph was reproduced and published in connection with the following story which appeared in some papers:

"BOSTON TEA PARTY OF THE YEAR 1920"

Member of the "Mary" company were guests of the Salada Tea Company recently; while, at the feet of a Chinese goddess Janet Vilie and Charles Judel had a party all their own.

Between 50 and 60 members of the "Mary" company, now playing at the Tremont Theatre, had a wonderful time at a party given to the members of the company at the Salada Tea Company's offices. The "Mary" members were shown over the tea company's plant and then served with a dainty luncheon, the feature of which was a cup of choice Salada. Packages of tea were given to each guest.

The affair was arranged by Oliver Jones, treasurer of the Actors' Fund, who is in Boston in connection with the annual benefit soon to be given at the Colonial Theatre.



COOL!

THIS year Palm Beach street car advertising appeared in the cities and towns of several states. Next year it will be in the street cars of the United States from coast to coast. Every Palm Beach card will instantly flash the Palm Beach message "COOL!" in picture or text or both. The color facilities of the car card provide a natural opportunity to reproduce exactly the striking variety of light and dark shades in which Palm Beach cloth is now made. It will be interesting to watch the Palm Beach campaign next year. The cards reproduced here were prepared by the Street Railways Advertising Company.



CUTS BY NEW CENTURY COLOR PLATE CO., N. Y.

GEOGRAPHERS or SALESMEN— Which Fix Your Trading Radius?

Get out your standard world map. Note the thin, red line twisting and bending around the area designated as the United States of America.

Geographers put it there

Now scan your Trade Map and count the radiating lines of red and black dots that dart here and there from every considerable coastal point.

Salesmen put them there

Which interest you most—the wiggly lines with which Geographers seek to confine you to a given boundary or the straight-away steamship tracks by which Salesmen seek to guide you to FOREIGN TRADE?

*America's most successful manufacturers, writing
for the Foreign Trade Extension Department of*

ADVERTISING & SELLING

The National Weekly of Modern Merchandising

Will tell you how to travel the dotted lines with your products, Easily, Successfully and Profitably.

Turn to the Five Big Export Articles in this issue of ADVERTISING & SELLING. Read the Views, Experiences and Suggestions of

W. D. SIMMONS,
President of the American Hardware Co.

J. WALTER DRAKE,
President of the Hupp Automobile Co.

CLAYTON SEDGWICK COOPER,
Trader, Traveller and Author

CYRIL H. TRIBE,
*Director of the Foreign Trade Extension
Department of ADVERTISING & SELLING*

L. C. WILSEY,
*Superintendent General Motors Export
Co. Training School*

These articles are typical of the many appearing regularly in ADVERTISING & SELLING.

ADVERTISING & SELLING is not an Export publication, but an American publication devoted to better marketing and its articles are read with interest by Successful American Advertisers, who find much in it to help Increase their Profits.

*Your Export Advertisements in ADVERTISING & SELLING
Will Reach This Interested Audience.*

ADVERTISING & SELLING

The National Weekly of Modern Merchandising

471 FOURTH AVENUE. NEW YORK, N. Y.

EXPORT ADVERTISING and SELLING

A Department of Foreign Trade Extension Service
Under the Direction of
CYRIL H. TRIBE

America's Foreign Trade--Past, Present and Future

The World's Markets Are Wide Open to Manufacturers of the United States Who Will Grasp the Opportunities Now Offered to Them

NOT many years ago the entrance of an American manufacturer into foreign trade was regarded as a wide departure from accepted custom and his progress to success was half-heartedly watched by his associates and competitors. Relatively few business men knew of the attractive profits to be obtained through the sale of American products abroad. Home markets were booming and domestic territories were still to be developed. Foreign selling called for special shipping and financing; the use of strapping telegraph and cable systems; intricate documentation and a mass of new details considered too involved and mysterious to warrant the burden of time and expense they demanded.

Ten years ago American goods were conspicuous by their absence in foreign lands. Such efforts as were made then were promptly attacked by the commercial propaganda of competing countries. The impression was thereby created that American manufactured goods were inferior in quality. As a nation we faced tremendous handicaps in the development of foreign markets. Every possible obstacle was set up before the pioneer over-seas trader. His lack of experience contrasted painfully with the highly perfected knowledge of the English, German, French and Spanish merchants, who, centuries before, had embarked upon world trade.

DISREGARDED "REPEAT" BUSINESS

American business principles never countenanced long term credits so the German, Frenchman or Englishman bought from the American, paid cash, f. o. b. factory, as demanded, assumed details of packing, insurance and shipping, extended the credit the buyer was accustomed to receive and incidentally cleared a handsome profit. The American could not be

convinced that he should have received that extra profit. He reasoned that he could be satisfied with having made a sale and that resale was the legitimate right of the other fellow. Apparently, he did not consider the certainty that the foreign customer would continue to buy from him only so long as there was

Our Foreign Trade Service

THE great need for concise and accurate Foreign Trade information prompts the putting of the Export Department of ADVERTISING & SELLING into this form, which co-ordinates the work carried on by this publication in the Export selling field for many months.

This is not a new departure for ADVERTISING & SELLING, by any means, but an enlargement of the work we have been doing.

The appointment of Cyril H. Tribe as Director of the Foreign Trade Extension Department of ADVERTISING & SELLING will forward attainment of an aim we long have had, that of making ADVERTISING & SELLING the headquarters in the United States for information bearing upon export advertising and selling problems.

This Department will be operated regularly as a permanent service and to its making will be given the best thought, not only of our own staff experts, but of the leading American manufacturers whose success in foreign trading fields assures the reliability of the information they will impart.

THE EDITOR.

not a manufacturer of his own nationality, who would, or could, produce an article "just as good." Nor did he seem to realize that the consumer would rather buy from a factory in his own land and from his native salesman. Bear in mind that the original demand for countless articles now being manufactured and sold abroad was the creation of American manufacturers.

This thought calls up a direct criticism of methods formerly employed by Americans in foreign fields. Not so long ago it was customary for the American manufacturer to appoint, as his foreign agents, nationals of competing countries. This was particularly true of the Orient and South America. Germans were largely in the lead in this class of representatives. Of course, necessity dictated this program through the scarcity of native Americans whose early training had included foreign languages. And, again, there were so many whose inclinations were for American residence as against existence in some out-of-the-way land.

OVERCOMING "LEAKAGE"

Fortunately, this policy is being changed and to-day a number of our larger institutions are conducting Foreign Trade Schools in which they are schooling young men for service abroad. These men will be 100 per cent Americans and there will be little danger of losing created markets through the turn-over of accounts and good will to a competitor national. The acceptance of this reform as one of the cardinal requirements in Foreign Trade extension is a long step in the right direction.

Looking into the future from a viewpoint of 1910 the prospect for American trade expansion abroad was far from encouraging. The swift upheaval of 1914 marked the turning point in our foreign trade career. With the declaration of war between Germany, England, France, Belgium and the entry of other countries, many of them ranking at the top of the industrial scale, the manufacture of peace-time commodities came to an abrupt stop. War munitions took the place of usual commercial production. Reserve stocks soon weakened and

finally gave out entirely. A strong import demand grew in those warring countries and America stood alone as capable of satisfying their requirements. Commission and personal buyers flocked to this country with enormous orders to place. They came prepared to pay any price asked, and even a bonus.

The effect upon our domestic market is only too well known. Unheard of profits were piled up. The foreign purchasing agent looked after all the details of packing and shipment, assumed all the risk and, furthermore, he paid in cash. American products flowed into markets of the world where previously they were practically unknown. The old cry of "inferiority" was muzzled. American manufactures were accepted as being far in advance of anything the buyers ever before had encountered.

It would be quite impossible to attempt to estimate in dollars and cents the value in world advertis-

ing that America and her industries received through the revolution of economics brought about by the world war. Had we been obliged to continue under the old order of things, the time required for development to the point arrived at in 1918 would be difficult to estimate. Tens of thousands of tons of American products went out from our ports through the media of the American Red Cross, Y. M. C. A., Salvation Army and a score of other relief organizations. Additional tons were distributed through the activity of the War and Navy departments. American export houses were responsible for other vast shipments in answer to calls from their branches and agencies. Direct buying added to the grand total.

NOW IS THE TIME TO DEVELOP

Here arises a second indictment of the vision of the average American manufacturer. When enormous profits were being scored he failed to realize the value of following up the boost his products were given in the world. Usually, he refused to see the advantage of inquiring into the destination of material he knew had been bought for export. This would have been a simple matter. Any of the agencies mentioned would have given out this information gladly. At once he should have trained men to go out into the markets that already had been opened up for him, and at not a cent's cost to himself.

Credit must be given to those who did see this great opportunity. A certain few manufacturers personally went abroad immediately following the signing of the Armistice. They were prepared to open branches, appoint agents and commence negotiations. They built for the permanent sale of their manufactures in those new fields. The expense they incurred was trifling compared with the returns they already have received.

When the wartime buying fever abated they were, and still are, strongly entrenched and properly organized to carry on a highly successful selling offensive. Each branch thus established becomes the base of further extension into adjacent territories to be won in the future. It is not too late for manufacturers to follow through the goods they know were sold abroad. This plan offers the finest kind of opening into foreign selling. It is true that the big opportunity has passed; that what might be termed the

"bonus day" is gone, but markets are still open; the advertising has been done. This is the idea to be thought over carefully and "acted upon." The premium to be paid for foreign trade success is low now, as compared with what it will be in future years. This is true of life insurance that is cheap to secure in the earlier years of a man's life and far more costly when he has put off consideration of death until he sees the scythe over the next hill.

INSURING FUTURE COMMERCE

Foreign trade is, in the same comparison, life insurance to American industry. The premium must be paid if the benefit is to be collected.

Years ago leaders of American business foresaw the necessity of preparing for foreign trade. Such government institutions as the Department of Foreign and Domestic Commerce and the United States Chamber of Commerce have labored tirelessly to develop the ideas in the minds of our manufacturers and bankers. Associations of businessmen engaged in foreign trade have added their voices to the chorus and now banks and trade papers, magazines and newspapers are devoting their attention to the new field of business expansion.

Conservative men have expressed the opinion that foreign trade has been over-advertised of late. This prompts the comment that over-enthusiasm is quite as dangerous as faint interest. Hurred acceptance of a statement regarding foreign trade is to be avoided. Only close personal investigation, study and the exercise of well founded judgment is desirable.

Before going into any enterprise a man who understands primary business principles studies the market in which he expects to dispose of his goods. He uses arithmetic to determine the cost of selling after the cost of manufacture. He thoroughly examines into the buying characteristics of his prospective customers; the physical conditions surrounding his plan. Consideration is given to the selection of a package and a trademark; to probable competition and ways and means to hold his own and win in the face of opposition.

All of this takes time. It also calls for a certain cash outlay. No man would think of making the great investment in the building of a plant, of drawing together a great organization and the necessary purchase of raw materials until he had a clear and definite market in sight and all risks of fail-

Keeping Up With The Times

A FACT A WEEK

Washington merchants find they can cover this city daily with the two evening newspapers, but that they cannot cover the local field with any other combination. Consequently most Washington advertisers use the great bulk of their daily advertising in the two evening newspapers.

The Washington Times

A 3c Newspaper

WASHINGTON, D. C.

ure reduced to the minimum, through rigid examination of his selling field. A great industry is not built up in a year. Great markets are not won over night except in exceptional instances.

When the light of investigation is turned on such a phenomenal success, it usually discloses perfect organization and coordination, capable executives, selected personnel in office, factory and the field; system based on accurate knowledge of the central plan; vigor mixed with determination to succeed, and above all—courage. All these qualities are requisite factors in foreign selling, and in addition there must be absolute observance of every attribute suggested by the word CHARACTER; the fulfilment of contracts to the letter; the shipping of orders to exact specifications regarding quality, packing and prompt delivery. It is far better to refuse an order that cannot be filled in this manner than to accept it and "stall."

SOME SHORTCOMINGS

Reports from Europe indicate that America's commercial prestige has been seriously jeopardized by the unrestrained activities of a number of so-called export houses that have plunged into the foreign field, long on nerve and short on cash and practical experience.

According to the manager of the export department of a large and long established American manufacturer, this is the case, to such an extent, that direct selling is practically impossible. The foreign buyer will purchase only through a firm of his own nationality that he knows. In other words, his confidence in what the American manufacturer has to sell has been shaken and he looks for the endorsement of some one whose representations he feels he can depend upon.

It seems to be difficult for the manufacturer to visualize the inconvenience to the buyer when instructions are not properly carried out. For example, an order is placed for hammers. One of the requirements is that they be packed ten hammers to the box. This detail is overlooked and they are shipped, but packed twelve to the box. This mistake in a large order might very easily mean hundreds of dollars added to their resale cost and a consequent loss to the purchaser, who, to meet the customs of his market must unpack every box and repack in lots of tens.

This demonstrates the truth of the statement that there are rules in

Foreign Trade that must be observed, whereas in domestic business, regulations may possibly be side-stepped without very serious consequences. To register any success in foreign selling there must be a well developed determination to submit to a full conversion to the new doctrine.

OUR TRADE EXTENSION SERVICE

Opinions recently in print to the effect that our foreign trade will experience an immediate slump of large proportions have so far not been borne out. For the immediate present, there appears to be no reason for any very rapid decline in

exports. Foreign manufacturing countries have not yet swung back into peace-time pace. World markets are still barren of the articles of first, second and third necessity and America is still the base of supplies.

In New York and in other ports and trade centers of the United States there are many substantial institutions organized with the sole purpose of promoting American exports. The Foreign Trade Department of ADVERTISING & SELLING will show how these aids to foreign enterprise may be utilized, and the respective phases of foreign trade they serve.

Most advertising managers list the Brooklyn Standard Union for Greater New York. Occasionally the "boss" lops it off because he thinks he knows better. Don't get hot—we'll be here next year.

Future discussions of foreign trade will present the successes that have been registered by American manufacturers and merchants engaged in foreign trade. These accounts will be founded upon practical experience. Each will convey instruction and an effective lesson.

The continuation of a series of articles by Clayton Sedgwick Cooper, dealing directly with problems of foreign trade, will prove to be of the greatest interest. They show what American manufacturers have already accomplished in overseas markets. Mr. Cooper has twice encircled the globe. He writes from first-hand information. He is the author of a dozen standard works on foreign countries, among them "Understanding South America," "The Modernizing of the Orient" and other books of such recognized authority that the United States Department of Commerce recommends their study by American Consular agents.

John L. Binda, consultant of the American Foreign Trade Council will discuss subjects pertaining to foreign trade and outline the methods used by our great industries in "putting across" their products to the world markets.

Rowe Stewart

(Continued from page 10)
service which he has rendered them. He began to make his influence and capacity felt in 1910 when he was made general chairman of the Philadelphia convention and carried off the big meeting with such success that the Poor Richard Club found that he was just the man wanted to wield its gavel and paid him the tribute of twice electing him president. Others outside of Philadelphia were quick to recognize his ability. He was made chairman of the National Educational Committee of the A. A. C. of W. At the New Orleans convention he was elected vice-president of the organization for the First District and when the territory was redistricted at Indianapolis this year he became vice-president for the Second District. His friends who have long considered him as on the eligible list for the presidency declare that his accession to the executive chair became inevitable when Mr. Otis resigned.

MRS. STEWART PRAISED BY A. A. C.
OF W. MEMBERS

Mr. Stewart's election is of double importance to the organiza-

tion which he now heads. It enables the A. A. C. of W. to reap in full measure his capacity for service and to realize on the executive ability of one who has before shown *her* capacity for service. We refer, of course, to Mrs. Stewart who, as general manager of the Women's Executive Committee during the Philadelphia Convention in 1916, through her tact and charm, contributed largely to the success of the social side of the meeting in William Penn's capital. Mrs. Stewart, before her marriage, was Miss May Belle Diehl. The Stewart home is in Germantown,

Pa. The couple have two children, both boys.

Mr. Stewart will take up his duties at once and, with him at its head, the A. A. C. of W. looks forward to a successful year of progressive work for the cause of advertising, upon which he will report at the convention at Atlanta in 1921.

A. A. A. A. and A. B. C. Convene in October

The Annual Conventions of the American Association of Advertising Agencies, and of the Audit Bureau of Circulations will be held conjointly in Chicago during the week of Oct. 11 to Oct. 16.



With apologies to
Sweet Caprials

The ALL FICTION FIELD

COMPRISING

Adventure
Ainsle's
Argosy-All Story

Detective Story
People's
Short Stories

Smith's
The Popular
Top-Notch

Traveling For Business In Latin America

"Commercial Travelers' Guide to Latin America" is the title of the latest exporters' aid published by the Bureau of Foreign and Domestic Commerce of the Department of Commerce.

The need for a guide for commercial travelers to Latin America has long been felt. The book was prepared by Ernst B. Filsinger, well known as a writer and an authority on Latin American subjects. Mr. Filsinger is the author of "Exporting to Latin America," a volume of more than 300 pages, and other publications. He is an experienced export manager and has trav-

eled extensively in the Latin American countries.

For the convenience of the reader the book has been divided into two sections: The first part deals with general matters, such as salesmen's equipment, transportation, suggestions for procedure upon arrival at destination, etc. Those who have not heretofore traveled in Latin America will find suggestions regarding many items which, despite their importance, are often overlooked. The first section should be of particular value to the beginner, attention being directed to various details such as doc-

uments needed, cables, wardrobe, health precautions, etc. Of great importance also are the details of transportation, including tickets, baggage, clearing of samples, overland routes and other associated subjects.

An attempt has been made to supply the traveler with sufficient data to estimate the time necessary to reach the important places in the region described; the approximate time required to go from point to point has also been specified. Probable expenses are included. The executive, sales manager, or commercial traveler, by referring to the routes, distances, and means of travel can estimate quite accurately the expense involved in a trip whose object may be the making of sales, the placing of agencies, or the inspection of agencies already established.

Maps of Latin America accompanying this guide have been placed in a separate portfolio for the convenience of the traveler. They consist of a general map of the whole area and a reproduction of the 20-section map prepared by the Colonel House Inquiry for use at the Peace Conference. It shows boundaries, cities, towns of commercial importance, railroads, wagon roads, trails, rivers, lakes, etc.

The Bureau's report contains a classified bibliography at the end of the volume. In that list will be found important books, pamphlets, reports, etc., of general use in obtaining a knowledge of Latin-American conditions and in preparing salesmen for the competition which they must be ready to meet.

The publication is known as Miscellaneous Series No. 89—"Commercial Travelers' Guide to Latin America." The price, with maps is \$1.25. Copies are sold by the Superintendent of Documents, Government Printing Office, Washington, D. C., and by all district and cooperative offices of the Bureau of Foreign and Domestic Commerce.



Smith Made Car Advertising Sales Head

Lester B. Smith, western representative of the Broadway Subway and Home Boroughs Car Advertising Company for five years, has been chosen as sales manager, by President Joseph P. Day. Mr. Smith was formerly sales manager of the Frank M. Whiting Company and manager of the wholesale department of Gorham & Company prior to associating himself with the company which he is now chosen to manage. Mr. Smith is an active member of the Brooklyn Rotary Club and well known as a member of the local chapter of Elks and of the Sphinx Club.

Col. Charles E. Hasbrook Dead

Colonel Charles E. Hasbrook, editor and manager of the Richmond *Times-Dispatch* for the last six years, died at his residence late Wednesday of heart disease. He was 73 years of age and had been in ill health since his return from the Democratic National Convention.

Except for a few years' service as Collector of Internal Revenue in Missouri, Colonel Hasbrook devoted most of his life to newspaper work, commencing under Melville E. Stone, then city editor of the Chicago *Inter-Ocean*. In later years Colonel Hasbrook was city editor, managing editor and finally part owner of the Kansas City *Times*, from which city he went to New York as publisher of the *Morning Advertiser* and *Commercial Advertiser*.

The FIELD OF GREATEST YIELD

PUBLISHED BY

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

Street & Smith Corporation
The Ridgway Company

MEMBERS A. B. C.

The Importance of Foreign Trade to the Hardware Industry

American Manufacturers Will Find Favorable Reception of Their Goods Abroad Is Based Upon Quality First

By W. D. SIMMONS

President of the Simmons Hardware Company, and Member of the National Foreign Trade Council

THE term "Hardware" has become much more comprehensive during the past decade because of the immense variety and many kinds of goods which hardware

dealers—wholesale and retail—have added to their assortment, so that "Hardware," in addition to covering all manner of tools, cutlery and household goods, embraces

practically everything in paint, in automobile supplies, sporting goods, agricultural implements, and the like.

It is difficult, in fact impossible, to get figures of distribution—in dollars and cents value—on this immense line of goods, but the best estimate is that it is now running annually not less than one billion dollars, and probably more.

While apparently most of the manufacturing, in a large way, is located East of the Mississippi River, yet the drift is steadily toward diffusion in all sections of the country where manufacturing opportunities are possible. It is not that the Eastern manufacturers have curtailed their output, because the reverse is true; it is merely a condition of production springing up wherever needed to supply local wants.

It is impossible to get all the details of an infinite number of small factories in small towns and cities throughout the country, so that they may make adequate appearance upon the map, but their name is legion and their effect is nationwide. There is many a small town whose chief source of constant revenue is found in the weekly payroll which the factory distributes to its employees.

There has been, of late years, a strong tendency among manufacturers to locate in small towns, sometimes because of local advantages in cheap rent, convenient and cheap fuel, and because of the large degree of freedom from those labor troubles which seem inseparable from the great congested centers.

Not only does the local factory keep the small towns alive and busy, but it makes a constant market for the products of the nearby farms; it simplifies the matter of distribution of farm products within quite a radius of the factory, so that both the farmer and consumer are benefited thereby.

READILY EXPLOITED PRODUCTS

Hardware in all its phases lends itself readily to export, largely because of the immense superiority

Another Paper Advance

Effective with September 1st we are compelled to meet another increase in cost of paper, nor have we any assurance that this will be the final advance.

We announce that we will continue our current rates on LIFE until the last gasp, preferring, temporarily, to run our business without profit rather than put ourselves in a position where we will have to reduce our advertising rate when paper costs recede. Furthermore, we believe it a moral duty to perform our part and not be a party to price raising, which practice we believe should cease and NOW.

How long we can continue our current rate, frankly, we don't know. We do know LIFE'S rate per page per thousand at present is remarkably low compared even with mass circulation mediums.

We do know that live advertisers are appreciating LIFE'S value as never in its 37 years.

Geo. Beech

LIFE'S Advertising Manager, 31st St., West, No. 17, New York
B. F. Provandie, Western Mgr., Marquette Bldg. 1537, Chicago

of the articles themselves over those of foreign make. Practically everything in the hardware line is the simple expression of the inventive genius, initiative and common sense of the American people. Things are made to do the work for which they are intended; patterned along the latest lines, from experiment and actual experience, they are good to look at, and have enduring worth for constant use; they are not encumbered by any of the traditions of the past, but are made for the present day people, and solely for present day necessities.

In nothing is this truer than of American edge tools. They are exactly fitted for the purpose intended; they are attractive in appearance, and have that indescribable thing known as "style." There are no other tools like them in all the world, nor can there be unless the foreign peoples change all their ideas. Wherever these tools are used they immediately make a place for themselves, and they are sold today in the four corners of the earth.

In England—the home of edge tools—retailers make a point of advertising American edge tools as the supreme attraction.

Much the same story is true of builders' hardware. It is not the clumsy thing of European make, but light, strong, and made after the most attractive designs of the day.

It is not strange, then, that the exports for 1919, in the long line of hardware, show an increase, not only in dollars and cents, because of higher prices, but actually in tonnage, and in the unit of quantity, over the figures of 1914, when the war began.

This increase shows the hold that American hardware has on foreign people, not only in Europe but in all parts of the world, for there is practically no place and no people to whom American hardware in some form is not sent.

THE LOGICAL AVENUE OF OUTPUT

The manufacturers of American hardware have long felt the necessity of foreign trade as a market for the disposal of their surplus wares. Their factories are equipped for a large production, so that when running full this supplies likewise an economical output.

During the war there has been no question on this score, and the scarcity of hardware today in this country is due directly to the present production being far below

capacities of the factories when running full with efficient workmen and a proper standard of individual production. The result of this is a lack of sufficient goods even for the home market.

The effects of the war in Europe, and the fall in European exchange promises to seriously reduce our exports to Europe, and thus make it imperative that the manufacturers of hardware in this country find another market to supply this deficiency. Temporarily, the home trade will take the surplus, but the capacity of the American

manufacturers as a whole in this line is so great that it is only a question of time—and especially with more settled labor conditions—when they will make more goods than this country can consume in normal fashion.

It is not a question of the interests of the manufacturers alone, but the entire nation, down to the ultimate consumer, that the production be kept up to its full limit, lest serious consequence ensue.

Even if only a small portion of American hardware is exported—say 10 per cent or even 5 per cent

ISOLATION

Insolation is now an obsolete word when applied to the Midwest farmer. The telephone, telegraph, automobile, better roads, motion pictures and modern farm conveniences have made him one with the mass of American people.

He is no longer isolated. In fact, his life is now merely a suburban one.

He and his family buy the same automobile, the same clothes, the same home conveniences and luxuries, as any other citizens.

A gratifying increase in sales has resulted to those advertisers who have realized the extent of the Midwest farm market and the power of

The CAPPER FARM PRESS

(Members ABC)

ARTHUR CAPPER, Publisher

MARCO MORROW, Assistant Publisher

More than 1,100,000 Subscribers

—it is vitally necessary that a market still be found for that proportion, or else inevitably the factories must reduce their output—which means running at higher costs, and with reduced employment of labor.

Just now the only natural way to bring down the present high cost is to increase the supply, but to make this increased supply above the demand is to simply bring about in hardware what has already happened in some farming productions. For instance—the price of hogs has dropped so much in the last eighteen months that the farmers are curtailing their production. That means, in time, an increase in the price of hogs again because the supply will fall below the demand, since the laws of supply and demand take care of these problems in their own way, provided they are left alone, and not encumbered with futile and meddlesome legislation.

EXPORTING AND DOMESTIC PROSPERITY

If the manufacturers of American hardware run the factories full, supplying the home demand with what is needed, and sell the surplus abroad, they can continue to give employment to all the needed forces, and at the same time the operation of natural laws will bring prices down to a reasonable level, and still leave the manufacturers that profit to which they are entitled.

The result of such an economic

condition is the full employment of efficient labor at good wages.

This means the possibility of a high standard of living, because it means spending power among many and a continuation of a market for the full production of all of the innumerable factories scattered throughout the United States.

Take the case of a small factory in the west, making a certain line of hardware which it now disposes of without difficulty, within a limited territory. It is the principal source of revenue to the people of the town in which it is located; it likewise creates a market in that town for farm produce for some distance around.

If the foreign trade falls off, the manufacturers of hardware throughout the country must endeavor to market their products as far as possible in the domestic market. This means much stronger and severer competition among themselves. The small manufacturer in the small town finds himself no longer able to continue his full output, and must necessarily reduce, first the amount of labor employed, and possibly the prices he pays it. This reacts on every consumer in the small town, and on every farmer who has found his market in that small town. It is a far-reaching proposition, and creates an unnatural state of affairs, with the likelihood of steadily declining prices—which theoretically sounds very well, but, as a matter of fact,

does not work out in actual practice.

The facts are that times of prosperity are invariably marked by high prices, and although prices may be too high—as at present—in many lines, I am quite sure that this will be taken care of in a natural way by the law of supply and demand, and they will be reduced to more reasonable levels in the near future; meanwhile, gradually, though surely, wages and salaries are adjusted to price levels, and the vital factor is that the spending power of many remains unimpaired, and this spending power is the source of all business. While in times of depression, it does not make very much difference how cheap goods are, no one has either the inclination or ability to purchase, save in the most conservative way. These are the logical facts of experience.

It needs, therefore, only a most common sense survey of the situation to realize that there is nothing more important to every manufacturer, distributor and consumer in this country in the near future than the increase and maintenance of foreign trade.

K. H. Bronson Joins Square D Company

Karl H. Bronson has joined the ranks of the Square D Company, Detroit, manufacturer of safety switches, in the capacity of Director of Research Engineering.

Mr. Bronson is a graduate of the University of Michigan and formerly has been associated with the automotive industry. He was affiliated with Dodge Brothers, Detroit, in sales promotion and advertising work and later engaged in similar work for the Packard Motor Car Company, Detroit, from which company he resigned to join the Square D Company.

NINTH OF A SERIES

After All It's Results!

THE News is not selling its advertising on the strength of its merchandising service. It's results the advertiser wants after all. It's circulation, reader interest and reader responsiveness that counts in final analysis. The News has been the paper of Indiana for a half century. It has become so through its service to reader and advertiser. Its service to advertiser has been in publishing a real paper that produces results.

THE INDIANAPOLIS NEWS

New York Office
DAN A. CARROLL
Tribune Building

FRANK T. CARROLL
Advertising Manager

Chicago Office
J. E. LUTZ
First National Bank Bldg.

USE NEWSPAPER ADVERTISING ON A THREE YEAR BASIS

Miami Advertising Club Challenges Atlanta

The Advertising Club of Miami, Florida, according to Forest R. Lloyd, director, is getting a great deal of enthusiasm aroused among the members of the club and the advertising public through the activities of the club's baseball team. The Miami Advertising Club is the newest advertising men's organization in the South. It will not be one year old until next November. The club sent three delegates to the Indianapolis convention in June and worked untiringly to get the 1921 convention for Atlanta. The club at its last meeting instructed Manager Lloyd of the baseball team to issue a challenge to the Advertising Club of Atlanta to play a match game of baseball at an early date to establish the "Southeastern Advertising Club Baseball Championship." Atlanta advertising men have been playing some tight baseball games this summer against other club teams in Atlanta. A handsome silver cup will be awarded to the winner of this championship.

Big Cigarette Campaign Coming

According to a report from Chicago, the American Tobacco Co. has set the date Sept. 1, for the launching of the biggest cigarette campaign ever seen in Chicago. It will be to introduce a new brand known as One-Eleven, that will retail 20 for 15 cents. While no information has been given out as to how it will start the campaign of introduction, an inside "tip" let it be known that it will startle the tobacco trade.

Arthur S. Moore Retires from "McClure's"

Arthur S. Moore has resigned the position of vice-president and advertising director of *McClure's Magazine*. Mr. Moore, who has been in the magazine business for twenty years, intends taking a rest before deciding upon his future plans.

Starts Sales Promotion Department

The Gulbransen-Dickinson Co., Chicago piano manufacturers, has created a sales promotion department under the direction of C. R. Gulbransen to operate as a subdivision of the sales department.

"Club News" Cites A. & S. Writer

H. H. Charles, president of the H. H. Charles Agency, has contributed an interesting article to a July issue of *ADVERTISING & SELLING* as to the big harvests which the farmers of America are reaping today. Mr. Charles gives it as his opinion that the bumper crop of 1920 will increase the purchasing power of the American farmer, and that the nation and the world will benefit thereby. — *From "Advertising Club News," New York City.*

New Account for Vanderhoof

Vanderhoof & Co., Chicago, has secured the account of the Carco Manufacturing Company, which makes a patent bottle capper in that city.

Ben J. Sweetland Incorporated

Ben J. Sweetland has been incorporated in New York with a capital of \$50,000 to engage in advertising and book-selling. D. K. Ballou, C. J. Fleming and B. J. Sweetland, 95 Liberty street, are the organizers.

Printing House Expands

Publishers Printing Company, New York, has increased its capital from \$100,000 to \$250,000.

Electric Appliance Account with Kelley

The Air-Way Electric Appliance Corporation of Toledo, Ohio, has placed its advertising in the hands of the Martin V. Kelley Company. A large newspaper and magazine campaign will soon be launched advertising its electric sweeper and washing machine.

Meredith Has Glove Account

Meredith & Co., Inc., Troy, N. Y., is now handling the advertising of the Allen Glove Company of Gloversville, N. Y.

Get Washing Machine Account

The Wade Advertising Co., Chicago, has secured the account of the Quicker-Yet Washing Machine Co.

"Tycos" Account With Goodwin, Inc.

The advertising of the Taylor Instrument Companies, Rochester, N. Y., is now in the hands of H. C. Goodwin, Inc., of that city.

Plans Fountain Pen Campaign

The General Manufacturing Co., makers of fountain pens in Sioux City, Iowa, is planning a campaign for magazines under the direction of B. L. Benson, sales manager. As yet no agency has been selected.

Furniture Account With Rosier Agency

The advertising of Philip Stroel & Sons, New York, has been placed with the Oscar Rosier Advertising Agency, of Philadelphia.

"Red Cross Magazine" to Suspend

Because of "the famine price of white paper," publication of the *Red Cross Magazine*, New York, will be discontinued after the October number. In making the announcement this week the American Red Cross at Washington said: "Further publication would involve either considerable increase in the subscription price or a subsidy from the general funds of the society, which deems either course inexpedient."

Fisk Sales Show 32 Per Cent Gain

For the first six months of this year, sales of the Fisk Rubber Co., Chicopee Falls, Mass., were in excess of \$27,000,000 or 32 per cent ahead of the total of \$20,437,000 for the corresponding period in 1919.

**HARRY LEVEY***President*

THE personnel of this organization is that which is largely responsible for the important position of Industrial-Educational films among other media for advertising and merchandising.

Harry Levey himself is fortunate in his experience. He secured valuable information first hand pertaining to retail problems of varied types. Following this came generous contact with the workings of wholesalers and distributors. In this work as in the retail trade Harry Levey served both as salesman and executive.

More recently Mr. Levey and his associates have accomplished definite results for a large number of prominent American businesses through the application of Industrial-Educational films to their problems.

This same effective medium is available to you through the Harry Levey Service Corporation, to aid in merchandising your products, instructing executives and workmen in standards of practice, bettering sales direction, effecting congenial plant relationships and making graphic efficiency systems.

**HARRY LEVEY
SERVICE CORPORATION**

*Producers and Distributors of
Industrial Educational Films*
NEW YORK CITY

Temporary Offices**1662 Broadway***No. 1 of a Series on
Personnel*

American Trade in the Near East

**Confidence In Us There Is High and Conditions
Warrant Cultivation of This Great Market**
By **CLAYTON SEDGWICK COOPER**

Author of "The Map of Egypt," "Modernizing the Orient," etc.

THERE are good and sufficient reasons why traders and manufacturers of the United States should consider the possibilities and present opportunities for commerce in that extensive territory bordering upon the eastern Mediterranean, Black, Aegean and Red seas.

Out of this historic section of the earth, containing a population estimated at upwards of 25,000,000, came the Phoenician and Tyrian shippers and traders, who at one time dominated the foreign commerce of the world, while the Golden Horn has been a seat of trade for 2,600 years.

From this region also have sprung the religions that have spread over the European and western continents.

From the Near East, moreover, we have received some of the greatest streams of immigration—Greeks, Armenians, Syrians, and Jews—who have come to the United States to found homes and acquire citizenship and prosperity, helping to link our country with the vast territory which, excluding Arabia, includes upwards of 450,000 square miles of territorial area.

Into this borderland of the great Near Eastern seas we have sent our missionaries for more than a

century and for all these years the name, America, has been known to the populations of the Near East as synonymous with modern education, with activities of charitable benevolence in times of distress, and with a disinterestedness as far as territorial aggression is concerned, that has made Americans less often suspected and more truly trusted than members of any other nationality.

OUR MILLIONS GIVEN THERE

Our hospitals are to be found in every city in Turkey and our preachers and medical doctors in almost every village. Other nations have invested in these Near Eastern lands for gain, while we have poured into this region \$20,000,000 in founding schools and colleges, \$40,000,000 in feeding the hungry, and \$50,000,000 in affording missionary teaching, free medicine, and extending the borders of western civilized science and instruction.

All of this activity and giving have helped lay the foundations for a stable, modern commercial life, now about to give ample evidence of the value of these fore-runners of national prosperity. Any European nation would eagerly grasp at such advantages of favor to establish commercial ties. But

while our trade in the Near East may be said to have the possibility of foundation upon a broad basis of philanthropy and confidence, we have thus far almost neglected this commercial open door. It is high time that we consider the Near East as a trading center of vast importance lying along one of the greatest commercial trade routes of the world.

It is largely because of such interest as the United States has shown in the Levant that the populations there, especially the Turkish section, hailed with eagerness the idea of a mandate making possible American supervision. While this matter is one of indecision or doubtful policy in the minds of many Americans, it has given ample reason for belief in the moral and political favor with which the Near East looks upon the United States. This is a factor not to be overlooked as an element of great value in any move we may make in the near future toward trade and shipping relationships.

While we have with justice given our attention and trade to Latin America, since these populations are near and belong to our own hemisphere, to China and the Far East where our Philippine interests have lured our commerce, it must be kept in mind that there exists no portion of the earth of equal extent to which American exporters thus far have given so slight attention as to the Levant.

WHY TRADE WITH THE LEVANT?

That there is ample reason lying in the rich, almost untouched resources of this section for our trade interest, can be easily demonstrated. For proof of this, reference may be made simply to the coal fields along the Black Sea; the oil fields of the Persian Gulf; the extensive grain fields, where the yield as it is conservatively estimated could be raised in a decade to 200,000,000 bushels; the great copper areas upon which France is centering her attention; the cotton possibilities in Mesopotamia; the wool of Asia Minor; the natural silk areas; and the region furnishing the world's supply of



Remarkable Scene, Showing Rug Makers at Work in Turkey

opium, licorice and the fine tobaccos.

To quote from a report by Lewis Heck, of the American consular service, regarding our import and export trade with the Near East:

"Before the war the United States bought from the Near East some fifty million dollars worth of goods, principally raw materials such as cotton from Egypt; tobacco, wool, mohair, skins, opium, rose oil, licorice root, dried fruits and nuts, etc., from Turkey; skins and coffee from Aden; dried fruits, cheese, olive oil and tobacco from Greece; copper and plum jam from Serbia; rose oil and tobacco from Bulgaria; reclaimed rubber and wool from Odessa; licorice root, wool manganese, and hardwoods from Batoum. The manufactured goods consisted of carpets and rugs, laces, and curios, etc., and represented only a small proportion of the total. In general, the region is agricultural and pastoral rather than industrial, and there is but relatively slight industrial development in any of these countries, so that for many years to come they will have to import manufactured and finished merchandise and will not have much in these lines to offer for sale in other countries. Their climates and soils enable them to produce better than elsewhere certain staple articles for which there will always be a demand in western Europe and the United States, and they will have their natural products to offer in exchange for their importations of finished commodities, until such future time as their own domestic industries shall come to a greater degree of production and variety.

For this reason the countries of the Near East offer a permanent field for the sale of the products of industry and manufacture, the value of which has always been fully recognized by our main competitors in Europe, although we have often overlooked it because of its distance and of relatively larger markets elsewhere. Nevertheless, a portion of the world which annually imported some \$550,000,000 worth of foreign goods before the war is worthy of closer study now that our exporters have waked up and are both ready and eager to really go after a fair share of this trade, instead of waiting till some small share of it comes to them of its own accord.

On the export side, we sold to all the Near East, including Southern Russia, goods to a value of between ten and twelve million dollars per annum before the war. A large proportion of this total consisted of mineral, animal and vegetable oils; textiles played a smaller and decreasing part, as we had had to give way to more active British and Italian competitors. We had some small business in leather and hides, shoes, rubber overshoes, typewriters and supplies, agricultural machinery, the better grades of tools and certain American specialties, but in the principal staples which form the bulk of any real volume of trade we had almost no share, in spite of the fact that for the exports of Turkey we were the second best customer, next after Great Britain, and also bought the second largest share of Egypt's principal crop. The heavy trade balance against us was paid



Waterfront of Smyrna, Famous Fig and Rug City on the Syrian Coast, a Point Open to American Trade

for by remittances from immigrants to their home folks; by sums expended for American schools, missions, and colleges, etc.; by tourists' expenditures, for many thousands of them annually visited Egypt, Palestine and Constantinople; and by financial adjustments through European countries. These remittances and expenses of course increased our debt to the Near East, but hereafter we should be able to exchange an increasingly larger volume of our own products for the goods we buy."

TRADING BY FOREIGN SHIPS

It must be remembered that whatever trade we have had with this section has been done practically with no American shipping to this region, depending upon foreign nations not only for ships but banks and other facilities. It was the writer's privilege to pass through the Suez Canal at the time that our American fleet in its voyage around the world was returning and lay in the Suez Canal. An Egyptian business man said then that the people of the present generation in the Near East had never seen before the American flag floating from any vessel save possibly from an occasional American pleasure yacht or from a small steamer too in-

significant to make any particular impression upon anyone. In fact, outside our diplomatic and consular service, there was no organization for trade in this section until in 1911 the American Chamber of Commerce for the Levant was formed. This body now has a membership of 600 firms and individuals located for the most part in the commercial centers of the Levant.

While trade relations of the United States with Turkey and considerable of the Balkan Peninsula during the period of the war were of small importance, there was quite a large volume of dollar exchange carried on which helped to accustom local merchants and local bankers in the Near East to the habit of dealing with the United States, also to establish credits in this country which have been used to purchase American goods.

The American Embassy at Constantinople was connected with a sale of dollar exchange to the amount of more than \$10,000,000 to provide funds for relief in charitable payments of various sorts. The Entente Governments furnished several million dollars of this fund since the American diplomatic and consular representatives looked after the interests of these Governments during the fighting period. There were several million dollars deposited with the State Department to individual beneficiaries and treasuries and a considerable amount was left in funds in relief organizations such as the Armenian and Syrian Relief Committee, the Joint Distribution Committee of the Jewish Charitable organizations, etc.

Trade relations with the United States were kept up by Egypt and



Tilling Fields by Primitive Methods in Haran

Greece during the war and both of these countries have prospered along different lines since 1914, so much so that Greek currency has been kept almost at par. The Egypt situation although affected somewhat by political agitations last winter, and labor troubles, is on the whole, promising.

The following table gives a general idea of Egyptian trade, together with imports from and exports to the United States:

	Total Exports	Total Imports
1914.....	\$120,218,062	\$108,405,784
1915.....	134,903,892	94,451,676
1917.....	204,892,454	158,876,608

1918.....	226,306,400	255,264,976
Goods invoiced for shipment to U. S. from Egypt:		
In 1917.....	\$21,539,338	
In 1918.....	25,405,850	
Imports from U. S.:		
1914.....	\$2,421,507	
1915.....	6,231,807	
Exports to U. S.:		
1914.....	\$14,557,902	
1915.....	24,750,640	

AN ALMOST RECORD GROWTH

According to consular reports, exports from the United States to Greece increased from \$1,123,511 in 1913-14 to \$23,449,975 in 1914-15, and to slightly over \$31,000,000

in 1915-16. There are few countries which show a like increase during the war. In the fiscal year ending June 30, 1914, we shipped to Egypt goods to an amount of \$1,930,100. In 1916-1917 our total exports to Egypt were \$11,933,100. These two countries bought from us in 1916-17 more than three times as much as the entire Near Eastern field in 1913-1914.

It may be pointed out that we have special ties with Greece since there are more Greeks in the United States than in any country in the world, excepting Turkey. Americans are also popular in Egypt and are large purchasers of Egyptian cotton, the most important product of that country. It must be remembered however that Egypt is a British dependency and Britain's policy will probably be less liberal in the future than it was during the war.

TURKEY AS A MARKET

Turkey furnishes interesting possibilities for trade with the United States since many of the old commercial ties with Europe have been broken and because of the need of utilizing the great potential wealth and resources of this country.

According to report of Louis Heck of the American Consular Service, for the few years before the war we bought from Turkey about \$22,000,000 worth of goods each year, of which tobacco represented about half of the total. We sold, on the other hand, not more than an average of \$3,500,000 per annum. The principal American establishments in Turkey were educational and missionary. Next to the French, whose religious orders have been engaged in missionary and educational activities in Turkey since the days of Louis XIV and longer, there were more American schools, missions and colleges than those of any other nationality, ours outnumbering all the others put together except the French.

We also have the most prominent and conspicuous colleges, such as the University at Beirut, Robert College and the Girls' College at Constantinople, the International College at Smyrna, and several large and admirably conducted institutions in Egypt. In almost every city of importance in Asia Minor and Syria the traveler was likely to see a large and well constructed group of buildings, standing out notably among the other structures of the city, and upon

The Good Common Sense



of covering the boy-field is being exercised by more and more advertisers, with results—immediate and future—far exceeding expectations

Informative articles of genuine interest are continuously appearing in all our advertising journals emphasizing the importance and value of the boy to the national advertisers, whose present and future markets must be strengthened and maintained.

THE BOYS' WORLD, the one NATIONAL WEEKLY in its field—provides practically half the available circulation in the boy-field.

The limit of space available in several of our fall issues has already been reached.

In the October 2, 1920, issue the \$2.00 per line rate is effective, though present rate will still apply to definite, bona fide orders received on or before final closing date—September 11th.

THE BOYS' WORLD

David C. Cook Publishing Co., Elgin, Ill.

WESLEY E. FARMILOE, Advertising Manager

Edward P. Boyce, 95 Madison Ave., New York
 Chas. H. Shattuck, People's Gas Building, Chicago
 Sam Dennis, Globe-Democrat Building, St. Louis

COOK'S WEEKLY TRIO: A MILLION BOYS AND GIRLS

THE BOYS' WORLD THE GIRLS' COMPANION YOUNG PEOPLE'S WEEKLY

inquiry he would be told that these buildings belonged to the Americans.

Hospital and medical activities were among the main features of missionary work and were badly needed in a country where extreme ignorance prevailed and doctors were few and unskilled.

In more recent years other practical lines have been taken up, so that today Robert College has the first real school of engineering in Turkey, and plans are ready for agricultural courses for both Robert College and the University at Beirut as soon as conditions permit their execution.

Besides the schools and colleges, we had the buying agencies of the various American tobacco companies and the MacAndrews & Forbes Co.; the selling and production agencies of the Standard Oil Co. of New York and the Vacuum Oil Co.; and the omnipresent and widely extended organization of the Singer Sewing Machine Co. Beyond these principal concerns there were very few that were distinctly American in character. There would be occasional visits from American business men who happened to go to Turkey; or, on one special occasion in recent years, there was the attempt to obtain a concession for a 1,200 mile railway known as the Chester project, which was designed to open up valuable mineral regions, and for which a total investment of \$100,000,000 was planned. This scheme was defeated in 1911 after a hard fight, principally by German opposition, but the need for such a road still exists, and had it been constructed before the war, the strategic position of Turkey against the Russian armies in the Caucasus would have been vastly stronger.

The handicap which the United States suffered in furnishing large food supplies for Turkey subsequent to the signing of the Armistice, especially flour, was found in not having an American bank through which to work. It was necessary to use a British firm and a British bank in supplying American food products to render this assistance to a hungry and nearly war-starved city.

The arrival of 350 workers belonging to the American Committee for relief in the Near East, together with an international mandate commission headed by Charles R. Crane and Dr. Henry King of Oberlin College increased in Turkey a high opinion of America's

desire to play fair and to assist in the settlement of Near Eastern problems.

NEW SHIPPING FACILITIES

Trade with this section has been greatly helped by lines of regular and direct steamers such as we have never had in the past to the Near East. According to shipping lists there will be found three or four vessels leaving each month from American ports for Constantinople and other points in the Levant.

A large number of American firms have been sending their own

representatives to the Levant, but in this we have been outstripped by the British, French, Italian and Japanese, who have followed the policy of sending large delegations to promote trade with their various countries. At Constantinople there was not very long ago a Japanese delegation of 30 members and soon afterwards there was a large importation of Japanese cotton goods. Our competitors in this section are capable and formidable. Such corporations and its subsidiaries as the Levant Co. Limited, which has acquired a controlling interest in the largest British trad-

BOYS' LIFE—

What it is

What it stands for

BOYS' LIFE is the official magazine of the Boy Scouts of America, but it is in no sense a house organ or trade publication; and its general all around excellence has drawn to it thousands of readers who are not Scouts.

BOYS' LIFE is an out-of-doors, adventure magazine for boys; edited by Scout men who have made their life work the study of boys and who know what a boy likes, how a boy thinks and what a boy wants to do. It is conducted on the principle that has made possible the Boy Scout Movement's splendid effect on the character of boys.

An Editorial Board of eminent men, having a sincere interest in work for boys, examines the magazine, passing not only on the editorial matter,

but all the advertisements. No fraudulent or deceptive advertisements are accepted.

Every issue of BOYS' LIFE is packed full of the finest stories for boys—stories that have plenty of excitement in them, plenty of fun of the right sort, plenty of uplift. Articles and stories on camping, woodcraft, handicraft, scouting, natural history and nature study; hiking, photography, baseball, football, and field athletics; in fact, every sport, recreation or activity in a boys' life presented for the entertainment of all boys.

Finally, BOYS' LIFE is published by the National Council of the Boy Scouts of America not as a commercial enterprise, but as an influence for good among all boys.

BOYS' LIFE

THE BOY SCOUTS' MAGAZINE
BOY SCOUTS OF AMERICA, Publishers

Member A. B. C.

200 FIFTH AVENUE
NEW YORK

203 SO. DEARBORN ST.
CHICAGO

ing house in Turkey, in the only British bank, and is closely affiliated with the largest and leading firms, is one of Great Britain's plans for the resurrection of trade on a large scale.

The British control of the oil fields of Mesopotamia as well as those of Arabia and Persia which are among the richest in the world has brought under Great Britain's control a field of production of almost inestimable value.

The French, moreover, have not only had long established connections and considerable investments in Turkey but they have been giving attention since the war to the extension of their trade in the Turkish Empire. A large French Commission, which included the head of one of the National Export Associations of France has visited recently the important trade centers of the Near East. The French have a certain advantage in the ready currency with which the French language is utilized throughout the Levant as a commercial medium of expression. There are certain other advantages held in this section by the Italians because of their close proximity and by reason of the fact that they have fallen heir to many of the Austrian connections with the Levant, particularly in matters of banking and shipping. The Austrian

Lloyd Steamship Company, which was the largest and most important fleet of vessels in Near Eastern waters, now flies the Italian flag and the ships are now running on approximately their old schedules.

The activities of the Greeks in this section have been confined largely to trading and dealing in goods imported from other countries since there are few industrial products in Greece to export.

An American banking house in this section is greatly needed, not only for commercial transactions, but to provide a basis for investigation, investment and the development of resources in the Near East, as there are rich mines in Asia Minor of copper, coal, iron, silver, lead, zinc, etc., which are only waiting to be scientifically explored and developed.

In this agricultural and pastoral section where irrigation and farm-

ing projects on a large scale are certain to come, all kinds of agricultural machinery, tractors and motors will be required previous to the building of more railways. There is a great need of hydro-electric development. It is said that at present not more than 20 per cent of Turkish agricultural products are touched by any but the most primitive tools and methods such as are native to the country. The American opportun-

been worth more in exchange than any other paper currency of the former Central Powers and is slightly better than that of such countries as Poland, Czecho-Slovakia, Jugoslavia and Roumania.

As to Bulgaria, Serbia, Roumania and Trans-Caucasus there will be found opportunities for American trade as soon as our manufacturers and traders are ready to seriously enter these fields.

Decline Noted in Trade Balance With Europe

A decline in the trade balance with Europe of \$500,000,000 and an unfavorable balance of nearly \$400,000,000 with South America is shown in a report from the Department of Commerce covering the fiscal year just ended.

Exports to Europe amounted to \$4,864,155,166 compared with \$4,465,453,868 in 1919, and imports totaled \$1,179,460,699 against \$372,951,319 for the previous year.

Imports from South America aggregated \$869,944,300 compared with \$568,374,694 in 1919, while exports totaled \$190,944,179 compared with \$400,856,991 in 1919.

Imports from Asia during 1920 amounted to \$1,368,660,105 and exports to \$798,136,458.

Exports to Great Britain for the fiscal year totaled \$2,154,336,423 and imports \$524,020,493; exports to France \$716,811,629 and imports \$172,622,035; exports to Italy \$398,665,795 and imports \$12,201,177; exports to Belgium \$317,012,688 and imports \$29,718,468; exports to Germany \$202,176,878 and imports \$45,085,975; and exports to Japan \$453,147,693 and imports \$57,228,867.

Exports to Argentina for the year amounted to \$167,146,548, exceeding those to any other South American country, while imports from that republic totaled \$257,783,114. Exports to Brazil were \$415,020,317 and imports \$281,217,794.

ity for the development of public works and transportation generally is patent.

Turkey, with a population of 20,000,000 in the year 1914 and an area of 695,000 square miles (more than 15 times the area of Pennsylvania), had less than 5,000 miles of railway and only three cities had electric light plants or electric street railways. It seems strange to realize that Constantinople itself did not possess telephones, electric street cars or lights until the year 1913.

The American automobile market which has already been opened in so many foreign lands would find in this region almost virgin soil. In 1914 it is stated that there was less than one automobile to each 200,000 inhabitants in Turkey.

In spite of the political vicissitudes of Turkey and her debt of \$2,000,000,000, Turkish money has

The large number of Bulgarian students at Robert College, the considerable immigration from Bulgaria to the United States numbering upwards of 75,000, and the highly agricultural and pastoral nature of the country requiring imported manufactured goods all offer inducements to American commerce.

Serbia, or the Kingdom of the Serbs, Croats, and Slovenes, otherwise known as Jugoslavia, is in need of manufactured and finished articles, while the population is sympathetic with the United States because of our aid in the war. There is an estimated surplus of cereal production in Jugoslavia for the past year which should provide upward of 1,000,000 tons of grain for export.

There will be need of the extension of credit in order to do business at present in this country and probably longer credits in most of the other Near Eastern

countries than we have been accustomed to give.

Roumania with her agricultural prosperity and oil fields, having about the same area as Italy and a population of 15,000,000, also large areas of coal, iron and copper resources, is the one country in this section to which the United States sold more than it bought previous to the war, the balance in our favor being about 4 to 1.

While Southern Russia presents a complex and uncertain condition for trade, Trans-Caucasus with the three small republics of Georgia, Armenia and Azerbaïdjan has also great natural resources, especially minerals. In 1913 the Caucasus produced over 1,000,000 tons of manganese of which 121,887 tons were sent to the United States. Other mineral products include copper, cement, salt, coal and carbonate of potash. Tobacco and

licorice root and hard-woods such as Circassian walnut have also been coming to the United States from this region. Trade has been resumed to a certain extent with the Caucasus and there has been talk of an Anglo-Armenian bank and a British project in this region to develop hydro-electric plants.

OUR PERSIAN CONNECTIONS

As to our trade with Persia in the past it has been hardly worth mentioning, amounting to only a few thousand dollars a year. There have been some indications in late years of closer relations and the Shah of Persia purchased several hundred thousand dollars worth of Liberty Bonds. Previous to the war the import trade of Persia amounted to about \$40,000,000.

Although certain sections of this Near Eastern field are at present more or less demoralized because of the results of the war, European traders are sparing no means to establish firmly their positions there. It will take effort for American traders to secure firm and abiding markets, but that this great section of the earth should not be neglected by us goes without saying.

It has been truly stated that the discovery of the American continent formed one of the chief causes contributing to the decline of the trade routes from Europe to the East by way of Turkey as well as to the eclipse of Constantinople, of the Italian maritime republics, and the trade of the eastern Mediterranean.

It would seem appropriate that America and its American commercial leaders with American capital, brains and stable business methods, should take their part in rebuilding the economic structure of this historical region, thereby utilizing particularly our American manufacturers and machinery in a territory where perhaps they are more needed at present than in any other section of the earth.

Miss Johnston With Beers Agency

Miss Frances Johnston, formerly in charge of advertising for *La France* magazine, has become a member of the New York staff of the Beers Advertising Agency.

Business now being placed by the Beers agency includes advertising for the St. Louis Chamber of Commerce, Perkiomen School and Shore Acres Country School. St. Louis advertising is going out to all the principal countries of South America, Mexico and Cuba.

Worcester "Telegram" Appoints Woodbury

B. L. Woodbury, local advertising manager of the Manchester, N. H., *Union Leader*, on Monday of this week became advertising manager of the Worcester, Mass., *Telegram*.

Mr. Woodbury, who is thirty-three years old, began his newspaper work on the Nashua, N. H., *Daily Telegraph*, rising from printer's devil to advertising manager. In 1911 he went to the Meriden, Conn., *Morning Record* as local advertising manager, and in 1916 to the Manchester *Union-Leader* as advertising solicitor. Two years ago he served for a short time as advertising manager of the Manchester *Daily Mirror*, going back to the *Union-Leader* as local advertising manager last January.

American Goods in Malta

As an indication of the kinds of goods imported into Malta from the United States, Consul Loop supplies the following list of articles recently received from New York on an American vessel:

Alcohol, \$3,893; caramels, \$535; cash registers, \$195; cheese, \$1,460; chocolate, \$876; clear jellies, \$1,995; condensed milk, \$24,333; cottonseed oil, \$10,950; ham and bacon, \$1,557; hardware, \$243; hosiery, \$730; ironware, \$487; jam, \$117; lard, \$26,982; leaf tobacco, \$1,579; motor cars, \$12,410; motorcycles, \$730; paper goods, \$487; preserved goods, \$1,217; shoes, \$1,460; soya-bean oil, \$35,063; stockings, \$380; toilet paper, \$105; white lead in oil, \$4,137; total, \$133,850.

SYSTEMS BOND

"The Rag-content Left-dried Paper at the Reasonable Price"



COMBINE QUALITY IN YOUR QUANTITY CAMPAIGN

Before launching your direct-by-mail campaign for fall business, be absolutely certain of the quality of the stationery you choose before it is too late.

Systems Bond will make your letters look better and the improvement in appearance will add to the attention-getting power of your letter.

Standardize on SYSTEMS BOND—the unvarying paper—for your letterheads. It is available everywhere. All printers know it. Your printer can get it for you or a request on your letterhead will bring samples.

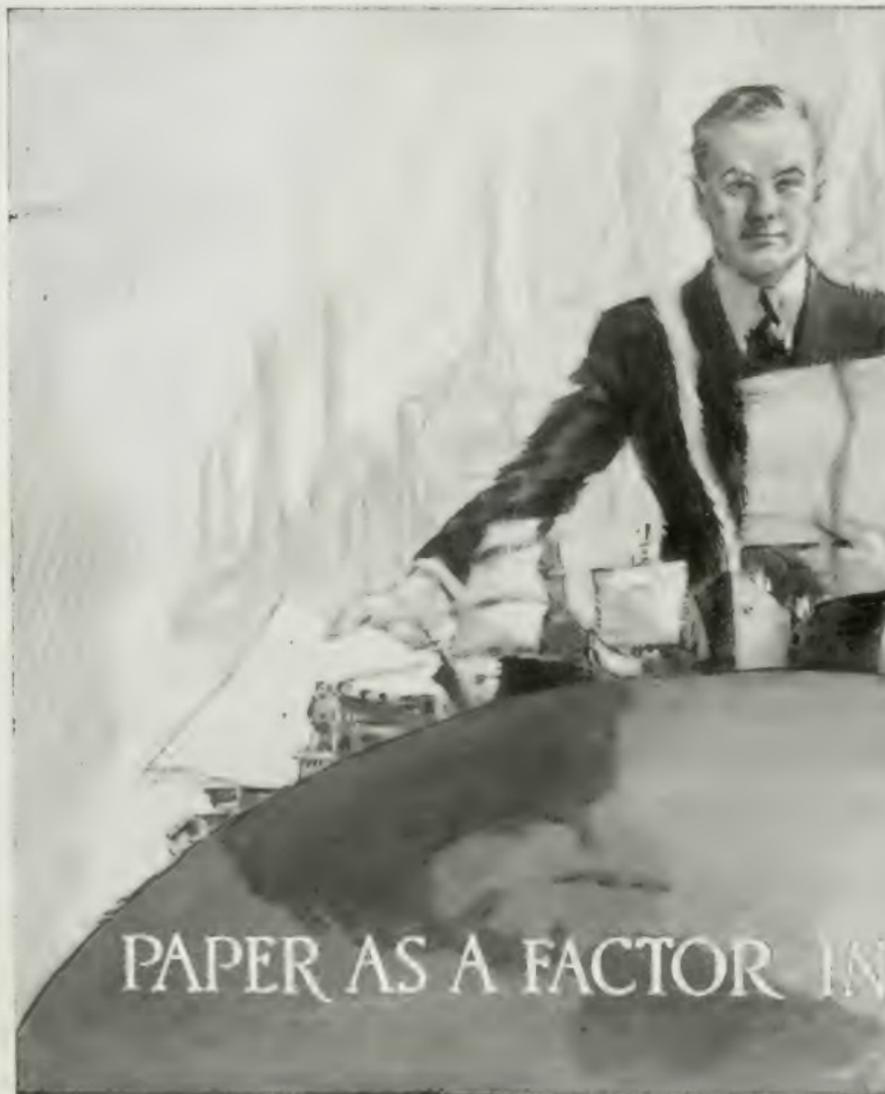
Eastern Manufacturing Company

General Sales Offices:

501 Fifth Avenue

New York

Mills at Bangor and Lincoln, Maine



PAPER AS A FACTOR IN

The Tribes of the Himalaya Mountains Never Destroy a Picture

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

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

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

Our research work has covered the buying habits of all types of men. When paper is a factor our suggestions will increase the returns from your catalogues, booklets, house organs, mailing cards, enclosures, circulars and letterheads.

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

Research Laboratories

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

FOREIGN TRADE

THE FARM LIGHT FIELD NOW HAS ITS OWN MAGAZINE

The first number of a new business paper, entirely devoted to the Farm-Light-and-Power trade and industry, will be issued on September 1st. It will be known as

FARM-LIGHT AND POWER

For Manufacturers, Distributors and Dealers

FARM-LIGHT and POWER is based on the belief that the Light and Power industry is a permanent factor in the business of equipping the farms of the country, and that the ten thousand or more men who are today selling Farm-Light plants and accessories to farmers are entitled to a business paper of their own. It will give them the sort of merchandising and service advice which heretofore they have been unable to obtain.

FRED M. LOOMIS

Directing Editor of the Curtis Business Papers, Inc., will have supervision of the editorial policy of FARM-LIGHT AND POWER. Mr. Loomis, as a member of The Class Journal Editorial Staff, contributed practically all of the Farm-Light and Power articles appearing in MOTOR AGE, MOTOR WORLD and AUTOMOTIVE INDUSTRIES. He is exceedingly well posted on the merchandising problems of dealers who are selling to farmers, having devoted the past ten or fifteen years to an intimate study of such problems all over the country.

GEORGE W. WARD

until recently a member of the Power and Light Sales Organization of the Western Electric Company of New York, and previously on the staffs of IRON AGE, HARDWARE AGE and RAILWAY AGE, will act as Business Manager of FARM-LIGHT AND POWER.

ALLEN SINSHEIMER

for five years one of the Editors on the staff of the Class Journal Company, publishers of MOTOR AGE, AUTOMOTIVE INDUSTRIES, MOTOR WORLD and COMMERCIAL VEHICLE, and now Editor of PAPER, will act as Consulting Editor of FARM-LIGHT AND POWER

ARTHUR J. McELHONE

for the past four years Special Service Representative and later Publicity Manager of the Class Journal Company, publishing AUTOMOTIVE INDUSTRIES, MOTOR WORLD, MOTOR AGE, and five other magazines, and now General Manager of the Curtis Business Papers, Inc., will supervise the policies of this new paper.

FARM-LIGHT AND POWER

will be published by the

CURTIS BUSINESS PAPERS, Inc.
PUBLISHERS

FARM-POWER
MERCHANDISER

TRACTOR AND IMPLEMENT
EXPORTER

FARM-LIGHT
AND POWER

471 Fourth Avenue, New York

CHICAGO OFFICE: 1105 MALLERS BUILDING

Automobiles Abroad

(Continued from Page 12)

unfit for travel, and the foreign demand is biggest during those months.

The American automobile is the cheapest car in the world. Its mechanical excellence has been indisputably established. Progressive production methods have been employed in achieving both mechanical excellence and lowest cost. In the earlier days of the industry the European cars were considered of better mechanical design and superior in style and finish. The American product has overtaken and now leads its European competitors mechanically, in standardization, and in attractiveness of design, completeness, comfort and convenience of equipment. Yankee ingenuity has developed into thoroughness and will always maintain its lead. This is not said to the disparagement of our European friends, but merely as a statement of the natural and logical development of this industry under American conditions as to material sources, labor and productive methods.

America exported over 4 per cent of its automobiles in 1919—67,100 passenger cars valued at \$74,000,000 and 15,497 trucks at a valuation of \$35,000,000. In addition to this, the export of parts amounted to \$43,000,000; a total export valuation of motor trucks, passenger cars and parts of \$152,000,000. These were sent to ninety different countries; many of them went to destinations where few other American products are used. In the sparsely settled portions of Australia, Africa and other countries where the settlements are far apart, the motor vehicle has been of inestimable benefit. The small farmers alike with the wealthy have been able, by its use, to maintain a contact with their neighbors and the outside world, to reach their markets and transport their supplies; and it often becomes the deciding factor in matters of life and death. They seized upon it in its first development and are today in proportion to their numbers, the largest buyers of cars. To these people the automobile was a veritable Godsend. It has brought into development land at great distances that would not otherwise be occupied. This is, of course, also true in the domestic market. To the everlasting credit of the American manufacturers, it can truly be said that

they realized the importance of and endeavored to supply these buyers with dependable vehicles, simple of design, easy to repair and capable of withstanding the hardest usage imposed by rough roads and lack of mechanical knowledge on the part of the owner. The operation of cars under these conditions has been to a large extent responsible for much of the simplification of design, perfection of mechanical device and development of strength and durability, coupled with lightness in materials, that has occurred in automobile engineering practice.

Some American manufacturers, it is true, failed to comprehend what would be expected of their product and found their efforts to keep in such markets expensive and futile, but their bitter experiences have been a warning and example to guide those who seek the foreign markets in a wise and far-sighted way.

MUST HAVE CAPABLE MEN

Delivery of an automobile may be made on its own wheels to a place far distant from the freight station and for this reason it has often been the real forerunner of American trade. As in other mechanical appliances, service is of vital importance to the user, and here again, the user has to have facility of access for repairs and replacements. This is evidenced by the large volume of export of parts. American manufacturers have already established service facilities through their dealers and branches, based on a wide experience in the domestic field, and are rapidly coming to realize that the fundamental necessity of giving prompt and efficient service is the price of future goodwill and business. A dealer whose ultimate object is to dispose of his goods is not likely to appreciate the value of having them stay sold. So our manufacturers, having in mind their experience in building up stable dealers' organization at home, are looking more critically into the capacity, integrity and business methods of the dealers who are to be the custodians of their reputations abroad. Until the early stages of large automobile production, the American dealer was frequently a graduate racing driver. While many of these men rose to the opportunity and became capable and prosperous business men, most of them were soon replaced by others who were schooled in or able to develop

along the lines of good merchandising. In foreign countries the same evolution is rapidly taking place; in some, already accomplished. It is essential in building a sales organization in markets whose only frequent contact, except by cable, is by letter whose reply may take weeks or months to return, that the salesman be not merely experienced in selling, but that he should have a fair knowledge of good business methods and practice. He should understand the essentials of banking and have fixed and reliable financial habits. He must be broad-minded enough to study and know the factory viewpoint, at the same time acknowledging that he is the medium through which the buyer is to become and remain a permanent customer of the company, and endeavor to perpetuate a friendly feeling between the two.

In this connection it is not to be forgotten, furthermore, that he who sells American goods abroad is charged with a heavy responsibility for the maintenance of American good will in its national form. America is judged by her product as well as by her men. Tricks in the trade should be dropped at the source and nothing but the finest spirit and ethical integrity practiced in dealing with foreigners. To deal falsely with your brother in America is bad enough, but he who cheats a foreigner is little short of a traitor. No other product benefits more in foreign trade through a reputation of intrinsic merit than the automobile. Unfair dealings, a poor product, or faulty service brings quick retribution in the loss of the market. Eternal vigilance is the price of foreign business. This the American manufacturer of automobiles or other products must realize, and apply his proverbial aggressiveness to the development and extension of foreign markets, and the results will be sure. Yankee tricks are a thing of the past.

Chief as a determining factor in the increase of foreign demand for automobiles is the building of roads. It is not over-estimating to state that if there were serviceable roads for their use, the foreign countries would take within a period of a few years a number of cars to equal those in use in this country. China with its individual accumulated wealth of centuries, would and will buy automobiles in tens or hundreds of thousands as fast as roads are constructed. Russia will some day—

let us hope soon—come out of chaos, and her numberless millions will furnish an enormous market. In these potential markets the automobile must follow the road builders.

GOOD ROADS ABROAD

As an organized industry, the automobile manufacturers are behind an educational movement in the value of good roads. Through the National Automobile Chamber of Commerce, it is endeavoring to place in the hands of authorities, organizations and persons in our foreign trade fields detailed information to this end. Data as to road building machinery, materials, specifications, cost, engineering problems and everything relating to American road-building experience is given, and the endeavor is to enlist those most interested in promoting good road building, paralleling the movement along these lines that has succeeded so phenomenally in this country.

Through this association our manufacturers are organized for cooperative effort in entering and holding the foreign markets. That organization has already proved itself one of the strongest in the American industrial world by its accomplishments in bringing together apparently diverse interests so that they pull together for the whole industry. It has established a foreign trade department which is now an active adjunct in daily use by a large number of member companies. Complete information from all sources and every kind is continually being gathered and furnished in frequent bulletins. Requests for special information or assistance are complied with by letter, telephone, or telegraph. Trade opportunities, note of tariff changes, method of handling shipments and financing, men available and an infinite variety of other pieces of information required by the foreign sales manager, are quickly noted and furnished to members. A trade manual in six languages with both technical and commercial terms is being compiled by experts. This will show in condensed form, everything that is of any possible use in giving a quick and accurate guide to the constantly changing rules and requirements in foreign countries. The department has already been of great value to the members in combining them for organized and prompt resistance to the frequently recurring attempts at trade mark piracy.

The stealing and registering of trade marks has long been a source of great annoyance and loss to our exporters. During the past ten years, hundreds of cases have occurred of the outright theft of automobile names and a system of blackmail has been levied upon the industry which finally brought the manufacturers to a sudden determination that they would do their utmost to stamp out this whole nefarious practice.

In general, the work of the Automobile Chamber is being carried to great effectiveness through complete and thorough cooperation of its members. They are rapidly learning that in the foreign trade the best results for each will be promoted by the success of the industry as a whole. This obviously applies to all American industries. The extension and maintenance of our foreign trade in an adequate way are directly proportionate to the extent to which all American manufacturers cooperate in support of good articles, fair methods, and treatment, looking toward confidence and respect and in elimination of discreditable goods and practices.

Meadon Made Detroit Chairman

Joseph Meadon, general manager of the Franklin Press, Detroit, Mich., has been made general chairman of the Detroit Committee of the Direct Mail Advertising Convention to be held there October 27 to 30.

S. S. Kresge Sales

S. S. Kresge Co. reports sales for July as \$4,011,952, a gain of \$930,001, or over 30 per cent more than the same month in 1919. For the first seven months of this year Kresge sales were \$20,173,104 as compared with \$21,302,121 last year, an increase of more than 22 per cent.

Stavrum & Shafer Get Bait Account

James Heddon's Sons of Dowagiac, Mich., manufacturers of Dowagiac Bait, have placed their advertising account with Stavrum & Shafer Agency of Chicago. Outing magazines and trade papers will be used.

New Rochelle Paper in A. N. P. A.

The *Evening Standard* of New Rochelle, N. Y., has been elected to active membership in the American Newspaper Publishers Association.

Decker Joins Curtis Business Papers

Lowell L. Decker, recently returned from England where he has been selling American business paper advertising possibilities to British manufacturers, and who was formerly with the *Cosmopolitan* Magazine, has been appointed eastern advertising manager of the Curtis Business Papers, Inc., publishers of *Farm-Power Merchant*, *Tractor and Implement Exporter* and *Farm-Light and Power*.

Lewis Leaves Sternfield, Godley & Lewis

I. S. Lewis has resigned from the advertising agency of Sternfield, Godley & Lewis, Inc., New York. The agency name will remain the same as before.

Bryan to Direct Jay-Thorpe Advertising

An ultra-exclusive retail establishment, devoted to Parisian wear for women, will be opened next October at 24 West Fifty-Seventh Street, New York, by Jay-Thorpe, Inc., who are erecting a nine-story building.

Alfred Stephen Bryan will direct the advertising of this institution, which is to appear in daily newspapers, society weeklies and monthly fashion magazines.

Advertising Auditors Form Company

De Lisser Bros., who for the past ten years have been auditing advertising space and making up reports on the same for over one hundred newspapers distributed throughout the country, have formed a corporation under the laws of the state of New York. The first meeting was held in their present offices at 32 Court Street, Brooklyn, N. Y., for the purpose of electing officers for the coming year. The following were decided upon: Rudolph A. De Lisser, president and treasurer; Percival P. De Lisser, vice president; George F. Corcoran, secretary, and L. A. X. De Lisser, chairman of the board of directors.

United Cigar Sales Increase 31 Per Cent

July sales of United Cigar Stores Co. of America were \$6,006,623, an increase of \$1,820,151, or 30 per cent over July, 1919. Sales for the seven months were \$43,254,338, an increase of \$10,287,674, or 31 per cent over corresponding period of last year.

Stamm Publishing Co. Reorganized

Stamm Brothers, of San Francisco, have merged their publishing interests. The Stamm Publishing Company, publishers of *Pacific Laundryman*, which was recently moved from Seattle, has been reorganized under the laws of California. The new company takes over the *Pacific Laundryman* owned by A. G. Stamm and the *Western Baker*, published by G. W. Stamm. The new company plans shortly to launch several new trade journals covering the Pacific Coast and Rocky Mountain territory.

Freling Foster Joins The Digest

Freling Foster, formerly industrial advertising counselor of the McDraw-Hill Co. and previously of The Society for Electrical Development, New York, has joined the advertising staff of the *Literary Digest*, New York.

Heads Montgomery Ward

Silas H. Strawn of Chicago has been elected president of Montgomery Ward & Co., the Chicago mail order concern, succeeding Robert J. Thorne, who, it was announced, retired because of ill health.

The Ward and Thorne interests sold their controlling interest in the company last year to George J. Whelan of New York and associates. Harry P. Kendall of Boston has been elected a director.

Making Exporters of American Businessmen

How the General Motors Export Company Is Giving Selected Employees Foreign Trade Training

By L. C. WILSEY

Superintendent General Motors Export Company Training School

WHETHER the Great War, to which nearly everything is attributed, was responsible, directly or indirectly for providing America with the opportunity to secure foreign trade, it was the foresight of J. Amory Haskell, Vice President of the General Motors Corporation and President of the General Motors Export Company that developed the idea of a Training School for Domestic and Foreign Service, and sold it to the executives of the Export Company.

To quote the Vice President and General Manager, P. S. Steenstrup, the Training School is an insurance policy, which guarantees to the Export Company a ready market from which to draw a trained personnel schooled not only in a thorough knowledge of the exporting and foreign sale of automotive units, but purged of the traits which, though they may make a man successful in this country, handicap him abroad.

The fact that the Company contemplated opening branch offices throughout the world—exclusive of the United States and Canada—made it imperative to develop as quickly as possible a group of men who could be depended on to place and keep the General Motors'

Training Exporters

THE Foreign Trade School of the General Motors Export Company, described in the accompanying article, is making many markets where but one existed before, by teaching carefully chosen employees the duties that contribute to profitable exporting. Mr. Wilsey herein describes the workings of this Export School, and it should be clear to the heads of any great American industrial enterprise that here is an example which may, if faithfully followed, result in a largely broadened selling field.

The Export School removes the greatest of all barriers to successful exporting, by giving to that important phase of marketing men who are fully equipped to sell American goods abroad by understanding methods. — THE EDITOR.

products before the world. To that end a Training School Committee was appointed, and as an instance of the keen interest taken in the project by those in control of the destinies of the Company, this committee included in its membership the President and two Vice-Presidents, as well as the Sales Manager. A sub-committee was immediately instructed to investigate the situation, visit other corporation schools, and make report of its recommendations.

To list the plants visited and the personal managers interviewed would require too much space; but it is greatly to the credit of the foreign and the domestic trade in general that a ready and whole-hearted response was had to the request for information, and much valuable help received. As a result of a survey of our own problem it was decided to train men for positions as salesmen, technical representatives, and accountants—the idea being that salesmen would start out as Juniors, and would have as their objective the Branch Manager-ship; technical men would begin as traveling mechanical advisors with the object of becoming some day the Technical Supervisor of the Branch; while the accountants would begin as office men and eventually become Business Manager for the Branch Office to which they might be assigned.

WHOLEHEARTED RESPONSE OBTAINED

Based on the information obtained and the advice received, a somewhat lengthy application blank was drafted, designed to leave very little of value about the candidate unknown. These blanks were built upon the experience, successful and otherwise, of a large number of organizations with a long record for success in choosing men from many walks of life and many sections of this country.

In order that the men might be given as adequate training as possible it was decided to make them student-employees of the Company at \$100 per month during the period of school instruction, which would last approximately a year, and to assign them immediately to the different departments of the Company offices in New York City. Here they would be taught the routine duties of each department from 9 a. m. until 3:30 p. m. daily, except Saturday, and would then be given instruction in the following courses until 5:30 p. m.:

Accounting, Salesman-ship, Foreign Languages, Gas Engines and Automobiles, Commercial English and Cables, Foreign Trade.

So that this instruction might be given in adequate manner and



A Typical Scene in the General Motors Export Company's Training School

under favorable conditions, a lecture and class room was taken over, and equipped with all facilities, including maps, projectoscope, an automobile chassis, and a library of text and reference books.

RESERVE LIST MAINTAINED

Since it was considered highly desirable to have a large number of men who might be called upon at any time to fill vacancies caused by failure of men already in the School to maintain the standards set, plans had to be formulated to supply these reserves with as much of the instruction material as possible. With this in view, an editorial and correspondence department was provided for, the duty of which would be to take down verbatim reports of all classes except those in foreign languages, edit the transcripts, have them approved by the executives of the Company, and then duplicate and issue them to the men on the waiting list, conducting periodic tests and sending out problems that would demonstrate the fitness of these men to be appointed to fill vacancies.

Of the difficulty met with in securing a faculty, competent and available, to give instruction in the subjects, more need not be said than that it required two months; but that the results justified the effort expended. In connection with the course in Foreign Trade it may be of interest to know that the plan finally adopted was to have the Export Company draw up a statement of what it considered the men should know of this field when the course was complete. This statement was submitted to an expert on the subject, who, in turn, amplified and revamped it so that it would have coherence. The main sub-divisions were then taken as lecture subjects, a comprehensive outline drafted for each, and recognized authorities on the subjects to be treated were invited to present their views and conduct informal discussions.

There was no difficulty to secure more than enough students to make up the quota for each group, for a large number of eager applicants came from the ranks of the Export Company alone. But, although first preference was given to our own men, it was clearly realized that it would be unwise to take too many students from the personnel of the organization at the start. For that reason only a few of the best were admitted actively

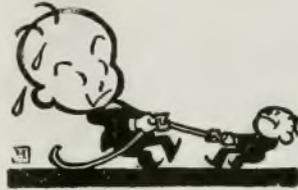
to the School, and two other groups were organized to take care, first of those who desired to serve the Company overseas but could not be spared from their present duties, and second for such employes as could not or did not desire to go abroad, but who wished to enhance their value to the Company by developing their ability and improving their knowledge of export technique and of such subjects of a general nature as would render them more efficient. These two groups were given part of the training on Company time and part of it by correspondence along with

men on the waiting list outside the organization.

HOW THE FACULTY WAS ASSEMBLED

A booklet, announcing and describing the organization and scope of the work was mailed to one hundred and ten colleges and universities, as well as to several trade publications in the export field; and before the school was ready to admit students a large number had requested application blanks.

Still, the requirements both in education and experience, as well as the high standard set for personality, character, and gentle-



RUBBER!!!

WE'RE not stretching the point a particle when we say that in most of the thirteen hundred pulp and paper mills on this continent, the purchase of rubber goods constitutes one of the most important items in the annual budget. Hundreds of thousands of dollars monthly are spent on rubber steam hose, deckle straps, machine hose, fire hose, rubber covered rolls, packings, belting and so on.

There is no choice about the use of rubber in the paper mill—nothing else will serve the purpose. But there is a choice when it comes to buying—the mill man orders from the manufacturer he has learned to know through the pages of his industrial journal.

Usually that means through the pages of PAPER, because this publication is an elastic medium that stretches enough to completely cover the entire industry. And of course there is a real come-back from advertising in our pages—returns that mean sales and permanent, profitable business. Ask us why.

PAPER

The Production Journal of the Industry.

471 FOURTH AVE., NEW YORK CITY

manly attributes narrowed the selection down to a picked group, and left a waiting list that was by no means too large, in view of the high mortality that was expected; for, to quote our President, fifty per cent of the success in getting the right men lies in careful selection, and the other fifty in elimination of those who prove unfit, either in personality, mental equipment, or character.

We are now considering applications of men who wish to enter with the next group in October and have been visiting several universi-

ties and colleges in search of available candidates. While it has been found, both in our interviews at the Personnel Office and at colleges, that few students know how to sell their services, nevertheless nearly all the men seem anxious to know what the Company offers not only in the way of immediate advancement upon completion of the Course, but even after assignment to foreign station.

LIBERAL ARRANGEMENTS MADE

It was perhaps unfortunate that for our own convenience we designated the classes as A, B and C, for the psychology of this nomenclature was soon evident in the rush that was made for "A" blanks and in the comments regarding "B" and "C" blanks; for the men assumed that since salesmanship was called Class A, technical work Class B, and accounting Class C, the remuneration and opportunity would be in descending order.

However, in order to make matters as clear as possible a statement was secured from the officers to the effect that even though a man might finish the Course with credit he would not be sent abroad immediately, save in exceptional circumstances; but that he would be assigned to a position as a regular employee of the company, and that only those who showed especial ability and adaptability both during the preliminary and subsequent training period would be permitted to represent us abroad. Of course, there would be increases for all of from 25 per cent to 75 per cent or even 100 per cent upon graduation from the School and assignment to positions in the company offices.

After proving further their fitness for overseas assignment, these men would be chosen as vacancies occurred and sent to such foreign stations as their preferences and command of languages would permit; and upon sailing for Zone Headquarters, another salary increase would be effective. This would be sufficient to permit the man to live comfortably and to have a surplus for deposit in the Employees' Savings and Investment Fund; an arrangement by which an employee may invest 10 per cent of his salary (up to \$300) yearly, which sum is matched dollar for dollar by the Company and on both of which sums he receives 6 per

cent interest compounded semi-annually.

No restriction is placed on marriage, and for those who have families, the Company pays the passage to Zone Headquarters. The accountants would naturally live in the city where the Branch Office is located; but the Juniors, both technical and sales, will be traveling probably three weeks out of four, or six weeks out of eight. While away from headquarters, all legitimate expenses are paid.

Naturally, with such liberal arrangements and such opportunities not only for education but for advancement, the Company expects and has been able to secure unusually high grade men. Although, other things being equal, a man with full college education is desired no matter which class he is applying for, this requirement is waived in cases where experience, training, and personality indicate the wisdom of such action.

Familiarity with automobile engines, electric starting and lighting devices, and a working knowledge of their functions is desirable for all classes; but of course the technical men must be much more thoroughly grounded, not only in theory but in practice. In short, the ideal man in this class should have had technical training plus actual experience in locating troubles and making repairs.

Those who are to be trained as accountants are required to have at least a high school education plus some experience in accounting work, although they are not expected to be public accountants or auditors. Since these men will have charge of all office help in the branch, will adjust claims, and will be both office and business manager for their branch, a good personality plus sound common sense is of great importance.

HIGH STANDARDS FOR SALESMEN

The highest educational attainments are required of those who desire to become salesmen—not because this work is more important than that of the others, nor because these men will be more highly paid; but because we will take men with less previous experience in this particular line, and we can therefore, afford to demand more in the way of mental training as a basis on which to work when

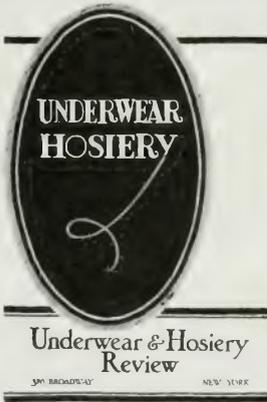
Ruthrauff & Ryan

INCORPORATED

ADVERTISING

101 Fourth Ave. at 28th St., N. Y.
Chicago: 30 N. Michigan Blvd.
Baltimore: 209 N. Liberty St.

WANTED: A first-class technical copywriter, and general advertising man. A real opportunity for the right man. State age, experience and salary desired. Box No. 277, care ADVERTISING & SELLING.



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Advertising Literature and Advertising Samples

We solicit your account.

JAMES T. CASSIDY

206 No. Front St., PHILADELPHIA, PA.
Write for our paper "FACTS."

POSTAGE

The 25c monthly magazine that tells how to transact business by mail—Advertising, Selling, Collecting, Catalogs, Booklets, Circulars, Letters, Office Systems, Money Saving Ideas. Since 1916 the official magazine of The Direct Mail Advertising Association. 6 months \$1.00; 1 year \$2.00.
POSTAGE - 18 East 18th St., New York City

"GIBBONS KNOWS CANADA"

MONTREAL

TORONTO

WINNIPEG

teaching them our sales methods and policies.

In order that there may be as few errors in selection as possible, the application blanks are reviewed independently by four competent members of the Personnel Staff, and if there is sufficient agreement as to the man's desirability for the work applied for, he is given a physical examination by a staff physician. If this is satisfactory he is invited to come to the company's offices for an interview, at our expense, should the railroad fare exceed a certain nominal sum. If the interview is satisfactory to the same four, who talk with him independently, he is sent to the department head under whom he would work if ultimately sent abroad. If this executive considers him desirable material for training and the type of man he would want to send out, he indicates this on a form which is sent to the Superintendent of the Training School.

HOW THE CLASSES FUNCTION

Such a plan is a positive check against improper selection, for the Admissions Committee does not only the rough sifting but the fine combing, and sends to the department heads only the best material, yet even some of these men are rejected for good and sufficient reasons. This, of course, reduces the turnover, which might result from the selection of men not acceptable to those who must finally choose the overseas representatives.

Once in the School a man has a full life, for while he is an observer in the various departments of the Company from 9 A. M. until 3:30 P. M., he is an active worker from 3:30 until 5:30. On Monday he has Accounting and Foreign Language; on Tuesday and Thursday he is taught how to write effective letters and cables, as well as the elements of Foreign Trade; on Wednesday he is taught Salesmanship and Foreign Language; and on Friday he studies the Theory of Internal Combustion Engines and Automobile Construction, and has his final lesson for the week in Foreign Language.

In order that the class room work may be as practical as possible, the Course in English and Cables requires the men to write letters weekly, which are based on the subject matter of the Course and which solve an actual routine problem in the business of the company. All phases of the correspondence are taken up, from sales

to adjustments; and special effort is spent in helping the men to impregnate their letters with the house tone and policy. Under the subject of report writing two reports were asked for: one was to investigate the present method of recruiting candidates for the school and to recommend a better plan; the other, for which prizes of \$100 and \$50 were offered, included research work on the sales possibilities of given territories.

In the course in Salesmanship, which, by the way, is conducted by our own department heads, the work is dramatized, and the men are instructed in the way to approach a prospective distributor by staging a demonstration, under the guidance of the salesmanager himself. The peculiarities of different countries are explained through questions and answers prepared by the men who are now in the field, for they are taking a keen interest in this work.

When it comes to dramatizing the work in internal combustion engines, it seems to us that no better way could be found to bring out all the points than to have an experienced man take the part of a distributor or dealer who is having trouble, due to a lack of knowledge of the car, while the student impersonates the field technical representative and endeavors to explain the difficulties, and how to avoid them. Lessons in the tactful handling of customers are frequent in the three courses just mentioned.

The interdependence of the various departments of the company is illustrated by having Department and Division Heads explain their work by tracing the history of an export order from the country of origin to this organization and then to the country of destination. The students thus get a bird's eye view of what each department does, and how it is done.

CONTROLLED BY GRAPHS

In order that there may be no duplication in sending men to departments, and in order that we may know not only exactly where men are at all times but also how long each has taken for every assignment, a graphic control board is operated in the office of the Training School. On this board are indicated all divisions of all departments, with the maximum number of men to be accommodated at any one time as well as the number of days it is estimated an average man would require to complete the study of that partic-

ular work. Colored buttons bearing the man's name and the date of his assignment to the division make it possible to tell at a glance how long he has been there and how much longer he would normally stay.

Before the school had been operating four months we learned that it is not practicable to try to mix business with too much instruction—in other words, our employes who had been permitted to enroll in the deferred classes all tried to carry more work than they could physically or mentally attend to; with the result that before long all their studies began to suffer. We can see now that it would have been much more profitable all around had we limited to one course, the work for which an employe of the company could enroll.

THE FINAL TRAINING

The final lap of the course comes when all are assigned to the shop which the company has in Fifty-Third Street, New York City. Here a thoroughly modern garage and service station equipment is maintained, and the men are put to work at the repair, tear-down, assembly, adjustment, tuning-up, and testing of all the cars and trucks made by the corporation. Road tests and driving instruction are also had, and to add to the facilities which permit individual work and instruction, there is a lecture room where they are given black board and diagram work.

A man can usually count upon being a student at the student's salary for about one year, after which the salary is increased, as was stated, from 25 percent to 100 percent, depending on his ability and the class of work he is able to perform when he becomes a regular employe of the company.

It is the equivalent of two years in college with pay, and at the same time a most valuable education and training in business methods; and only the men who can stand a gruelling course survive; but those who do prove their mental, moral, and physical worth count themselves fortunate, in that they have won a place in an organization where their efforts will be substantially rewarded, and their futures assured so long as they maintain the records they have set.

"Theatre" Magazine in Boston

Theatre Magazine, New York, has established offices in the Little Building, Boston, under the direction of Charles K. Gordon, New England manager.



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August 21, 1920

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THE HARDWARE INDUSTRY IN FOREIGN TRADE..... <i>H. B. Simmons</i>	24
American Manufacturers will find favorable reception abroad is based on quality first.	
AMERICAN TRADE IN THE NEAR EAST..... <i>Clayton Sedgwick Cooper</i>	28
Confidence in us there is high and conditions warrant cultivation of this great market.	
MAKING EXPORTERS OF AMERICAN BUSINESSMEN..... <i>L. C. Wilsey</i>	38
How the General Motors Export Company is giving selected employes foreign trade training.	

Calendar of Coming Events

September 14-16—Annual Convention, Outdoor Advertising Association, Cleveland, Ohio.	October 11-14—Annual Convention, National Association of Stationers and Manufacturers, St. Louis, Md.
September 22-24—Annual convention, National Petroleum Association, Hotel Traymore, Atlantic City, N. J.	October 11-16—Annual convention, American Association of Advertising Agencies, Chicago, Ill.
September 27-30—Annual Convention, National Association of Advertising Specialty Manufacturers, Hotel Sherman, Chicago.	October 13-15, Annual Convention, National Implement and Vehicle Association, Atlantic City, N. J.
October 6—Annual Convention National Association of Electrical Contractors and Dealers, Baltimore, Md.	October 15—Annual convention, Audit Bureau of Circulations, Chicago, Ill.
October 11-13—Annual Convention National Association of Purchasing Agents, Chicago	October 18-22—Annual Convention, American Bankers' Association, Washington, D. C.

Pivoting a National Campaign on Direct Mail

(Continued from page 6)

that the names of the prospects you select are in the above class.

A very definite follow-up must be arranged. While the mailing campaign is the hub of our service, it is not all-sufficient. This fact must be kept in mind. To depend upon the inquiries and calls in response to letters and literature would, of course, spell failure. The salesmen must go out after the prospects.

Each prospect on the list should be personally seen just as early in the campaign as possible. Each prospect should be carefully studied at the first interview. Further follow-up to be determined from that study.

Recapitulating the various points of the Pittsburg sales plan, Mr. Mentzer says:

Summing up our "Selling the Consumer" service, you have, first of all, a heater than which there is no better on the market. Second, this heater is being persistently presented to over 20,000,000 people through national advertising. Third, the intensified direct mail advertising coupled with window trams and other publicity at the point of contact, is stimulating sales. Then, add to all this the fact that the Pittsburg Water Heater Company is behind every heater you sell, you have a combination that is full of profit possibilities.

But the main reason why the combination is "full of profit possibilities" is the one outstanding feature of this sales plan—the conception of "direct mail," not as something "hung on" to all the rest, but as the strong, central pivoting point upon which all the rest revolves—or, from another angle, as the sharp, fighting edge and to the sales weapon and not merely one of its decorative tassels.

And average sales during demonstration weeks of one heater to every seven persons circularized, with many others trailing in later from leads furnished during the "drive" weeks prove that the edge is effective.

Goodrich Adds 1,300 Newspapers

According to the "Goodrich Dealer," a publication of the B. F. Goodrich Rubber Company, Akron, Ohio, 1,300 newspapers have been added to the advertising schedule of the company, making a total of nearly 2,000 newspapers which are being used in the consumer selling campaign.

Champion Plug Sales Convention

The eighth annual sales convention of the Champion Spark Plug Company, held at Toledo, Ohio, July 19-31, was attended by over 150 men, and was the first convention, two weeks in duration.

The convention was under the direction of F. B. Caswell, director of sales, who had just returned from Europe. While on the other side, Mr. Caswell established a sales force and office in France, Belgium and London, England, and fifteen men are now working that that territory.

Good. Better. Best.
Never let it rest.
Till the Good is Better
And the Better Best.

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GOTHAM STUDIOS INC., 111 East 24th Street New York

First in Selling the Costliest Merchandise

IN THE rise of Arts & Decoration from obscurity to prominence in twelve months, the advertising of furniture, rugs, wall coverings, tapestries, laces, bronzes, silver plate and related articles shows the recognition given the magazine.

The figures compiled cover the period from January to July, inclusive, of this year. The total lineage of the six magazines which exceed all others in this field of advertising:

ARTS & DECORATION	Seven issues	82,820 total lines
TOWN & COUNTRY	Twenty-one issues	75,720 total lines
SPUR	Fourteen issues	51,610 total lines
HOUSE & GARDEN	Seven issues	40,919 total lines
COUNTRY LIFE	Seven issues	29,718 total lines
VOGUE	Fourteen issues	23,633 total lines
HOUSE BEAUTIFUL	Seven issues	20,503 total lines
VANITY FAIR	Seven issues	14,852 total lines

The statistics are significant in that they prove the capacity of Arts & Decoration to sell any article manufactured for those whose buying capacity is not determined by the cost.

ARTS & DECORATION

JOSEPH A. JUDD PUBLISHING COMPANY,

Incorporated

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