

MERCHANDISING WEEK

EDITED FOR THE HOME GOODS RETAILER/A MCGRAW-HILL PUBLICATION/50 CENTS/VOL. 97 NO. 42/OCTOBER 18, 1965

Major Appliance
Marketing
Strategy
and
Tactics
p.13



He has no trouble carrying the 808

...Neither do you!

4 pounds is all it weighs. Thanks to microminiaturization, this 3-band portable makes Santa's load lighter.

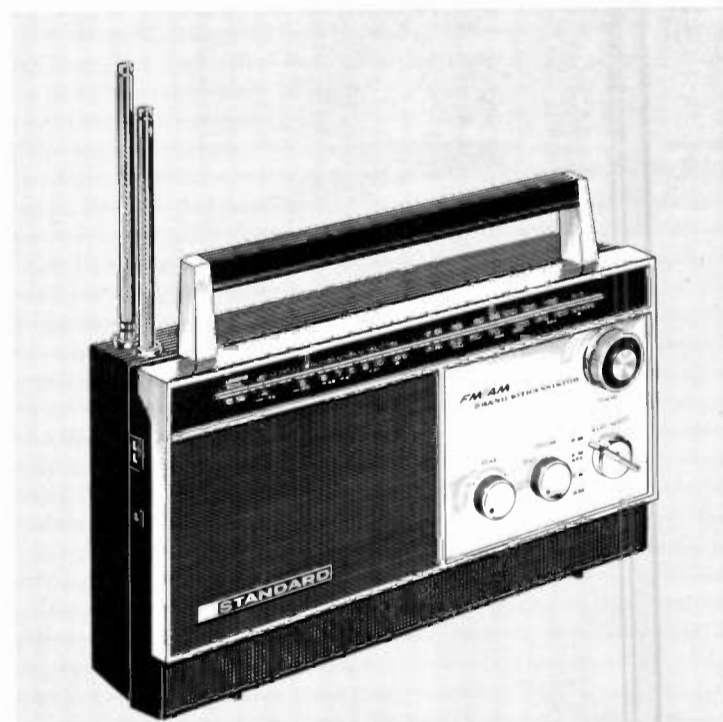
And it's no load on your inventory... because it moves out so fast.

That's what the Wise Men at the NAMM Show were betting on, when they first saw Model SR-J808F. Merchants who bet on it, *are now winning!*

SEASON'S PROFITS...from the STANDARD LINE!

STANDARD RADIO CORP.

410 East 62 Street, New York 10021 • 212 TE 8-4040
1300 West Olympic Boulevard, Los Angeles 90015 • 213 DU 6-8770



You can sell model SR-J808F by ear!

Its one watt of power, coupled to a tone-control that *really* works, will sell itself to your customer. Then tell him... "It plays for you on FM, AM or SW." Ten transistors, 6 diodes, 1 thermistor. These are all engineered by STANDARD to give superb performance. Comes completely equipped with leather carrying case, earphone and batteries. Suggested retail price \$49.95. *And there's a full year's written warranty.*

□□□□ **A Hoover takes over from Electrolux** at the Vacuum Cleaner Manufacturers Assn. J. S. Hoover, vice chairman and secretary of the Hoover Co., has been elected president of the association, succeeding A. J. Darnall, sales vice president of Electrolux. H. V. Kornstien, vice president and general manager of Kingston Products Corp., was elected vice president of VCMA. C. G. Frantz, chairman of Frantz Electric Industries, was reelected secretary-treasurer.

□□□□ **Zayre Corp. went up on the big board** last week. Common stock of the giant chain of self-service department stores will be available Nov. 15 for trading on the New York Stock Exchange. The corporation, which currently operates 75 stores in 18 eastern states, plans to open five more before Christmas, says Zayre president, Stanley H. Feldberg.

□□□□ **Pilot Radio's new 1966 line** of four stereophonic hi-fi receivers ranges in price from \$299.95 to \$499.95. All feature solid-state circuitry and a newly designed four-stage automatic FM stereo tuner. The receivers also include an automatic FM stereo signal indicator and a front panel headphone jack. The four new receivers are: Model R1100, an FM stereo 120w unit, with inputs for two phonos, tape monitor, tape head, and an auxiliary input, for \$449.95; Model R700, a 70w FM stereo receiver with all inputs described for Model R1100, for \$399.95; Model RA300, a 40w AM-FM stereophonic receiver, for \$339.95; and Model R300, a 40w unit with FM stereo tuner only, priced at \$299.95.

□□□□ **Retail customers want diplomatic salesmen**—aggressive and eager, but not pushy and assertive. According to a research report in New York University's *Journal of Retailing*, "dependent" customers do not want to be pushed into buying decisions. "Independent" customers are neutral. The study says that men are slightly in favor of aggressiveness, perhaps because they think of themselves as aggressive and identify with the salesman. Women lean slightly against aggressiveness, perhaps because they shop more, meet more salesmen, and grow to dislike such behavior.

However, the study points out that training salesmen to be aggressive, but only to a desired point, is difficult.

□□□□ **A new battery for transistor radios** has been developed by the Mallory Battery Co. The battery, called Duracell, lasts up to seven times longer than ordinary batteries, says the company. It is one of a series in a group of mercury and alkaline manganese batteries especially adapted by Mallory for use in transistor radios, tape recorders, walkie-talkies and other consumer items. Approximate retail price of Duracell is \$1.30.

□□□□ **Beginning today** Long Island Lighting Company launches a "Desert Dry" automatic clothes dryer sales campaign hoping to help its dealers sell 4,500 dryers. LILCO, in teaming with the National Waltz promotion, will offer table lamps (\$11.95 retail value) as premiums, will back the push with 50,000 lines of newspaper advertising, 650,000 bill-enclosure flyers, a customer contest offering 13 clothes dryers as prizes, and co-op ad allowances. In addition, the utility will offer retailers all manner of in-store display materials. Retail salesmen will also qualify for prizes based on points for each dryer sold. The campaign runs through November.

□□□□ **National Electrical Week planning guides** have been mailed out for the 1966 promotion, "Electricity Makes a World of Difference," to run Feb. 6-12. National Electrical Week sponsors include the National Electrical Manufacturers Assn., National Assn. of Electrical Distributors, Edison Electric Institute and the International Assn. of Electrical Leagues. The "accent on youth" theme initiated a year ago for National Electrical Week will be emphasized this year, says Halsey E. Dickson, chairman of the N. E. W. committee. Much of the material available for the 1966 promotion is keyed to students.

□□□□ **Alden's latest acquisition:** Goldstein's Dept. Store, Murfreesboro, Tenn. Gamble-Skogmo's Alden's group now totals 23 retail stores.

Sales: the retailers' record rate in home electronics

As the consumer electronics industry moves into the heart of the fourth quarter, it leaves behind an already remarkable sales record.

Distributor-to-dealer sales, compiled by Electronic Industries Assn., not only represent the most authentic set of sales figures the industry has, but, because of this year's prosperity, makes fine reading, too.

Recovering from the mid-year sales lull—probably under the confusing influence of the excise tax cut, every important product category lost ground by the end of June—the industry's sales have come roaring back. By the start of October, only one product category—console phonographs—lagged behind last year's splendid pace.

Here is a closer look at how dealers are buying this year:

| | % Changes—1965 over 1964 | | |
|-----------------|--------------------------|--------|--------|
| | 3 mos. | 6 mos. | 9 mos. |
| B&w | - 3.6 | -13.1 | + 4.2 |
| Color tv | +100.1 | +83.4 | +121.7 |
| Home Radio | + 37.3 | +17.5 | + 25.9 |
| Portable Phonos | + 33.5 | - 1.3 | + 30.1 |
| Console Phonos | - 5.6 | -11.6 | - 3.6 |

The color tv figures are particularly striking at the three-quarter mark. As the industry entered October, sales had already hit 1,783,952 units for the year—121.7% ahead of 1964

—and distributor-to-dealer sales in September were a record shattering 463,872 units.

Black-and-white tv sales, after trailing last year's fine pace for most of this year, are back on the plus side at the three-quarter mark. In the first nine months of this year, dealers bought 5,628,856 b&w units, a 4.2% gain over 1964's comparable period.

Radio sales seem destined for new heights. For the first three quarters, retailers purchased 8,790,155 radios from U.S. set makers, a whopping 25.9% ahead of last year's record.

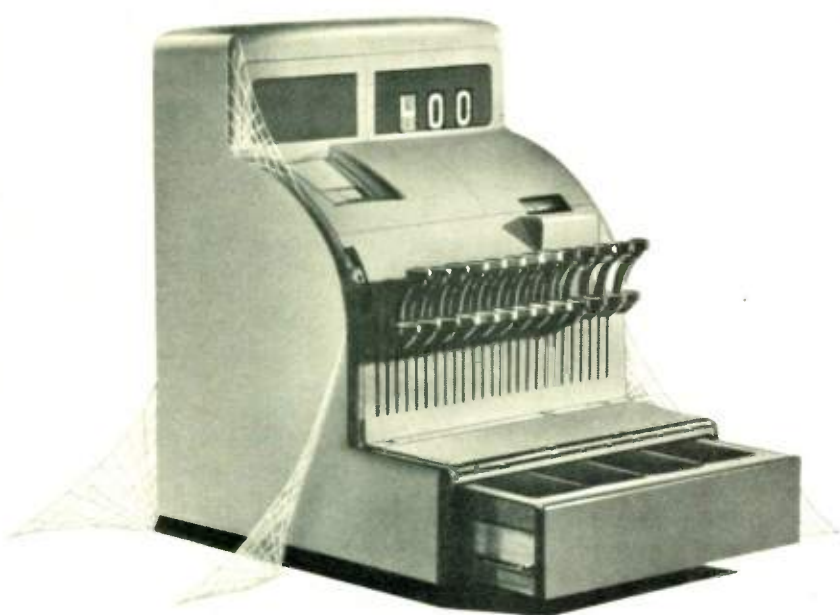
Within the radio category, the strength of FM sales kept growing. The home variety of FM radio had accounted for 2,157,562 units at the end of August.

Portable phono sales recovered in the third quarter: thus far, dealer purchases have hit 2,377,678 units, 30.1% ahead of last year.

Console phonos, perhaps hurt by the color tv boom, trail last year's pace by 3.6%; retailers bought 1,068,927 units in the opening nine months of 1965.

The outlook for sales records is nothing short of record-shattering. If the rate of increase is no more than it was last year, all sorts of industry sales records could fall. Blessed with a fine fourth quarter, b&w tv sales could hit the 8.0 million mark. If enough color tubes were available, color tv sales undoubtedly could hit the 3.0 million mark. Radio sales may top 13.5 million.

3 ways to price-cutting



1

**Go out of business
(your last resort)**



2

**Give the lady a little
more for her money**

And do it without adding to your cost. Good examples are the wheels on Hotpoint roll-out refrigerators, and the porcelain finish on Hotpoint 16-pound washers. Both these great features help convince women to buy, but only Hotpoint builds them in, at no extra cost. Added value that helps you get your share of sales, without trimming profit margins paper-thin.

avoid the rat race:



3

Give her features that really save her work

Like Hotpoint's removable Teflon®-coated oven walls. They slide right out and wipe clean at the range or wash in the sink like dishes. She'll never have to scour a messy oven again. And she'll love it!

Do a real selling job on these Hotpoint features, and the customer will be a lot less concerned with whittling down your price. We're backing you with the most effective advertising campaign in years. Johnny Carson and Hugh Downs are selling for you on NBC's Tonight Show and Today Show.

Full-color Sunday supplement advertising (designed to bring you Christmas buying traffic) breaks in late November. And Hotpoint still gives you the best closer in the business—the written 90-day Replacement Guarantee of Satisfaction. Take out extra profit insurance—call your Hotpoint distributor today.

Hotpoint

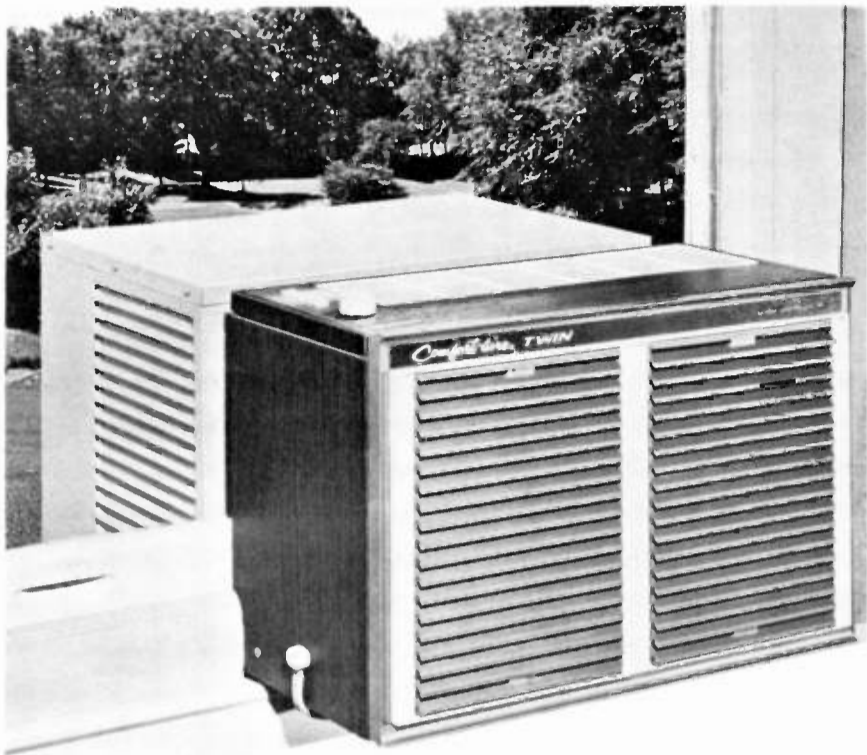
first with the features women want most



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

Hotpoint • A Division of General Electric Company • Chicago, Illinois 60644

Sales Success Story of '65



the *NEW* concept
for living comfort . . .

Comfort-Aire® **TWIN**
ROOM AIR CONDITIONER

WEATHER TO THE CONTRARY, the Comfort-Aire new concept in Room Air Conditioners was a sales success for 1965.

Customers liked the quiet operation, the ease of installation, the new concept of the closed window locking heat and noise outside, sealing cool comfort in.

This sales success story will continue for years to come. Plan now to include the expanded line of Comfort-Aire TWIN air conditioners in your 1966 room air conditioner program.

Watch for Six in Sixty-Six!



HEAT CONTROLLER, INC.

JACKSON, MICHIGAN

The Quality Leader in Conditioning Air



WASHINGTON NEWS

□□□□ **The Supreme Court may deal with franchise questions during the 1965-1966 session.** It is expected to settle the legality of some franchise operations that the Justice Department and the Federal Trade Commission (FTC) have long opposed. Both have had only limited success in the court, but now two key cases have been accepted for review by the Supreme Court.

The first concern is the Brown Shoe Co.'s practice of policing its "independent" dealers to make sure they don't carry competing lines. A Federal Appeals Court in St. Louis dismissed FTC's challenge to Brown's franchise system.

The second is the Justice Department's charge that Sealy Inc. does not make bedding, but is merely a front for a market-sharing agreement among 30 mattress manufacturers. A Chicago district court judge rejected this complaint.

The Supreme Court already has under consideration a Justice attack on an attempt by General Motors Corp. to keep new cars out of the hands of Los Angeles discounters. Decisions in these three cases could go far in shaping the future of franchise operations.

□□□□ **Horizontal acquisitions by department stores have come under FTC fire.** The agency announces a consent order—Allied Stores Corp. of New York, the nation's fifth largest department store chain, has agreed to sell Wolff & Marx Inc., a suburban department store in San Antonio, Texas.

Even more important, under the consent order Allied agreed not to make any horizontal acquisitions without FTC approval for the next 10 years. Allied already has about 100 stores in more than 80 cities. Before the Wolff & Marx acquisition last January, it operated two department stores in downtown San Antonio under the name of Joske Bros. Co. FTC says Allied must sell Wolff & Marx to a responsible purchaser who will preserve the store as a going concern and a fully effective competitor.

□□□□ **The export-import picture is causing concern in Washington.** After several years of surging ahead, U.S. exports have slowed considerably, and experts believe this trend will continue for some time. Imports, which were sluggish for a while, now are moving up rapidly. This renews balance-of-payments worries.

Imports moved up at a surprising rate in the first half of this year, chiefly because of the threat of a steel strike. But federal economists report that they leveled out in August and September, with much of the import gain in consumer goods and other finished products.

□□□□ **The removal of special tariff protection on watches, and perhaps six other items—from stainless steel flatware to safety pins—will not be decided before next spring.** Watch imports are subject to an extra duty now because of an earlier finding that they pose a serious threat to the domestic industry. The President, on the advice of the Tariff Commission, the Office of Emergency Planning, and special trade negotiators, will decide whether this extra duty should be removed, perhaps followed by similar action on six other items.

Predicting solid sales in 1966, Frigidaire unwraps its new line

Frigidaire is predicting a 3% to 5% increase in major appliance industry sales next year. To keep a firm grip on a healthy share of this market, Frigidaire has introduced a 1966 line heavy with new features.

Refrigerator sales will climb 4% throughout the industry this year, forecasts Herman F. Lehman, general manager of Frigidaire. Next year, Frigidaire's 1966 line of refrigerators is made up of 22 models—13 of which have Frost-proof systems—and will shoot for increased sales with new styling and a new optional feature called Ride-Aire.

Ride-Aire, which is available on all 14 new 32-inch models, is an air-cushion device that makes it possible to move a refrigerator by applying only fingertip pressure. A household vacuum cleaner with a blower connection provides a low pressure air stream to a lifting pad attached underneath the refrigerator. The air escaping out of ports in the pads floats the unit a fraction of an inch off the floor. (See diagram below). This feature will add approximately \$20 to the retail price.

The 1966 refrigerator line, which includes six models with capacities over 14 cu. ft., will offer a new vinyl-on-steel wood-grain finish on the fronts of some models (MW, 27 Sep., p.3). An electric door opener on some of the refrigerators makes possible a new smooth-front design. And Frigidaire's automatic ice-maker is featured in two 16-cu.-ft. models and in the 19-cu.-ft. Custom Imperial.

A new refrigerating device—dubbed the Power Capsule—is also being incorporated into the 1966 refrigerator line. Designed with only three moving parts, the mechanism is completely balanced for minimum wear on major parts.

Air conditioner sales will go up 5% throughout the industry this year, Lehman predicted. (At the end of the eight-month period, air conditioner sales were 11.69% ahead of last year's sales, reports the National Electrical Manufacturers Assn.) In 1966, Frigidaire's air conditioner sales drive will center on extra quiet operation and a new thermostatic cooling control.

The new line—32 room air conditioners, including 20 window units and 12 through-the-wall models—ranges from 4,000 Btu to 24,000 Btu in capacity. The 4,000 Btu and 24,000 Btu models are new for 1966. Also new to the 1966 line are a window model with 10,000 Btu cooling capacity and a through-the-wall unit that heats as well as cools at 15,000 Btu.

The new thermostatic cooling control appears on four models in the Prestige series of room air conditioners. This two-stage thermostat controls both the fan and the compressor of the units.

Frigidaire says improved design of the compressor, cooling and condenser coils plus proportionately balanced fan speed in the new Prestige series of air conditioners have substantially reduced the over-all sound level of operation; especially designed solid front panels also reportedly reduce operating noise.



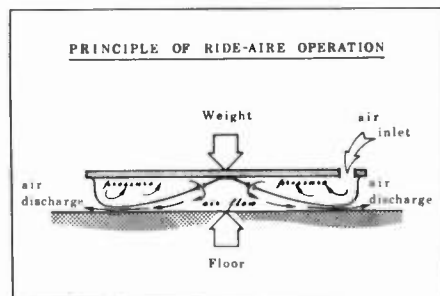
Frigidaire offers wood-grain front.

Range sales should rise 6½% this year in the electric free-standing category, Lehman predicts. However, he expects industry-wide sales of built-in models to drop slightly under the 1964 level.

There are 25 basic range models in Frigidaire's line for next year. Automatic oven cleaning is offered in two 30-inch conventional free-standing units and in two Flair (double-oven units) 30-inch models. The company's automatic meat tenderizing control, which employs a low-heat system for slow cooking, appears in eight 1966 models.

Dishwashers will lead the field in sales increases this year, Lehman forecasts. He predicts that industry-wide sales will be up 16% over 1964. For 1966, Frigidaire is offering an expanded line of dishwashers: four-front-loading models and two top-loaders. New for next year is an Imperial model with a chopping-block wood top, dual-washing detergent dispenser, and a four-cycle control.

Freezer sales will jump 3% this year, Lehman says. Frigidaire's freezer plans for next year are built around a 12-model line that includes eight upright and four chest models. The new Power Capsule refrigerating system has been incorporated into the 1966 freezers.



Frigidaire's Ride-Aire "floats" a refrigerator off the floor for ease in moving the unit. Air from a vacuum cleaner blower, dispersed evenly through an airlift pad, creates a thin cushion of air.

□□□□ **Hong Kong's radio exports to the U.S.** in August—367,838 units—nearly tripled the number of transistor radios exported during August of 1964, reports the Commerce and Industry Dept. of Hong Kong. At the end of the eight-month period, the number of transistor radios exported from Hong Kong to the U.S.—2,289,269—had already surpassed the entire total for 1964. Average price of the Hong Kong transistor radios in August was \$3.30—down 45 cents from the price in August, 1964.

□□□□ **Sears' sales soared 16.8%** in August, compared with the same month last year, reports Austin T. Cushman, board chairman. Sears' volume for the eight-month period ended Sept. 30 jumped 11.7% ahead of the same period last year.

□□□□ **Olympic tv drop-in:** A 21-inch color console in grained walnut or mahogany finish. Model CC329, the Dorne, features a color purifier, Safe-T-Bond tube, and a signal light to indicate a color broadcast.

□□□□ **Half the tvs in the U.S. will be color by 1970,** and 10% of tv homes will have color by the end of this year, predicts RCA. Company officials think color has a lot to do with RCA's record third-quarter profits of \$22.3 million (over 22% above last year's high for the same period) and 1965 nine-month earnings of \$66.2 million (an over-18% rise). With some of that money, RCA has undertaken "the largest expansion program in the company's history" at its color plants in Lancaster, Pa., and in Marion, Bloomington and Indianapolis, Ind.

□□□□ **"Radio—America's Sound Habit"** is the theme selected by the National Assn. of Broadcasters for the 1966 observance of National Radio Month next May.

□□□□ **Zenith will chute in** on television viewers this fall with a 60-second color commercial demonstrating the ruggedness of a new 12-inch battery-operated portable tv set. Zenith filmed a complete parachute drop of a tuned-in Royal 1290 from pushoff to slam-down in California desert land. After a rough impact, Zenith says, the set was still A-OK.

□□□□ **Gamble-Skogmo September sales** of \$47,896,980 register an 18.9% jump over September, 1964, when sales totaled \$40,287,296. Eight-month sales indicate an increase of 9.8% over the same period last year. Gamble-Skogmo includes 446 general merchandise and variety stores, 23 department stores, 70 self-service and family department stores, 364 catalog sales units and 1,996 franchised dealers.

□□□□ **Time Machine starts ticking for Tappan.** With a two page ad in *Life*, Tappan opened its "Time Machine" campaign to sell housewives by pushing time-savers on its entire appliance line. During the last half of 1965, four-color ads are appearing in *Life*, *Better Homes & Gardens*, *BH & G's Home Building Ideas Annual*, *Good Housekeeping*, *Ladies' Home Journal*, and *House Beautiful's Guide To Home Remodeling*. Merchandising kits were nationally distributed to dealers.

□□□□ The boom in color tv touched off frantic action last week on a variety of fronts:

Magnavox raised prices 5% to 8% on approximately 25% of its color tv line because of "depressed" pricing. Price hikes mainly affect 21-inch merchandise. The company already has dropped its \$379 leader. Its current leader goes for \$479. The \$498 step-up (model 550) now goes for \$525. The company's color line, which perhaps reflects the tube supply situation, consists of nine 21-inch consoles in various finishes, five 23-inch consoles, seven 21-inch stereo theaters, three 23-inch stereo theaters, and a pair of 25-inch stereo theaters. Magnavox retailers have been on allocation since mid-September.

The company's first 19-inch color set, slated for Nov. 1 delivery, is a console for about \$500.

National Video Corp. is currently producing color tubes at an annual rate of 500,000 units, president Asher J. Cole said at the company's annual meeting. By mid-1966, he predicted, the company will be building one million rectangular color tubes annually.

Corning Glass Works, the industry's major supplier of picture tube bulbs, is expanding its Bluffton, Ind., plant by more than 40%, because of the rapidly growing demand for color tv bulbs. With talk of shortages rampant in many areas, one Corning official told **MERCHANDISING WEEK** that glass, at least, would not be a limiting factor in the growth of color tv in 1966.

RCA Home Instruments Div. told competitors that it is gradually phasing out of the OEM business. This means that by the end of the first quarter of 1966, competitors will no longer be able to buy critical color parts, such as yokes, from RCA.

Muntz TV Inc. reported that, based on a backlog of orders and projected sales, its first-quarter color tv unit volume will exceed the total volume of fiscal 1965, which ended Aug. 31. To alleviate the cabinet shortage, Muntz made a cash purchase of Master Cabinets, of Dowagiac, Mich., and is taking steps to increase production in the 60,000-sq.-ft. plant.

□□□□ **Full-throttle production is under way** at Orrtronics on its continuous-loop car tape playback system. The new unit, which replaces the Auto Mate, features a horizontal tape path to minimize vertical road shock, a deck pressure roller, and a cartridge two-thirds smaller than those generally available now.

□□□□ **Ranco will offer a two-year warranty** on nearly the entire Ranco line starting Oct. 1. Through its headquarters in Columbus, Ohio, and plants in Canada and six countries overseas, Ranco Inc. supplies appliance and automotive manufacturers with automatic controlling devices.

□□□□ **A new 1966 stereo console guide** has been announced by H. H. Scott. The catalog includes four-color illustrations, decorating ideas, and several articles on stereo construction and music. The free booklet, *At Home with Stereo*, is available from H. H. Scott Inc., Dept. P, 111 Powdermill Rd., Maynard, Mass.

□□□□ **AHLMA will mark its 50th year** at its annual convention, on May 26-27, at the Broadmoor hotel, in Colorado Springs, Colo.

AGA convention topics warm up as retail leader stokes the fire

First appearances tend to be superficial, but delegates at the American Gas Assn. (AGA) annual conclave in Miami last week are not likely to forget the under-the-skin jabbing a retail spokesman administered.

Appearing before AGA for the first time, Jules Steinberg, executive vice president of the National Appliance & Radio-TV Dealers Assn. (NARDA) told the membership that "Gas people have the false notion that dealers are electric-oriented." Steinberg quickly added, "Retailers are profit-oriented."

Gas manufacturers can correct this erroneous impression, Steinberg feels; perhaps they can also do some things better than the electric industry. Steinberg said that the gas industry could: (1) offer sounder franchises and streamlined patterns of distribution; (2) increase consumer-directed gas promotion; and, at the same time, pre-sell products; (3) develop dependable merchandise that is easy to install and service.

Fielding questions from the floor, Steinberg tossed out the following comments:

On builders: Steinberg lashed out at one of NARDA's favorite whipping boys, saying that builders get merchandise "18% to 32% below cost" of the same products for retailers. For example, he said, "In Elkhart, Ind., where there were 20 dealers six years ago, there are two left." He noted that more and more dealers are going into the builder business. (For definitive figures on percent of retailers selling ranges to builders, see p.15 of the special marketing report in this issue.)

On merchandising utilities: Steinberg said, "Although it is tough to live with utilities that merchandise, it depends on how they do it. In most sections of the country, dealers can live with merchandising utilities because they create a price floor which almost any dealer can beat." When a utility plays with prices, he said, it hurts all concerned.

On incentives: Steinberg said that, on the whole, "good promotion is better" than spiffs, because a dealer loses control over his salesmen if

push money from manufacturers gets out of hand.

In his final speech as president of the AGA, Guy W. Wadsworth Jr., who also is president of Southern Counties Gas Co., of Los Angeles, Calif., said that "Long-term survival of the gas industry . . . rests upon retention and expansion of certain basic loads. And these loads are primarily of the domestic household persuasion." (Incoming president of AGA is R.J. Rutherford, president of Worcester Gas Light Co., of Worcester, Mass.)

While knocking electric competition, Wadsworth admitted that the rival industry had successfully sized up its advertising opportunities "to gild the Gold Medallion."

Wadsworth called for an action program to reverse the current trend in range shipments—which is now about 50-50—in order to sustain the over-all saturation of gas ranges on utility lines, which he claims is standing at better than 80%.

Elaborating further, Wadsworth called upon gas companies and gas range manufacturers to combine forces for a counter-movement, which he dubbed "Uprange."

Echoing Steinberg's phrases, Wadsworth said that, "Competition for the cooking load could be equalized, if not reversed, if gas range manufacturers with limited R and D budgets would accept the principle of component manufacture on an OEM basis, and if they would follow through in quantity to permit the development of high-performance units at low cost.

"The range manufacturer would be able to purchase a mass-produced range-top system, including burners, grates, aeration pans, ignition system and controls—and an oven or broiler system including burners, ignition package, controls and liner. His competitive position with electric range manufacturers would be strengthened by lower unit costs. By incorporating component systems into the styling of his own line, embellished by his own convenience features, he would preserve his competitive position."

The Amana-Raytheon marriage produces its first offspring

\$400—that is the price level at which Amana will begin to test-market its new microwave oven this spring.

The microwave oven is the first joint consumer-product venture of Amana Refrigeration Inc. and Raytheon, which bought Amana earlier this year. George C. Foerstner, Amana's president, said the new product utilizes Raytheon's electronic ability and Amana's sheet-metal and distribution experience.

The new oven is two feet wide, one foot high, and 18 inches deep. Thomas L. Phillips, Raytheon's president, said the microwave oven "will never become the primary oven in the home." It is an auxiliary unit

"to heat food quickly. It heats a hamburger in 20 seconds," he said, but the "browning of steaks and turkeys is a problem."

The next joint ventures in consumer products by Amana and Raytheon, Phillips said, will develop along the lines in which the two companies are compatible. He gave no details, but did say Raytheon would steer clear of small appliances. Foerstner expects white goods orders in the fourth quarter to top the same 1964 period by 50%.

Industry trends also were given attention by Foerstner. "I think the one-line dealer is pretty much on his way out," he said.

There's more profit for you in the new Amana 22

- * More sell in its size story
- * More features you can demonstrate
- * More quality in its name

**First Side-by-Side
that provides a
full 22 cubic feet
of food space in
just 35³/₄ inches
of floor space!**

**More features to demonstrate
in the freezer section:**

- Genuine Amana freezer with 280-pound capacity.
- Ice bin conveniently located in the door. Need not be removed for refilling from ejector trays.
- Self-dispensing juice rack.
- Glide-out basket for bulky foods.

**More features to demonstrate
in the refrigerator section:**

- Big family size! A full 14 cubic feet of fresh food storage.
- All the chrome plated steel shelves (even the crisper) can be rearranged, raised, and lowered for complete flexibility.
- Butter conditioner keeps butter at preferred spreading consistency.
- Quart-size bottle storage in door. Removable egg trays. Meat keeper. Glide-out crisper.

Plus these exclusive Amana features:

- Two independent cold controls, one in the freezer and the other in the refrigerator, let you select the exact temperature you wish in each section.
- No defrosting in freezer or refrigerator. Exclusive Frost Magnet stops frost before it starts.



Only 35³/₄" wide

Available in
White or Coppertone

**Amana protects your profits
with a 5-Year Total Appliance Warranty**

Amana warrants for 5 years from date of original purchase in U. S. or Canada, free replacement or repair, including related labor, of parts found defective as to workmanship or material under normal use, and returned through Amana's dealer-distributor organization. Owner is responsible for local cartage, repairmen's travel expense if required, replacement of gaskets, rubber or plastic parts, light bulbs, and accessories. Warranty does not cover taxes, duties, assessments levied at time of part export. Any product subjected to accident, misuse, negligence, abuse, defacement of serial plate or alteration shall void the warranty.

Write, wire or phone for complete details.

**Backed by a century-old tradition
of fine craftsmanship**

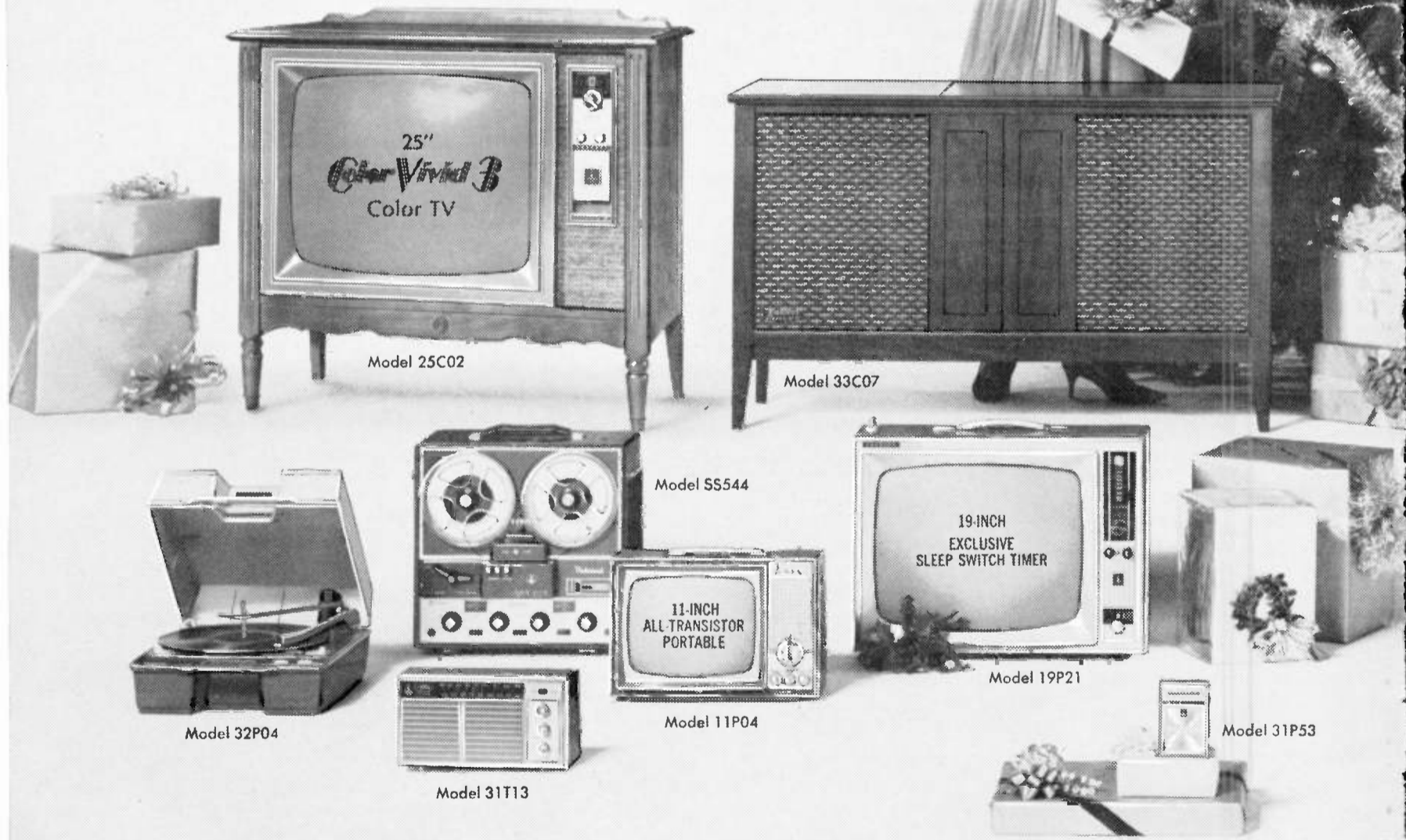
Amana®

AMANA REFRIGERATION, INC., AMANA, IOWA
SUBSIDIARY OF RAYTHEON COMPANY

Give the Pleasure of Emerson

Big Golden Anniversary Christmas Promotion

BUILT AROUND A MERCHANDISE PACKAGE OF MOST-WANTED GIFTS FOR VOLUME SELLING DURING YOUR PEAK SEASON



EVERYTHING FOR A BI

Christmastime and the traffic is heavy . . . but volume sales come from having the right items, the natural step-ups, the necessary in-depth inventories — and letting your customers know about it. ■ Emerson's Big Christmas Promotion gives you: A nationally-advertised and pre-sold selection of the most-wanted gifts — television, phonographs, radios and tape recorders . . . packaged with Golden Anniversary "come-in" incentive specials — plus powerful local advertising backup and coordinated merchandising at point of sale — to make the sale. ■ Your Emerson distributor will give you the details. Act now!

Full one-year warranty on all parts and tubes. TV view. area: 9"-39 sq. in. / 11"-60 sq. in. / 12"-74 sq. in. / 16"-125 sq. in. / 19"-172 sq. in. / 25"-296 sq. in.

America's Best Christmas Buy!

Here are the traffic builders:

- CHRISTMAS SPECTACULAR IN LOOK MAGAZINE
- FULL-COLOR MAILERS WITH YOUR STORE IMPRINT
- LIFE-SIZE FULL-COLOR POINT-OF-SALE TIE-IN DISPLAYS
- WINDOW STREAMERS AND STORE DECORATIONS
- LOCAL NEWSPAPER ADVERTISING



G-PROFIT CHRISTMAS



Our
50th
Year

1915-1965

Emerson

680 FIFTH AVENUE, NEW YORK 10019

WRH



Gibson frost*clear REFRIGERATORS FOR EVERYONE

*An exclusive Frost*Clear line from 12 to 18 cubic feet.*



PRICE—The most efficient Gibson one-and-one system keeps Frost Clear profitable and competitive at all price levels, and way out in front in the new trend setting 17 and 18 cu. ft. models. Today, more than ever, the miracle of frost clear is within the range of every budget.

CONVENIENCE—Many customers have yet to discover the work saving wonder of true Frost Clear in both freezer and refrigerator. Add to this the new excitement of easily adjustable cantilever shelves and optional Icemaster, and you'll know why Gibson has what it takes to maintain your leadership over competition.

CAPACITY—No one can quite match the Gibson capacity leadership of really huge 17 and 18 cu. ft. models in only 32 inches of floor space. The trend is definitely to bigger capacity, and Gibson keeps you in the lead.

STYLE—Only Gibson takes you beyond the novel and expensive decorated fronts to offer a completely coordinated kitchen. New Designer Series refrigerators with exclusive matching wall covering option are available at prices that will thrill your customers and amaze the industry!

Never a thimbleful of frost in a lifetime . . .



Get with the Gibson trip of a lifetime . . .

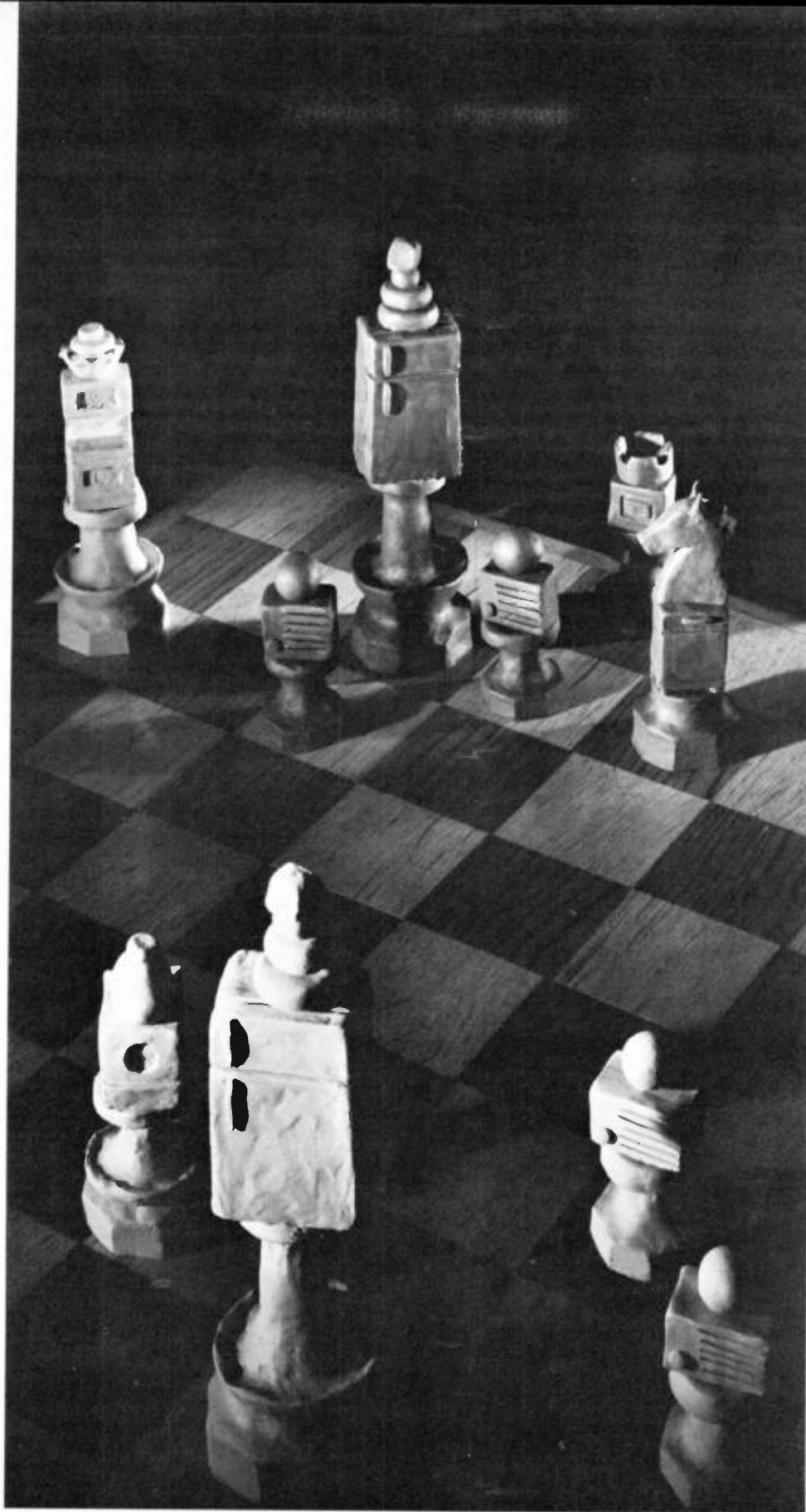
High Adventure in **HONG KONG**

See your Gibson distributor for exciting details

HUPP
CORPORATION

GIBSON REFRIGERATOR SALES CORPORATION
Greenville, Michigan





Major Appliance Marketing

Strategy & Tactics

This special report deals with what is happening now and what will happen tomorrow in the major appliance industry. MERCHANDISING WEEK's comprehensive analysis on the following pages covers the strategy and tactics of winning an exciting, ever-changing marketing contest.

The **retailing scene** is examined closely. The major thrust of industry-wide trends is outlined. The changing patterns are explored to enable a retailer to see where he stands in the nationwide picture.

The **retail facts** for this special report were gathered by MW's Research Dept. from a massive survey of retailer-subscribers during the latter half of 1965. There were five questionnaires in all, one for each major product category—ranges, refrigerators and freezers, dishwashers and disposers, home laundry equipment, and air conditioners.

For each product category, 1,200 questionnaires were sent to structured samples of retailer-subscribers. Each sample was selected to be geographically similar to MW's retail distribution, which closely resembles the national distribution of retailers who sell major appliances.

The results of these surveys were then combined with MW's knowledge of product, manufacturing, and distribution trends to produce this special report.

The **organization of this report** is a two-part division—strategy, and tactics—for each product category, plus a combined-product analysis of the value of retail kitchen planning centers.

The first part of each product analysis spotlights strategy—industry trends, projections, plans, the future. Charts zero-in on specifics to illuminate the strategy.

The second part of each of the analyses discusses the tactics retailers across the country are using to improve their volume and profit performance. Here, too, charts pinpoint the specifics. And, in addition, cross-product comparisons are possible because the charts on the "tactics" pages analyze the same variables for each of the five major products.

The **retailing game**, like chess, requires many things to win—concentration, imagination, a dash of showmanship. Also: a plan for long-range strategy and a knowledge of your opponent's tactics. On the following pages is a blueprint of the moves to make.

Ranges

strategy p.15
tactics p.18

Refrigerators & Freezers

strategy p.23
tactics p.28

Dishwashers & Disposers

strategy p.31
tactics p.34

Kitchen Planning Centers

survey analysis p.39

Home Laundry

strategy p.41
tactics p.44

Air Conditioners

strategy p.47
tactics p.50

Strategy by Martin R. Miller,
Tactics by Bruce Pfau
and MW's Research Department

cover photo by Joe Ruskin;
chess sculpture by Joan Bacchus



**We're alchemists*
when it comes
to selling:**

**We know how
to turn ranges
into money!**

We start by making a line of ranges loaded with *exclusive*, consumer-wanted features. We add the *only* three year guarantee in the industry. Then we stir in a liberal profit margin, prepaid shipping and plenty of promotional monies.

The result: the Caloric Dealer Plan. And when we give it to a Dealer who likes to make money—presto! Before he can open a savings account, he's coining it.

If making money is dear to your heart, we already have a lot in common. Let's have a talk and see if the rest of the chemistry's right.

TO: Mr. Roy Klein, President, Caloric Sales Corporation
Wyncote, Pa. 19095

Dear Roy: Send over one of your alchemists, quick!

Name _____

Firm _____ Tel. _____

Street _____

City _____ State _____ Zip Code _____

MW10-18

Caloric®

CALORIC SALES CORPORATION, Topton, Pa.

*Definition—one who turns base metal into gold.

GAS RANGES ■ BUILT-IN RANGE UNITS ■ KITCHEN HOODS ■ DISHWASHERS ■ COLOR-COORDINATED SINKS ■ OUTDOOR GAS GRILLS ■ CONVENIENCE CADDIES

**MAJOR APPLIANCE
MARKETING**

**Strategy
for
Ranges**

The future is now for the range industry. For while the industry's trade associations (GAMA and NEMA) predict steadily improving manufacturer shipments (see chart), there are trends and product features that are putting zip and zing into marketing this major appliance staple.

A little mathematics shows that factory shipments of both free-standing and built-in electrics are expected to increase 15% by 1969 over estimated shipments for 1965. For gas ranges of all types, the estimated increase by 1969 is 36.4%.

Microscoping the eye-level range trend shows that 15.4% of manufacturer shipments of electric free-standing ranges in 1964 were high-oven units. Gas manufacturer shipments of high oven free-standards carved out 9.2% of the pie (see charts).

Turning to high oven sales this year, electrics were whistling along at a 17.4% increase over the first half of 1964, while gas counterparts had racked up 13.1% of shipments for the first nine months of the year, compared to 1964. Closer inspection of high-oven figures shows that electric makers had shipped 109,000 units through June of this year, while it took the full calendar year in 1964 to ship 177,000 units.

Gas units are also moving at a much more rapid clip. For the first nine months, 132,000 units had been shipped compared to 149,000 in 1964.

An indication of what is happening at retail with eye-level ranges containing both top and bottom ovens can be seen from the charts. Retailers surveyed by MW are selling high-end units. The average retail price for 55% of those surveyed was in the \$350-to-\$499 category. And 27% of the retailers said their average price was \$500 or over.

Profit margins on eye-level ranges are smile-provoking in an industry where the chant about dwindling profits is all too familiar. Almost 60% of the retailers surveyed enjoy average margins between 25% and 34%. Some 9% fatten up on margins of 35% or more.

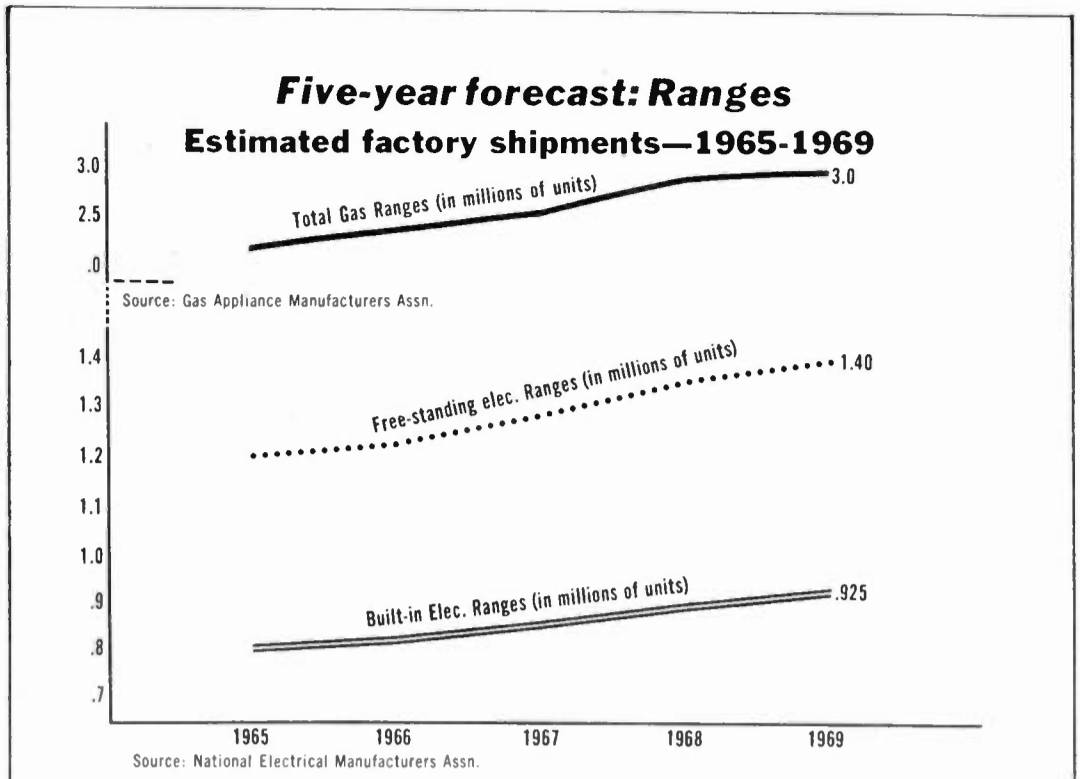
The importance of a self-cleaning oven feature is overwhelmingly vouched for by retailers surveyed (86%). Although there are currently only two manufacturers with units on the market (GE and Frigidaire), look for others to join the competitive battle.

Six out of 10 retailers in MW's round-up foresee a good market for electronic ranges. There are signs that this industry infant is about to break out of its rompers. Tappan, a pioneer in the field and the first to put an electronic or microwave oven in an eye-level range, has stepped up production of these units first introduced in the spring.

Closer examination of what retailers think about electronic ranges in the retail pricing area is pertinent. A hefty 62% feel that price tags should fall in the \$350-to-\$500 range in order for the units to move. One out of four retailers in MW's survey think the market is at the \$451-to-\$500 price range, and 21% feel the over-\$500 category is the correct price range. Only 17% believe the price level should be under \$350.

Looking at retailers' range sales to contractor-builders, one notes that 45% sell to this group (see chart) and 16% of their sales volume is racked up with these contractor-builders.

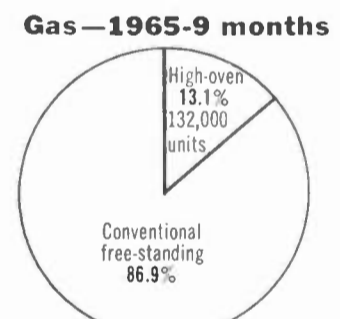
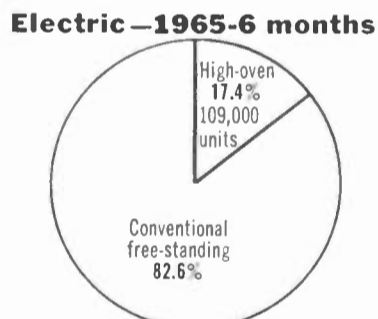
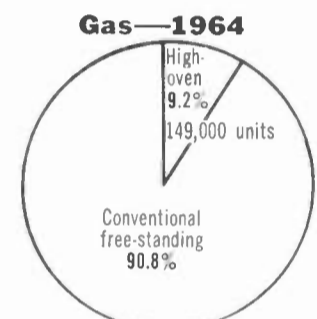
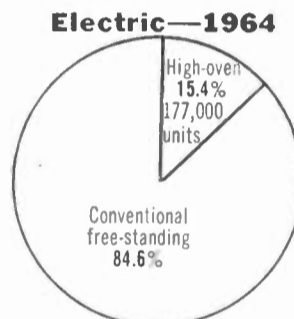
Range tactics on p.18



Special analysis of retail trends

(MW's survey of range retailers)

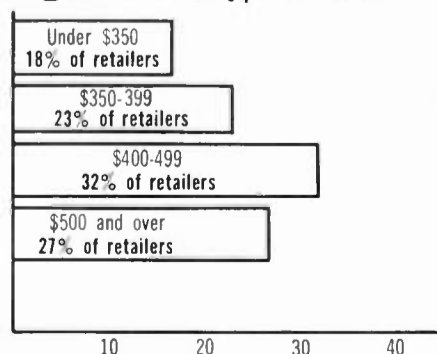
Manufacturer shipments of free-standing ranges



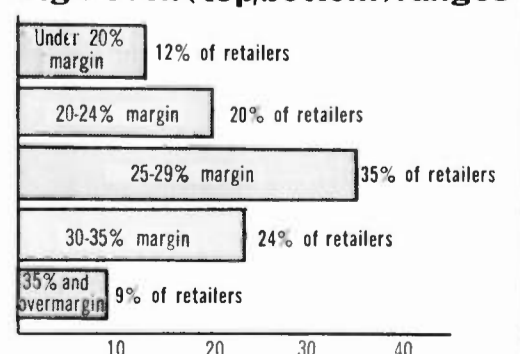
Percent of retailers selling ranges to contractor-builders



Average retail price ranges—high-oven (top/bottom) ranges



Average profit margins—high-oven (top/bottom) ranges



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



MODULE MARK II MGG72



TIROS I YGS11






SCORE II YGG45



TIROS II YGS21



offers 9 tape recorders you can sell. (When the news is this big, who has to shout?)

Now's the time to get aboard the booming tape recorder bandwagon. Now — with the complete new RCA Victor line of 5 reel-to-reel   and 4 snap-in cartridge  models that a child can operate. Best of all, they're from a name your customers know and trust. All 9 are Solid State. All 9 have RCA Solid Copper Circuits — the circuits of the Space Age. And all 9 are backed by the biggest advertising program in the business. Sound pretty terrific? It is pretty terrific! Call your RCA Victor distributor.



The Most Trusted Name in Electronics

Tmk(s)®



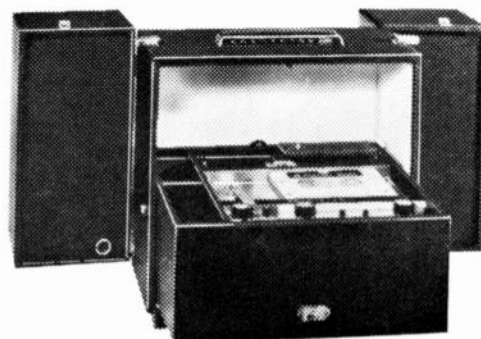
SCORE I YGH31



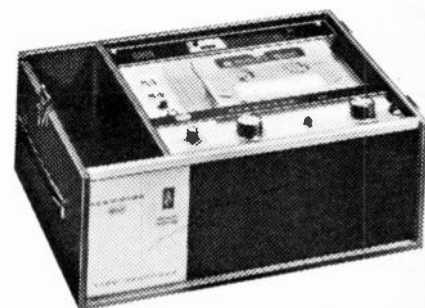
MODULE MARK I MGC71



RELAY I YGB11



RELAY III YGD43



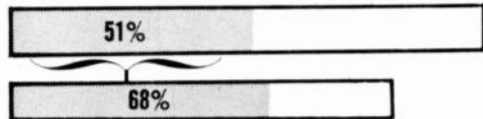
RELAY II YGB29

Comparative analysis of retail practices

(MW's survey of range retailers)

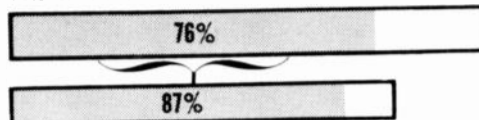
The value of promotions

Industry promotions:
51% of retailers tie-in



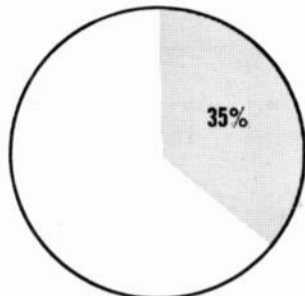
Do tie-ins increase sales?
68% of those who tie-in say yes

Local utility promotions:
76% of retailers tie-in

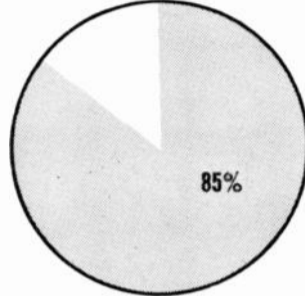


Do tie-ins increase sales?
87% of those who tie-in say yes

Brand preference and switching

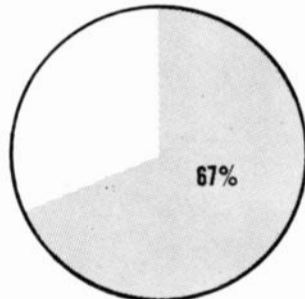


Brand preference: approximately 35% of customers ask for a specific brand

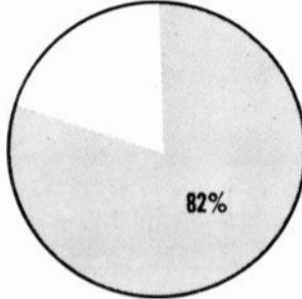


Switching: 85% of retailers attempt to switch a customer who asks for a specific brand

Parts and servicing



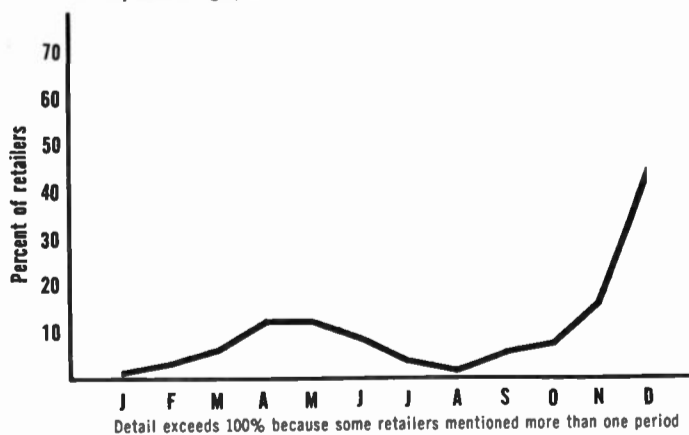
Parts: 67% of retailers who sell ranges also stock parts for them



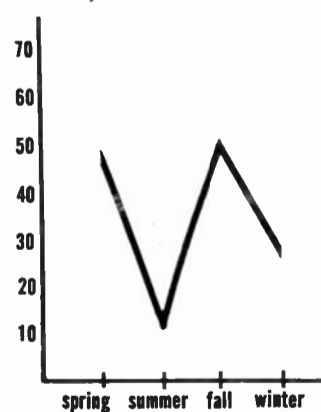
Servicing: 82% of retailers who sell ranges also service them

Inventory and buying peaks

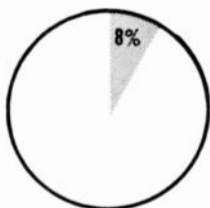
Inventory: when retailers usually have a high-point



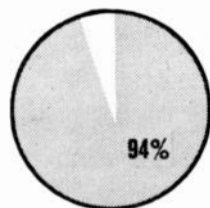
Buying: when retailers usually make commitments



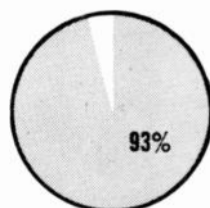
The value of co-op buying



Co-op buying groups:
8% of retailers are members of co-ops



Does membership improve dollar volume? 94% of these members say yes



Does membership improve profit margins? 93% of these members say yes

MAJOR APPLIANCE MARKETING

Tactics for

Ranges

Eye-level. Built-in. Electronic. Self-cleaning.

These are the by-words of the range and oven industry. To get the story across, more than half of the retailers surveyed by MERCHANDISING WEEK reported they tie-in with industry range promotions, and more than three-quarters say they join local utility campaigns.

Almost seven of 10 retailers who signed up with the industry efforts say that sales were helped by the promotions. And almost nine out of 10 retailers who used utility promotions think that sales were helped by these campaigns.

More than a third of the customers who come into the store looking for a range ask for a particular brand, the survey shows. And 85% of the time, these customers hear a sales pitch try to switch them to another brand.

A fairly high percentage (67%) of the retailers who sell ranges also stock parts. And more than eight out of 10 retailers questioned in this survey report that they service the ranges they sell. Nine out of 10 respondents say they deliver in their own trucks.

Range inventory is at its high point in December, according to the survey. The retailers report they make most of their buying commitments in the spring and fall, and 93% of the retailers say they have direct buying authority.

Almost all the range retailers who belong to co-op buying groups think their dollar volume and profit margins are helped through membership in these groups.

The charts on this page are based on a survey of a structured sample of 1,197 reader-subscribers of MERCHANDISING WEEK. Of those who sent in usable replies, 67% said they sell ranges and ovens.

Nearly seven out of 10 retailers used in this survey described their outlet as an appliance-radio-tv store. Other classifications were: home furnishings or furniture store, 8%; department store or mass merchandiser, 4%; auto supply store, 3%; plumber, 1%. The remainder—15%—were classified as other types of outlets.

The largest percentage of retailers responding to the range survey (22%) are located in the East North Central region. Another fifth of the respondents are located in the West North Central area of the country. Complete geographical break-down of the survey shows 17% of the replies came from the Middle Atlantic region, 10% from South Atlantic, 12% from West South Central, 7% from the Pacific, and 4% from New England, the East South Central, and the Mountain areas.

Refrigerator strategy on p.23



Gibson Ultra Electric Ranges



Built-in beauty...

The emphasis on high styling in appliances makes the counter-top-blending design of the Ultra Range line more effective than ever. Particularly with the Lady Gibson two-oven ranges whose classic lines have a definite built-in look, yet give maximum cooking capacity in only 30 inches of floorspace . . . makes it easy to sell plug-in installation convenience in almost any kitchen.



More cleanability...

Easy cleaning is a big factor with today's busy housewife, and Gibson helps you sell her with plug-out elements, one piece bright chrome reflector pans and adapter rings, plus removable oven doors across the entire line! In addition, the Ultra 400 offers removable oven bottom, and the Lady Gibson U1000-62V offers this, plus removable oven back and bottom in upper oven, and two way vent hood. Spatter proof broiler pan is standard in most Ultra models.

Now, complete line in White or Coppertone at no extra cost

HUPP
CORPORATION

GIBSON REFRIGERATOR SALES CORPORATION, GREENVILLE, MICHIGAN



Get with the Gibson trip of a lifetime . . .

High Adventure in **HONG KONG**

See your Gibson distributor for exciting details

NEW ZENITH VOLUME-BUILDERS ...PRICED WHERE THE ACTION IS!



\$99⁹⁵

12" * PORTABLE—ZENITH'S LOWEST PRICE EVER!
For the first time, Zenith Handcrafted quality at less than \$100! Beautifully molded multi-color cabinet. Compact, lightweight—only 21 pounds.
THE JETLITE—MODEL N1250

\$129⁹⁵

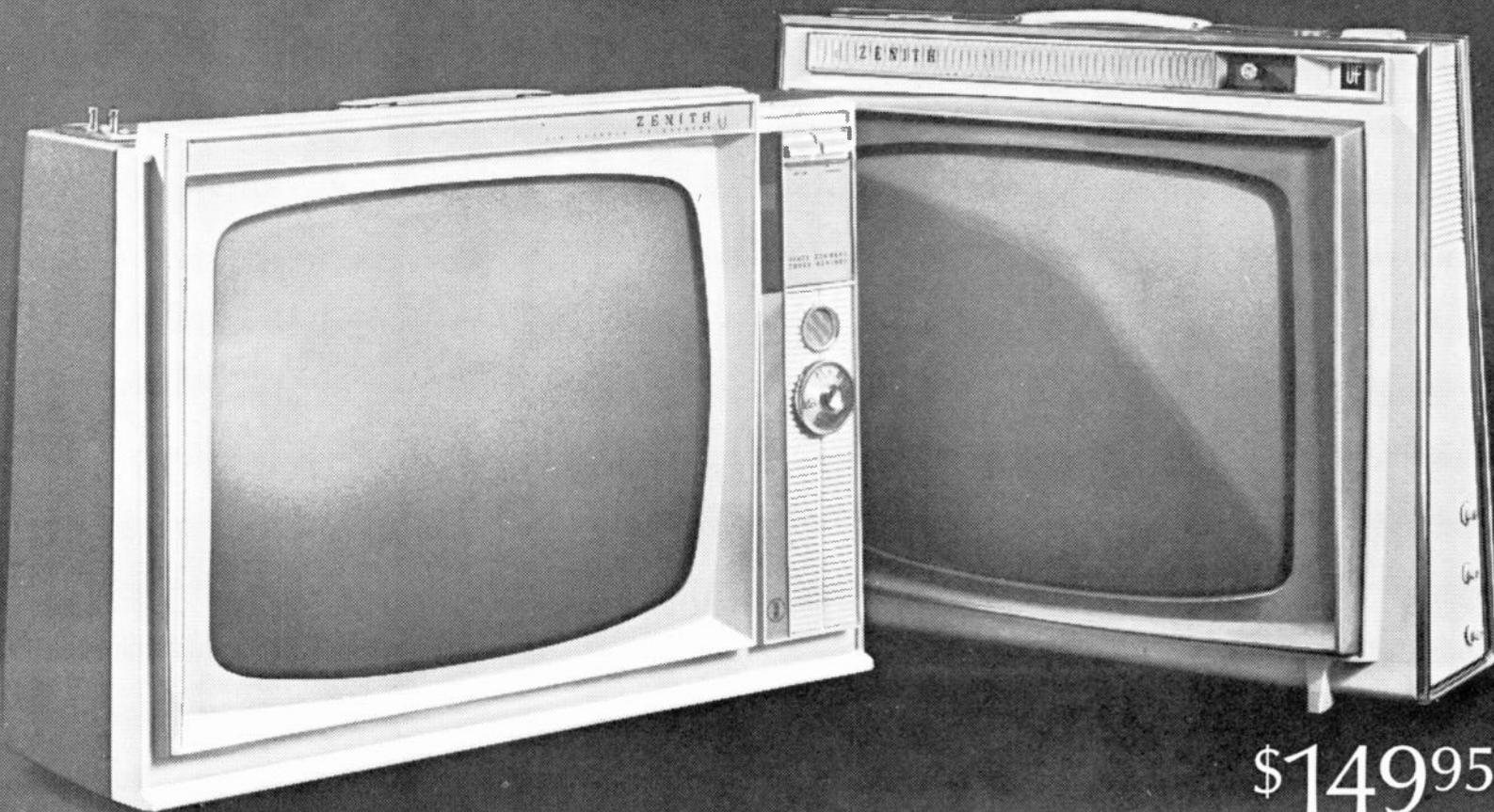
GREAT VALUE IN 19"† ZENITH PORTABLE
New Slim Line portable with 100% hand-wired chassis. Zenith quality front-mounted speaker. Stunning 2-tone molded cabinet; top carry handle.
THE TOURNEY—MODEL N2000C

*12" overall diagonal measurement, 74 sq. in. rect. picture area. †19" overall diagonal measurement, 172 sq. in. rect. picture area.

Some people say you can't
 Handcraft a portable TV and sell it
 at a competitive price. Yet look
 at the prices of these new Zeniths.
 They're all value priced as never before...
 with Zenith Handcrafted quality throughout.



The quality goes in before the name goes on®



\$199⁹⁵

19" PORTABLE WITH SPACE COMMAND® REMOTE CONTROL

Lowest price ever for famous Space Command convenience.
 Turns set on-off, changes VHF channels, adjusts volume.
 Plus Zenith Super Gold Video Guard tuning system
 for peak performance. Distinctive vinyl clad metal cabinet.

THE TROPICANA—MODEL N2205L

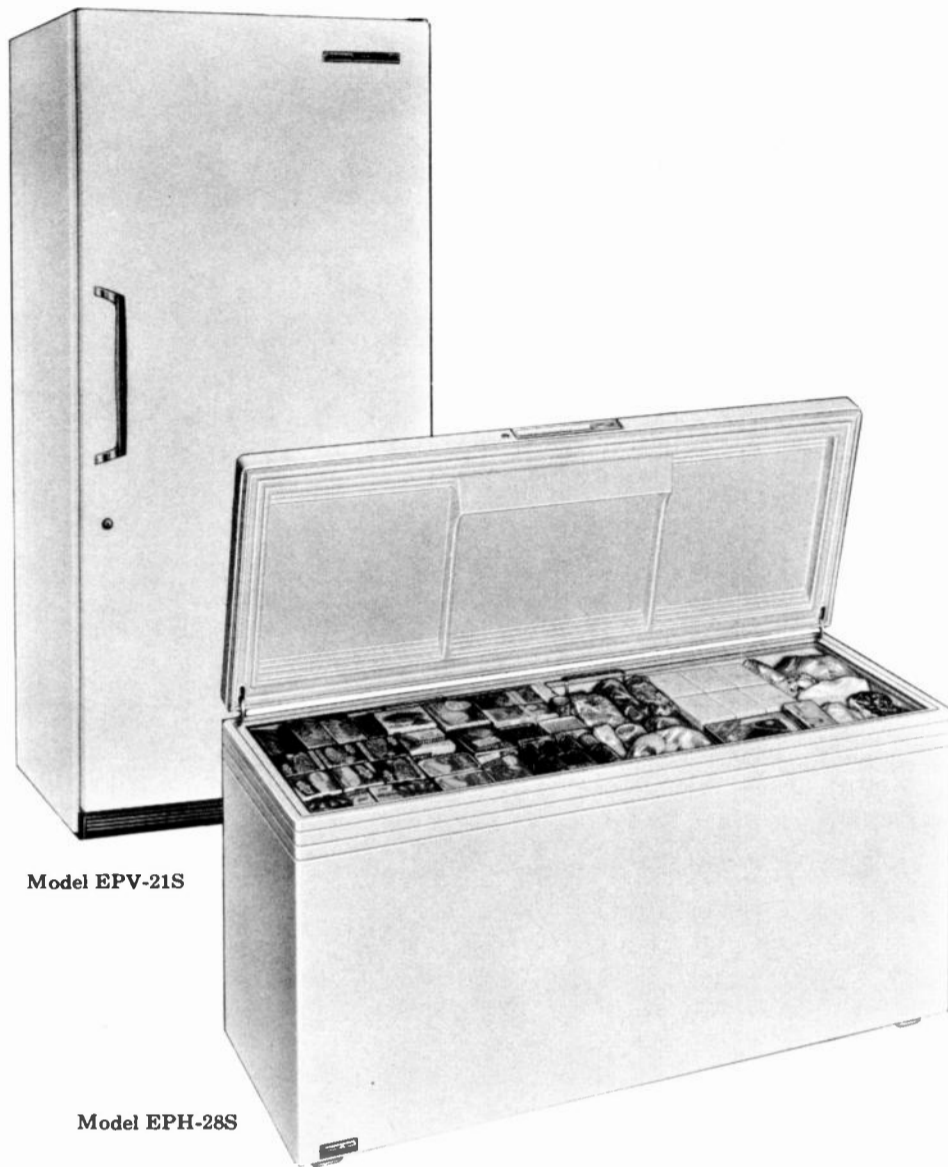
\$149⁹⁵

ZENITH 19" PORTABLE WITH QUALITY FEATURES

Streamlined luggage style; strong, clean lines with
 contrasting trim. Large easy-to-read channel number panel.
 Telescopic dipole antenna, highly sensitive. Handcrafted
 for years of dependable service.

THE CARAVAN—MODEL SA2152

All prices are manufacturer's suggested retail. Prices and specifications subject to change without notice.



Model EPV-21S

Model EPH-28S

When we talk freezers for '66 we talk quality

(And two five-year warranties back up our story)

It's one thing to say a freezer's good, but it's something else again to prove it. That's why every model . . . chest and upright . . . in the new 1966 RCA WHIRLPOOL freezer line carries a five-year warranty on its sealed system (other parts are warranted for one year) and another against food spoilage. What better proof that when we say quality we mean quality! Quality performance . . . quality performance . . . quality features.

5-year warranty on sealed system

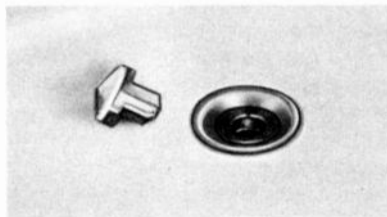
Whirlpool Corporation warrants to the original retail purchaser of this Appliance (herein called "Appliance") that it will, free of charge, repair or exchange, at its option, the following parts returned to Whirlpool by a service organization authorized by either Whirlpool or its distributor within the periods specified below and found by Whirlpool to be defective in material or workmanship: (a) for a period of one year after purchase, all Whirlpool-approved or FSP* parts comprising the Appliance; and (b) for a period of four years following that one year period, all Whirlpool-approved or FSP parts comprising the sealed refrigeration system in the Appliance (consisting of the following parts only: motor-compressor, condenser, evaporator and all connecting tubing welded thereto). During the warranty periods referred to above, charges for service or other costs arising out of this Warranty will be assumed by the selling dealer or his distributor free of charge to the purchaser. This Warranty is not transferable by the purchaser and shall be voided: when any part other than a Whirlpool-approved or FSP part is incorporated in the Appliance; if the Appliance is used for commercial purposes; if alterations not approved by Whirlpool are made in the Appliance; if the serial number plate is altered or removed; or, if the repair or exchange of an in-warranty part is made by other than an authorized service organization. Further, this Warranty does not apply: if the Appliance has been subjected to accident, misuse, damage caused by flood, fire or act of God or has been used on circuits, voltages or frequencies other than indicated on the serial number plate of the Appliance; or to electric bulbs, porcelain enamel or internal or external finish of the Appliance. Whirlpool Corporation's warranty obligations, other than its Food Spoilage Warranty, are limited to those set forth herein and no other obligations, expressed or implied, are assumed by Whirlpool Corporation. WHIRLPOOL CORPORATION Benton Harbor, Michigan FSP is a registered trademark of Whirlpool Corporation Report claims to your RCA WHIRLPOOL dealer

5-year warranty on food spoilage

Whirlpool Corporation warrants to the original retail purchaser of this RCA WHIRLPOOL Home Freezer (herein called the "Freezer") that it will, for a period of five (5) years from the date of delivery of the Freezer to the purchaser, reimburse the purchaser for the retail price paid by that purchaser for food actually lost by spoilage, due to the failure of the Freezer to function properly because of defects in material or workmanship or due to the failure of the Freezer, when kept in a closed condition, to retain a food preserving temperature for a period of 48 hours following an interruption in electric power.

Whirlpool Corporation shall not be liable for any loss or losses: (1) caused by natural spoilage; (2) caused through misuse or negligent care of the Freezer; (3) caused by a manual disconnect of electric power whether intentional or accidental; (4) caused directly or indirectly by rot, strike, war, insurrection, hostility, or invasion; (5) caused outside the United States of America; (6) when the Freezer is used for other than private home use; and (7) which are less than \$5.00 nor which exceed the sum of \$200.00 in the aggregate for one or more claims.

Whirlpool Corporation's obligations with respect to food spoilage in the Freezer are limited to those set forth herein and no other obligations, expressed or implied, are assumed by Whirlpool Corporation in connection with any food spoilage.



Take the built-in defrost drain for openers. It carries defrost water away in minutes . . . empties it out the bottom of the freezer, so there's no messy bailing or mopping.

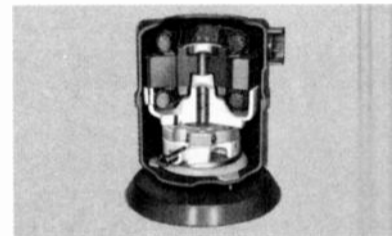
The new Quick-Defrost* system on one model cuts defrosting time, defrosts the freezer automatically when you pull a switch.

And every RCA WHIRLPOOL upright . . . not just a few high-end models . . . has bookshelf door storage.



Try to scratch the interior of an RCA WHIRLPOOL freezer with a coin. This simple test is eloquent proof of how the durable, easy-to-clean porcelain-enamel finish resists scratching, chipping and marring.

We're not just whistling "Dixie" when we talk quality performance



either. Our unique two-bladed rotary compressor "wears in" instead of wearing out . . . actually increases in efficiency as much as 11% during its first five years in use.

No-Frost models that never need defrosting . . . MILLION-MAGNET® door that seals in cold . . . space-saving thin-wall design . . . positive-action key lock . . . open-grid shelves . . . you name it. If it makes for a better freezer, you'll find it in an RCA WHIRLPOOL. And there are 10 uprights and 6 chests in the line . . . every one backed by two five-year warranties. Contact your local distributor for a complete run-down on the complete line of RCA WHIRLPOOL freezers for '66.



*Tmk.

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

**MAJOR APPLIANCE
MARKETING**

**Strategy
for**

**Refrigerators
& Freezers**

The refrigerator, long-time sales and dollar champion of the major appliance industry, shows no signs of retiring or yielding its top position to any challengers. The old majors pro is more newsworthy and exciting all the time.

Instead of taking a sales dive in the face of an almost 100% saturation (98.3%, the highest in the industry), this product has continued a winner. And manufacturers are setting trends which will more than maintain the refrigerator's number-one sales-and-dollar slot.

Because of positive changes and innovations, which foster more-than-average replacement sales, and spurred by a burgeoning Young America market, manufacturers are predicting steady growth for this perennial powerhouse (see chart at right). According to NEMA, refrigerator shipments by the end of the decade should leap over the 5-million mark. This is a juicy 8.6% increase over NEMA's estimates that 4.7 million units will be moved from factories by the end of this year.

As consumer preference for larger-size refrigerators and freezers increases (more than half of all refrigerator-freezer combination shipments are in the 14-cu.-ft.-and-over category), the industry responds. The current scramble to board the side-by-side refrigerator-freezer express is an example. Kelvinator, with its Foodarama, and Admiral, with its Duplexes, have been in the vanguard. And Admiral now claims that 15% of its refrigeration sales are side-by-sides. With the introduction of new lines have come some new names on the side-by-side scene. It is a good bet that others will follow. Most important is retail reaction and movement on these units. Sales now account for 2% of the product mix according to retailers in MW's survey (see chart). However, 72% of retailers surveyed reported they did not sell these units. Therefore, the trend conscious retailer is merchandising this new type of combo. The sales figure is destined to swell in the years to come.

The no-frost trend is also in high gear. The combination of more and more units in manufacturers' lines with a steady lowering of retail prices for this figure has contributed to booming sales in this category. Some in the industry have forecast that by 1970 the manual defrost and automatic defrost unit will be obsolete.

Not much sales noise at retail has been heard about four-door refrigerator-freezer units, such as Franklin Manufacturing's Avanti model. A select few, including GE and Whirlpool (and Sears via Whirlpool), have units on the market.

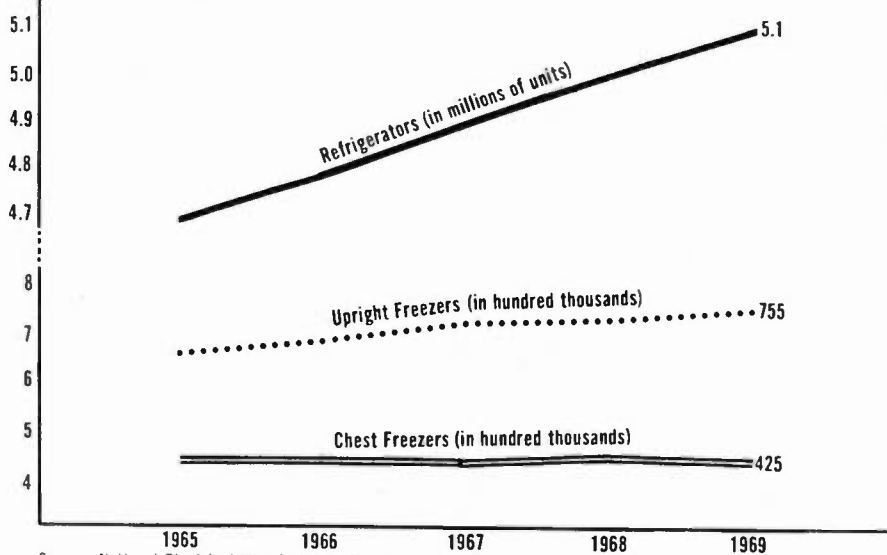
Refrigerators with automatic ice makers got a big sales boost this summer when Frigidaire incorporated its own unit into some models. This feature will be built into more manufacturers' lines and models.

But the biggest splash and image-building pick-me-up that the industry received this year was from Kelvinator's introduction of its chic "Originals." Other manufacturers, notably Gibson and Amana, have introduced their own variations on the decorator theme. Undoubtedly there will be more. In fact, Norcold, a compact-refrigerator and freezer producer, now boasts a line of designer units.

Refrigerator tactics on p.28

Five-year forecast: Refrigerators & Freezers

Estimated factory shipments—1965-1969

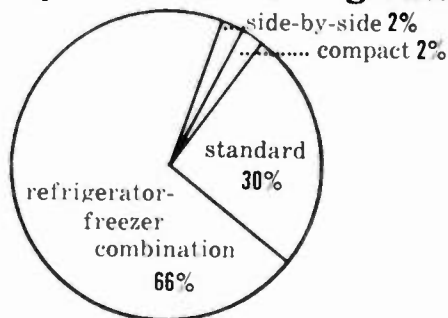


Source: National Electrical Manufacturers Assn.

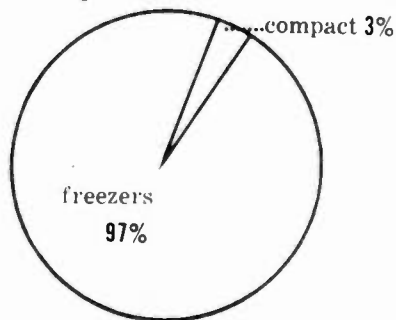
Special analysis of retail trends

(MW's survey of refrigerator/freezer retailers)

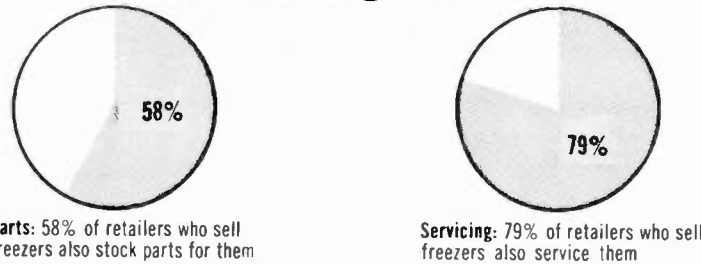
Retail product mix—refrigerators



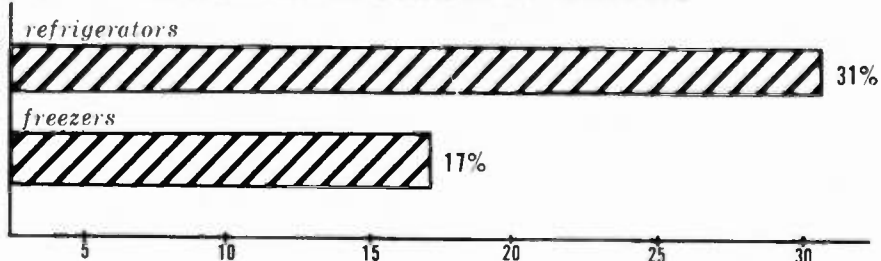
Retail product mix—freezers



Retail servicing—freezers



Percent of retailers selling refrigerators or freezers to contractor-builders

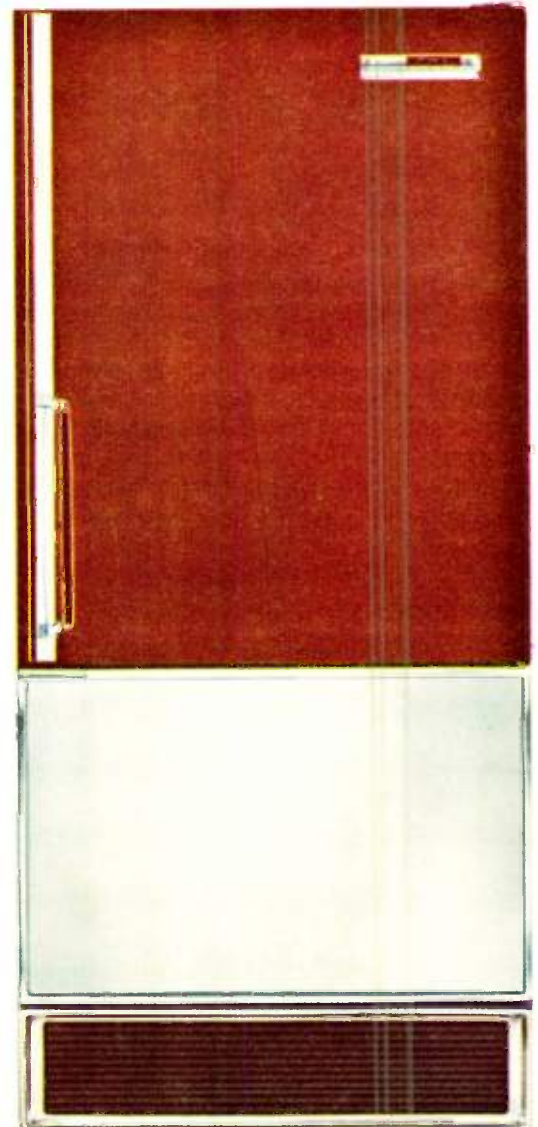




Model EPT-17M



Model EPB-19M



Switch lookers  to buyers with

visual value

in every 1966 model!

Seeing is believing. That's the way the old saying goes. And truer words were never spoken when it comes to the new 1966 RCA WHIRLPOOL refrigerator-freezers. Open the door of any model and you'll prove it. You'll see the features that add up to irresistible value . . . features that are yours to sell, up and down the line.



Visual Value #1 — The exclusive IceMagic® automatic ice maker . . . it's tried and proved. This is no Johnny-come-lately. We've been making it for eight years . . . have built it into hundreds of thousands of refrigerators, to keep millions of people supplied with all the ice they want, when they want it . . . *without ice tray bother.*



Visual Value #2 — True No-Frost system. Troublesome frost can't build up because fan-circulated icy air does the cooling. Besides, an RCA WHIRLPOOL No-Frost refrigerator-freezer maintains the temperatures food technologists recommend for most satisfactory food storage over longest periods. Of course, there's no defrosting ever. And both refrigerator and freezer sections have their own temperature controls.



Visual Value #3 — New freezer basket. Made from sturdy chrome-

plated steel, it rolls in and out easily, provides ideal storage for meats and other packaged foods.



We'd have to count on both hands to tick off all the Visual Values. Bushel-capacity twin crispers . . .



glide-out shelves . . . super-storage door . . . bookshelf freezer door storage . . . covered meat pan. Your

customers can see them all, so they *know* the value's there in an RCA WHIRLPOOL.

There are hidden values, too. Like the Heart-of-Cold* rotary compressor that "wears in" instead of wearing out. And efficient insulation that puts more room inside the refrigerator and freezer sections.

Are these big selling features limited to a few top-of-the-line models? Not on your life! 8 of the 22 models in the line have an IceMagic. 13 are No-Frost. 20 have twin crispers. 15 have meat pans. 20 have glide-out shelves. And 22 have super-storage doors. There's Visual Value in *every* RCA WHIRLPOOL refrigerator-freezer . . . to help you parlay lookers into buyers.

See what the line with Visual Value and "see-up selling" can do for your volume. Your RCA WHIRLPOOL distributor has the *whole* story. *Tmk.



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

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

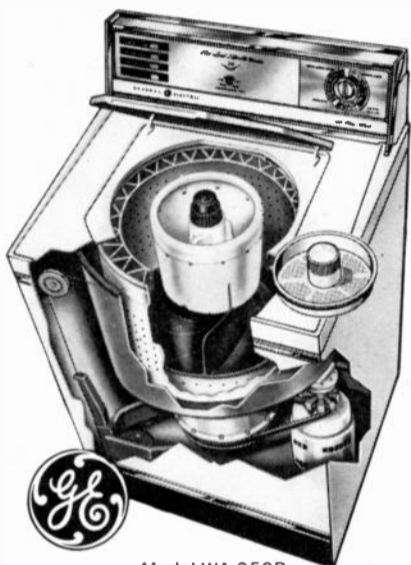
Trademarks  and RCA used by authority of trademark owner, Radio Corporation of America.

NOW

General Electric's fabulous Totals
give you the best sales
opportunity in laundry appliances

THE TOTAL WASHER

(the one with MINI-BASKET)

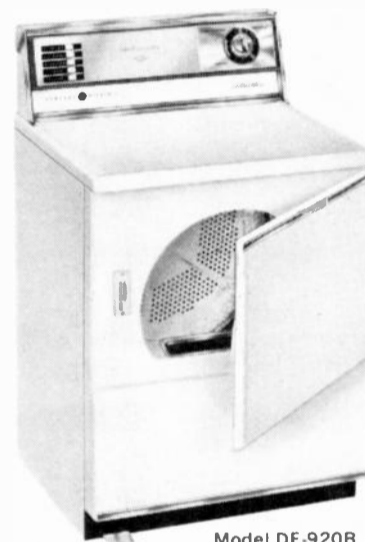


Model WA-950B

- LARGE WASHBASKET CAPACITY.
- FILTER-FLO® WASHING SYSTEM.
- THREE WASH CYCLES.
- MULTISPEED COMBINATION.
- INFINITE WATER-LEVEL SELECTION.
- DUAL-PURPOSE TURBO PUMP.
- SUPER V-14 SPIRAL ACTIVATOR®.
- AIRCRAFT-TYPE CABLE SUSPENSION SYSTEM.
- EXCLUSIVE MINI-BASKET®. Does the delicate things she never dared machine-wash before. Up to 2 pounds at a time. Great for nuisance loads and leftovers, too. And uses only 11½ gallons of water. Saves detergents, time and money. Only General Electric offers this feature. It's what makes General Electric *THE TOTAL WASHER*.

THE TOTAL DRYER

(the one with THERMO-SENSOR)

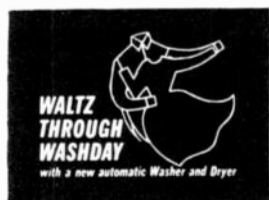


Model DE-920B

THE NEW THERMO-SENSOR CONTROL is strictly G-E magic. It takes all the guesswork out of drying. No over-drying, no under-drying. Automatically determines when clothes are properly dry. No fabric damage, no set wrinkles with most delicate fabrics.

PLUS: illuminated control panel . . . Variable Time Cycle Control—either 120- or 240-volt operation . . . Wash 'n Wear Timed Cycle . . . safety start switch . . . Air Fluff Selection . . . Damp Dry control . . . heating elements thermostatically controlled . . . perforated protective shield . . . interior light . . . large loading port . . . operating instructions . . . easy-access lint trap . . . magnetic door latch . . . centrifugal blower . . . Foot Treadle Door Opener . . . porcelain enamel drum and top . . . Cushion-Mounted G-E Motor.

THE TOTAL PROGRAM



Powerful national advertising will appear in mass magazines and on network television. Special premiums to promote G-E laundry equipment will be made available. In addition . . . all advertising placed throughout the "WALTZ THROUGH WASHDAY" promotion will tie in directly with this national effort. Tie-in ad mats will be available to you as will a special tie-in display kit.

IT
ALL
ADDS
UP

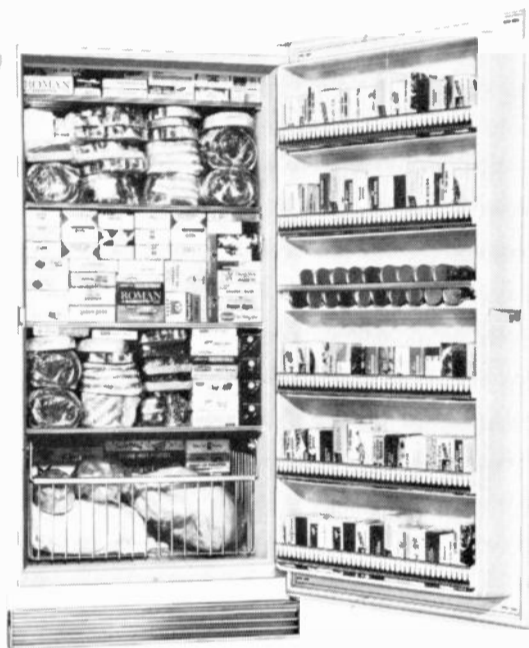
to record laundry appliance profits for you

GENERAL  ELECTRIC



frost ❄️ clear CONVENIENCE

All the magic benefits of "never a thimbleful of frost in a lifetime" that have made Frost Clear refrigerators a major factor in the industry, are even more effective and more saleable in an upright freezer. Now available in 12, 14 and popular 17 cu. ft. sizes, Gibson Frost Clear freezers offer the additional convenience of new, easy to adjust cantilever shelves, blast freeze compartment and slide-out re-arranging shelf.



UPRIGHT CAPACITY

The complete Gibson upright freezer line offers sizes to fit every market from 9 to 31 cubic feet. However modest the budget, or big the need, Gibson gives you real leadership . . . in capacity, profitable pricing, and exclusive 3½ hour Quality Mile testing of every Gibson freezer.



CHEST ECONOMY

As long as folks freeze food, there will always be a market for big values in chest freezers. Gibson has 'em from 17 to 25 cubic feet, with an exciting new 19 cubic foot model that offers flash defrost and optional coppertone!

Gibson FREEZERS

LOADED
FOR
LEADERSHIP

HUPP
CORPORATION



GIBSON REFRIGERATOR SALES CORPORATION, GREENVILLE, MICHIGAN



Get with the Gibson trip of a lifetime . . .

High Adventure in **HONG KONG**

See your Gibson distributor for exciting details

Comparative analysis of retail practices

(MW's survey of refrigerator/freezer retailers)

The value of promotions

Industry promotions:
58% of retailers tie-in



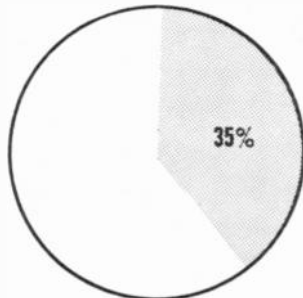
Do tie-ins increase sales?
82% of those who tie-in say yes

Local utility promotions:
66% of retailers tie in

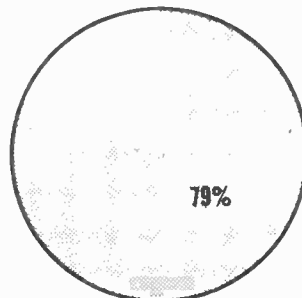


Do tie-ins increase sales?
79% of those who tie in say yes

Brand preference and switching

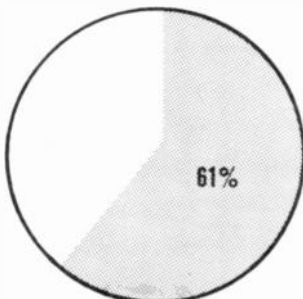


Brand preference: approximately 35% of customers ask for a specific brand

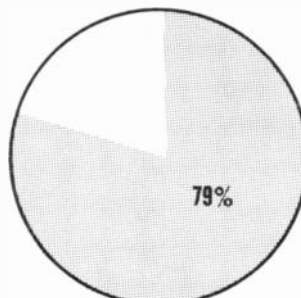


Switching: 79% of retailers attempt to switch a customer who asks for a specific brand

Parts and servicing



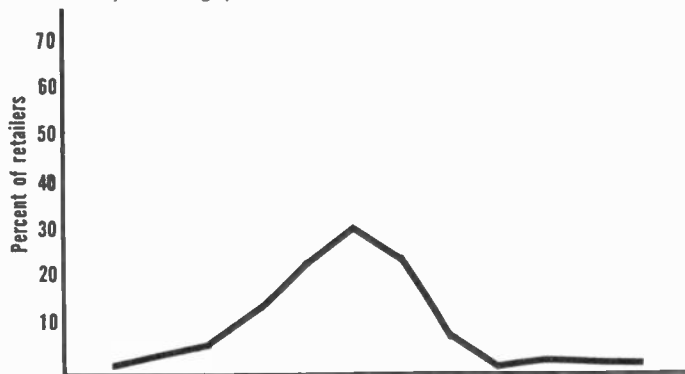
Parts: 61% of retailers who sell refrigerators also stock parts



Servicing: 79% of retailers who sell refrigerators also service them

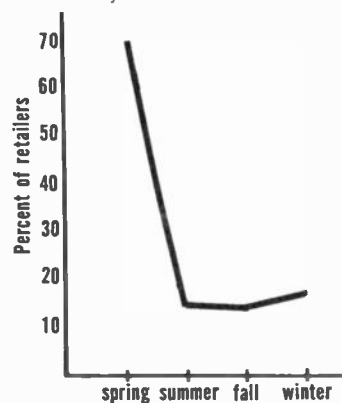
Inventory and buying peaks

Inventory: when retailers usually have a high-point

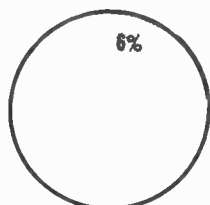


Detail exceeds 100% because some retailers mentioned more than one period

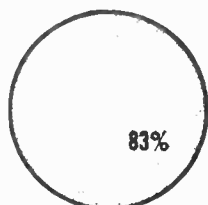
Buying: when retailers usually make commitments



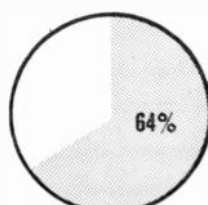
The value of co-op buying



Co-op buying groups:
6% of retailers are members of co-ops



Does membership improve dollar volume? 83% of these members say yes



Does membership improve profit margins? 64% of these members say yes

MAJOR APPLIANCE MARKETING

Tactics for

Refrigerators & Freezers

Industry promotions *do* sell refrigerators. More than half of the refrigerator-freezer retailers tapped by MERCHANDISING WEEK are tying in with the promotions, and eight out of 10 of them replied, "Yes, my sales are increased in these tie-ins."

Utility promotions—which may, in some cases, overlap with industry promotions—fare just as well, according to the survey. More than six out of 10 retailers report participating in these local campaigns; and 79% of them say sales were boosted by the effort.

The retailers report that a full 35% of their customers come to the store asking for a particular brand. However, eight out of 10 retailers try to switch the prospect to another brand.

With service such a large part of the sales pitch, six out of 10 retailers surveyed say they stock parts for refrigerators. Nearly eight out of 10 say they service the refrigerators they sell.

Only one out of 10 retailers replied that they *do* not deliver refrigerator-freezers in their own trucks. A healthy 91% of the replies indicated that the retailers have direct buying authority.

According to the survey, the peak in refrigerator/freezer inventory comes in June; the high point in ordering hits in the spring.

While only a very small percentage of the retailers queried belong to co-op buying groups, 83% report that co-ops improve their dollar volume, and more than two-thirds say membership in co-ops improves their profit margin.

The findings in this refrigerator-freezer survey are based on a structured sample of 1,200 retailer-subscribers of MERCHANDISING WEEK. Of those who sent in usable replies, 76% sell refrigerator-freezers.

An appliance-radio-tv store is how 66% of the retailers used in this survey described their outlet. Another 13% called their store a home furnishing-furniture store; 6% a department store or mass merchandiser; 3% an auto supply store; 1% a plumber; 11% were classified as other types of outlets.

Geographical representation of the retailers surveyed showed the greatest percentage (19%) were located in the East North Central region. Second highest percentage (17%) came from the Middle Atlantic area. Others were: New England, 4%; West North Central and South Atlantic, 14%; East South Central, 5%; West South Central, 13%; Mountain, 5%; and Pacific, 9%.

Dishwasher strategy on p.31



Penny Hallock Lehman, noted interior designer, says: "Now Gibson lets you get rid of "sterile hospital white" in kitchens in a practical way."

Mrs. Lehman has combined a career of homemaker, mother and leading interior designer for over 18 years. Her ideas for kitchen design reflect this vast experience and provide you with an unparalleled opportunity to expand your volume and profit with exciting new styling never before available in refrigerator-freezers.

SEE YOUR GIBSON DISTRIBUTOR FOR COMPLETE DETAILS OR WRITE PENNY HALLOCK LEHMAN, DESIGN CENTER, DEPT. MW-1, GREENVILLE, MICH. FOR YOUR PREVIEW "BEAUTIFUL KITCHEN IDEAS" BOOKLET.

Only Gibson makes luxury kitchen styling possible... at mass market prices

There's action when you sell styling . . . and Gibson does it again! It's an exciting new kitchen design concept that is practical and economical for your customer . . . profitable for you!

It's the all new . . . all Frost Clear Gibson Designer Refrigerator-Freezers for 1966 . . . featuring exclusive Designer styling PLUS coordinated vinyl wall coverings created especially for Gibson by nationally known interior designer . . . Penny Hallock Lehman. Everything about this new concept is right for you . . . to create traffic . . . build sales . . . add extra profit to your refrigerator business.

HIGH STYLE REFRIGERATOR DESIGN

Gibson Designer models are all Frost Clear . . . the most wanted feature in home refrigeration that ends frost build-up and defrosting mess forever. Outstanding Trim-line design, automatic Ice Master, new adjustable cantilever shelves plus many more Gibson quality features make the Designer Series your BIG sales and profit leader for '66. Available in 15, 16, 17 and 18 cu. ft. capacities . . . all NEMA Certified.

EXCLUSIVE COORDINATED WALL COVERINGS

Gibson Designer models give you a complete merchandising package . . . six exclusive Designer models . . . PLUS . . . coordinated wall coverings, 17 different colorways. AND, you can retail the complete package for an average kitchen for as little as \$99.95* over the price of the regular Gibson Frost Clear model. There's extra profit in it for you, too!

GIBSON QUALITY — FAST DELIVERY

Every Designer refrigerator-freezer receives Gibson's exclusive Quality Mile 3½ hour performance check before leaving the factory. And . . . fast delivery through your local Gibson distributor assures you of customer satisfaction.

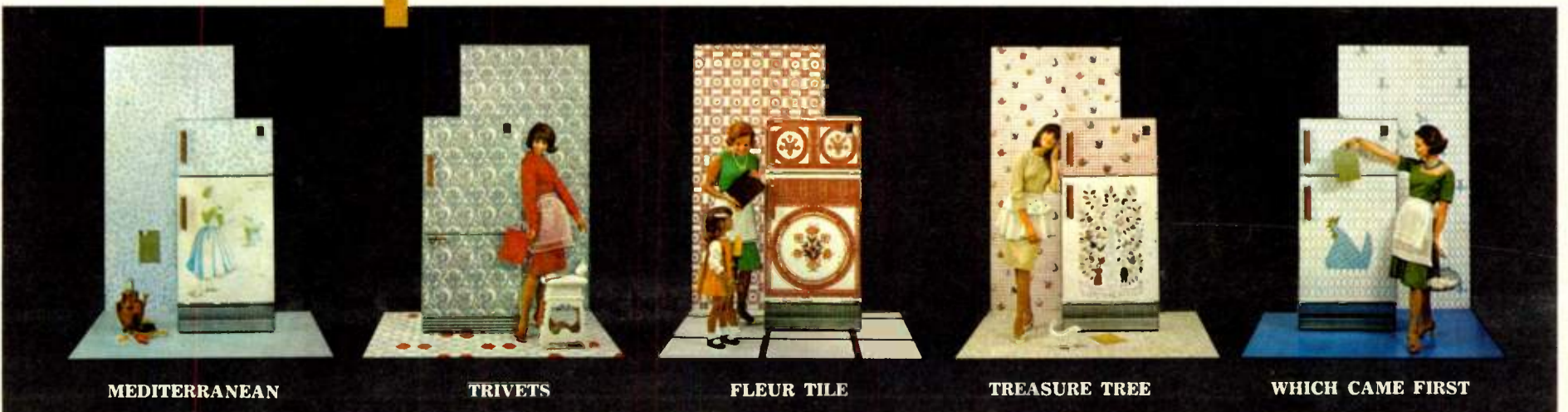
Gibson **frost clear**

DESIGNER REFRIGERATOR-FREEZERS.

*Suggested additional retail price for special Designer model plus 5 rolls of coordinated vinyl wall covering.

HUPP
CORPORATION

GIBSON REFRIGERATOR SALES CORPORATION, GREENVILLE, MICHIGAN



MEDITERRANEAN

TRIVETS

FLEUR TILE

TREASURE TREE

WHICH CAME FIRST

New! For all you dealers who asked for an economy-priced KitchenAid convertible-portable dishwasher:

Our brand new Custom.



Now you can sell a KitchenAid convertible-portable dishwasher at the lowest price ever.

And now you can also offer your customers three price levels of KitchenAid convertible-portables: the Superba VariCycle, Imperial DuaCycle and Custom. A complete convertible-portable line for you to sell.

The Custom doesn't sacrifice performance to meet a price. It has the same 4-Way Wash, Flo-

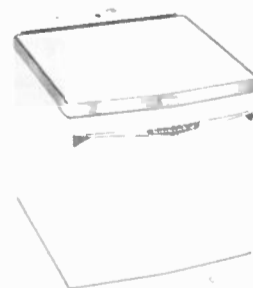
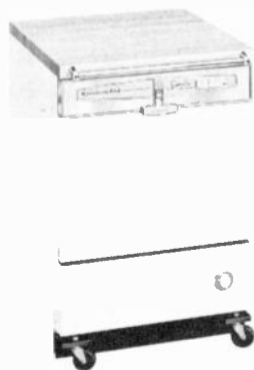
Thru drying and big, versatile capacity as the higher-priced models.

It features push-button Full Cycle operation, a beautiful Formica work-surface top, a porcelain enamel wash chamber, 1/2-hp motor built by Hobart and Automatic Dual Detergent Dispenser. Automatic Rinse Agent Dispenser is optional.

And together with our top-loading portables, you get the most-wanted line of portable dish-

washers on the market. Top-loaders come in two series and feature porcelain enamel inside and out.

See your KitchenAid distributor now for details on the Custom convertible-portable and the rest of the most profitable dishwasher line on wheels: KitchenAid portable dishwashers. Or write The Hobart Manufacturing Co., Dept. KEM-5, Troy, Ohio 45373.



Convertible-Portables... three series

Top-Loading Portables... two series

KitchenAid®

DISHWASHERS: BUILT-INS • PORTABLES • CONVERTIBLES

**MAJOR APPLIANCE
MARKETING**

**Strategy
for**

**Dishwashers
& Disposers**

"Dishwashers are doing all right."

That tepid remark from an industry leader does not do justice to the hottest product in major appliances. He should have said that dishwasher sales are barreling along and picking up momentum all the time.

This new glamour is expected to result in a healthy increase in the next five years. According to the National Electrical Manufacturers Assn. (NEMA), yearly manufacturer shipments of undercounter and other non-portable types will swell by 30.6% from 1965 to 1969. Portables are expected in 1969 to go 18.9% ahead of estimates for 1965. Some in the industry feel that NEMA's figures are too conservative.

And the dishwasher's companion in the kitchen setting, the disposer, is far from static in sales expectations. NEMA forecasts a resounding 18.6% rise in 1969 manufacturer shipments over the 1965 projected figures.

Since dishwashers have finally blossomed into a 1-million-units-a-year major appliance, manufacturers should be putting even more muscle into promotions and retail help to forge toward the 2-million mark.

On a strict product basis, dishwashers are stronger than ever. They are doing more work and are no longer "little tin boxes" where one stores dirty dishes before washing them in a sink.

Many top-of-the-line models now provide three- and four-level washing action within the tub because impellers or wash arms have been combined with extra sprays. The spray comes from top and bottom, or both, to provide revolving "walls of water" much hotter than milady's hands can stand.

New pre-wash cycles now do away with what was a common consumer gripe—scraping and preparing dishes before loading. Continuous filter systems now trap small food particles. Some models now even feature a waste disposing action with stainless steel blades that liquefy soft food scraps. Programmed cycles suited to different types of loads are also new on the feature scene.

Almost all manufacturers have incorporated some type of plate warmer device in the drying cycle.

Automatic detergent injectors and wetting agent injectors are becoming more popular. These features are very saleable in hard water areas because, when a liquid rinsing agent is added to the last rinse water, drying does not leave spots on glassware and fine dishes.

Other convenience features include top dish racks that are completely removable. Some adjust up or down to accommodate odd-shaped serving dishes in the top or bottom of the machine.

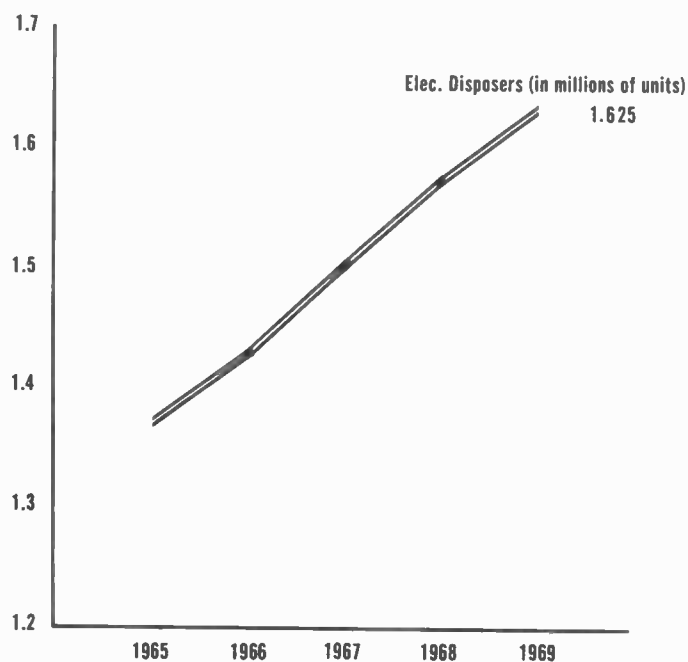
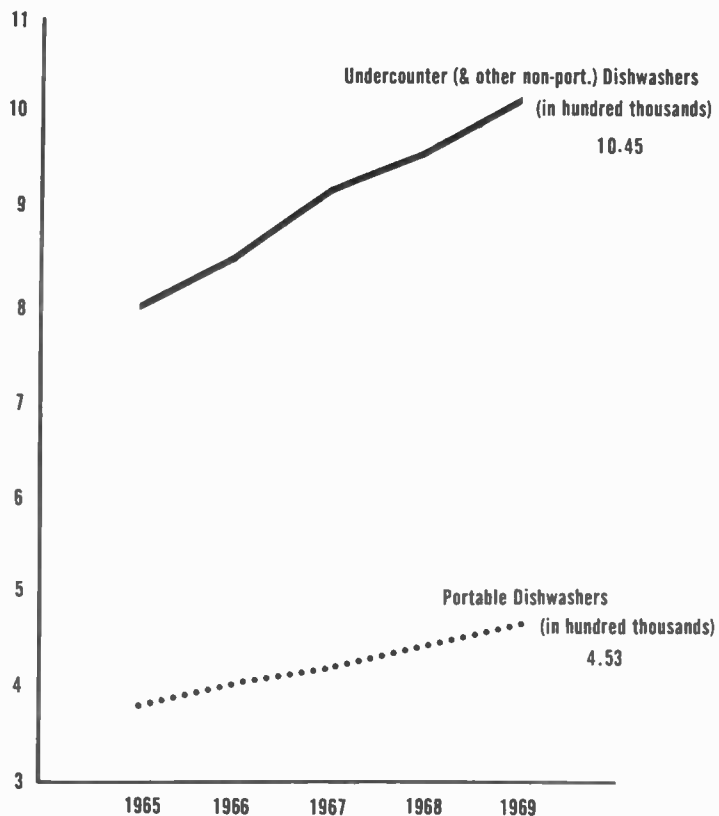
As in other areas of the kitchen, decorator colors are more and more abundant. The variety of practical vinyl or wood tops in portables is multiplying.

Features that are in various lab stages and could be coming to market in the near future include such things as quieter operating units, stronger washing action models with new speed controls.

On the promotional side, look for an increase in selling the health angle. For example, manufacturers will start building promotion campaigns around "less germs when you wash your dishes with an automatic dishwasher."

Dishwasher tactics on p.34

Five-year forecast: Dishwashers & Disposers
Estimated factory shipments—1965-1969

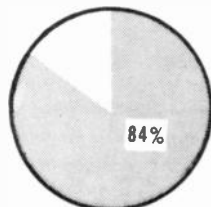


Special analysis of retail trends
(MW's survey of dishwasher/disposer retailers)

**Retail servicing
Disposers**

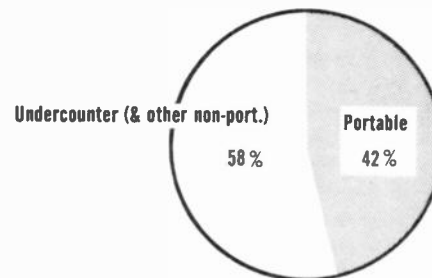


Parts: 50% of retailers who sell disposers also stock parts for them



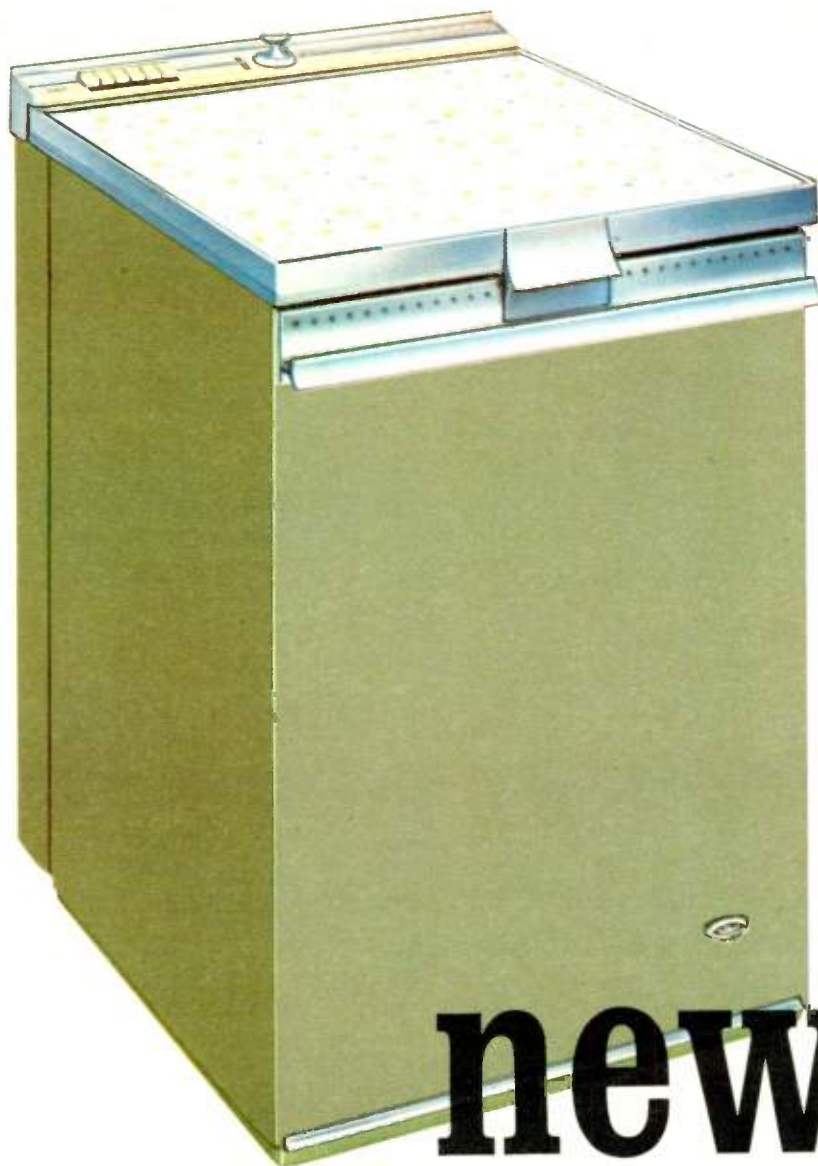
Servicing: 84% of retailers who sell disposers also service them

Retail product mix—Dishwashers



Percent of retailers selling dishwashers or disposers to contractor-builders





Golden Fern

new colors

can brighten up your dishwasher business

It's a fact. Color means business. Extra business. Because the new look in kitchens calls for fresh, new colors. And you've got 'em. RCA WHIRLPOOL dishwashers in new, high-fashion colors . . . Golden Fern, Blue Mist and Sungold Beige. As well as those all-time favorites, Edged Copper and White. Undercounter front panels also available in Turquoise, Yellow, Doeskin and Brushed Chrome. Three types . . . ten models . . . nine colors. What a selling story!



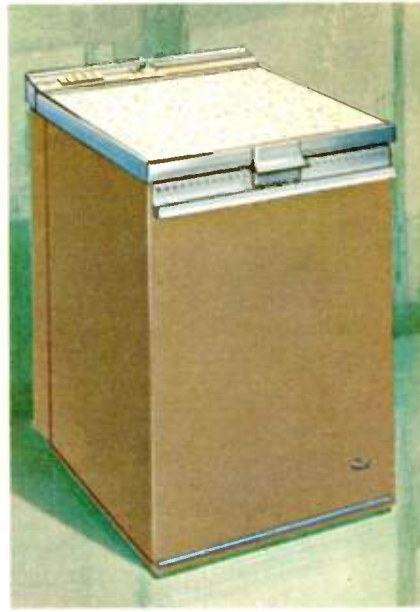
SPU-90

Available in Blue Mist (shown), Golden Fern, Sungold Beige, Edged Copper, Turquoise, Yellow, Doeskin, Brushed Chrome, White.



Model SPC-300

Available in Edged Copper (shown), Golden Fern, Blue Mist, Sungold Beige, White.



Model SPP-85

Available in Sungold Beige (shown), Golden Fern, Blue Mist, Edged Copper, White.

But the story doesn't end there. Inside that smart new wrapping is the finest dishwasher we've ever built . . . and we think you'll agree that's going some! A dishwasher that puts water pressure to work washing dishes spotlessly clean. The water pressure in an RCA WHIRLPOOL dishwasher is actually great enough to shoot a jet of water over 13 feet high!



for '66



Blue Mist

It's like washing dishes with a powerful jet stream from the nozzle of a hose instead of sloshing them in the same amount of lazy water.



And there are no water-starved areas in an RCA WHIRLPOOL. Scientifically aimed nozzles in the two full-size revolving spray arms send those scouring jets of water to every corner of the tub throughout



both washing and rinsing. So dishes in the top rack get the same thorough washing . . . at the same tremendous pressure . . . as those in the bottom rack.

Our exclusive Filter-Stream* system has a self-cleaning filter



that works full time during both washing and rinsing, continuously

collecting food particles and flushing them away.

Everything from fine china and crystal to greasy pots and pans can be washed . . . and washed right . . . in one of the six automatic



pushbutton cycles.

And the dual detergent dispen-

ser adds the proper amount of detergent at the correct time in each wash. Every load can be washed with detergent not once, but twice!

And the huge capacity of an RCA WHIRLPOOL makes once-a-day dishwashing possible. Then there's spotless drying. Random-loading. And don't forget those new colors.

Why not phone your local RCA WHIRLPOOL distributor for all the facts on these new dishwashers . . . including prices. Your conversation should prove beyond the shadow of a doubt that it's easier to sell an RCA WHIRLPOOL than sell against it.

*Tmk.

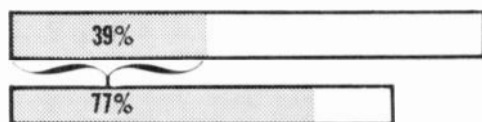


Comparative analysis of retail practices

(MW's survey of dishwasher/dispenser retailers)

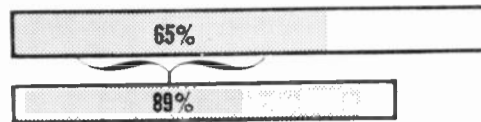
The value of promotions

Industry promotions:
39% of retailers tie-in



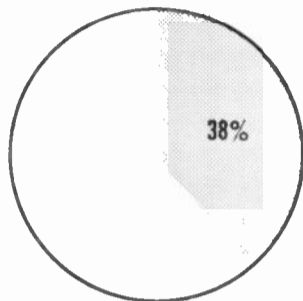
Do tie-ins increase sales?
77% of those who tie-in say yes

Local utility promotions:
65% of retailers tie-in

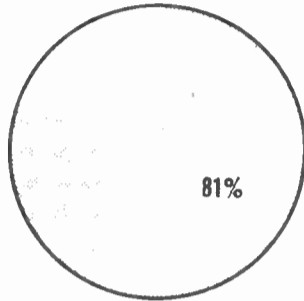


Do tie-ins increase sales?
89% of those who tie-in say yes

Brand preference and switching



Brand preference: approximately 38% of customers ask for a specific brand



Switching: 81% of retailers attempt to switch a customer who asks for a specific brand

Parts and servicing



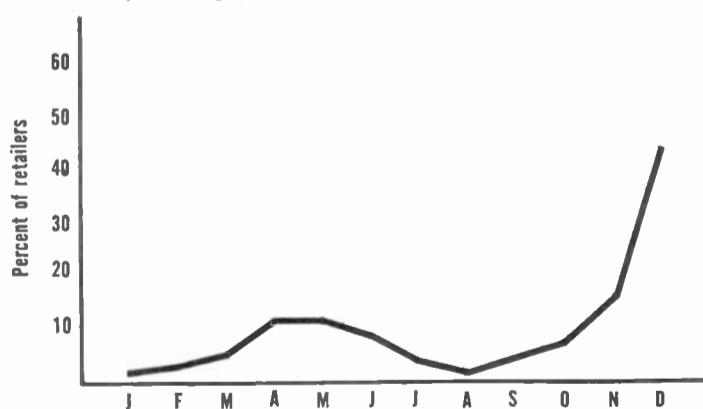
Parts: 64% of retailers who sell dishwashers also stock parts



Servicing: 85% of retailers who sell dishwashers also service them

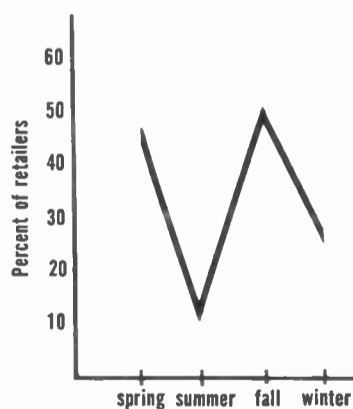
Inventory and buying peaks

Inventory: when retailers usually have a high-point

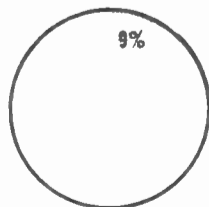


Detail exceeds 100% because some retailers mentioned more than one period

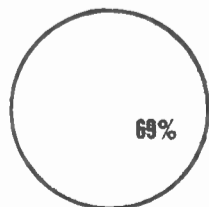
Buying: when retailers usually make commitments



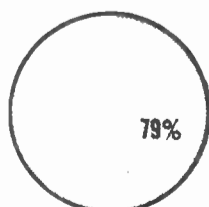
The value of co-op buying



Co-op buying groups:
9% of retailers are members of co-ops



Does membership improve dollar volume?
69% of these members say yes



Does membership improve profit margins?
79% of these members say yes

MAJOR APPLIANCE MARKETING

Tactics for

Dishwashers & Disposers

Dishwashers represent one of the greatest growth areas in the major appliance industry; yearly sales have more than doubled in the last decade. And, according to MERCHANDISING WEEK's survey, industry and utility promotions have played an important role in this growth.

Nearly two out of five retailers surveyed indicate that they have tied in with industry promotions; of these, an eye-opening 77% say their sales were increased by the promotions.

An even larger number of retailers—65%—report tying in with utility promotions, which, it should be understood, often overlap with the industry-wide effort. A look at the bar chart shows that nine out of 10 of these retailers say utility promotions increased their sales.

For purposes of this survey, dishwasher and disposer retailers were grouped under the same category. Dishwasher/dispenser retailers indicate that their customers ask for a specific brand less than two out of five times. Retailers say they attempt to switch eight out of 10 of those customers who do have a particular brand in mind.

While only 64% of the retailers surveyed say they stock parts for dishwashers, a full 85% of the retailers who sell dishwashers also service them. In addition, 95% deliver in their own trucks and 91% have direct buying authority.

According to the survey, dishwasher retailers are now approaching their yearly high point in inventory—the fall and Christmas season—which is also one of the peak dishwasher sales seasons.

The few retailers in this survey who belong to a co-op buying group—only 9% of those retailers questioned—should be happy with their situation: 69% say membership improves their dollar volume and 79% say membership in a co-op improves their profit margin.

The findings are based on a structured sample of 1,200 retailer-subscribers of MW; 59% of those who sent in usable replies sell dishwashers and disposers.

Of the retailers surveyed, 66% describe their outlet as an appliance-radio-tv store; 10% as home furnishings-furniture store; 4% as department store-mass merchandiser; 2% as an auto supply store; and 1% as a plumber. The remainder—17%—were classified as other types of outlets.

Geographical break-down of the respondents is as follows: New England, 4%; Middle Atlantic, 17%; East North Central, 21%; West North Central, 15%; South Atlantic, 14%; East South Central, 3%; West South Central, 13%; Mountain, 4%; Pacific, 9%.

Kitchen planning on p.39



MERCHANDISING WEEK

OFFICE OF THE PUBLISHER

October 4, 1965

THE HOUSEWARES BLOCKBUSTER...

That's how Ed Dubbs, MERCHANDISING WEEK's housewares specialist, referred to our November 8, 1965 issue during an editorial planning session. When I saw the editors' outline and rough sketches, I quickly concurred and thought you would like a sneak preview.

This editorial feature details product growth patterns, past, present and future. With new product innovations the industry has grown dramatically, and further expansion is now in the wind. The editors clearly spell-out the "where" and "how".

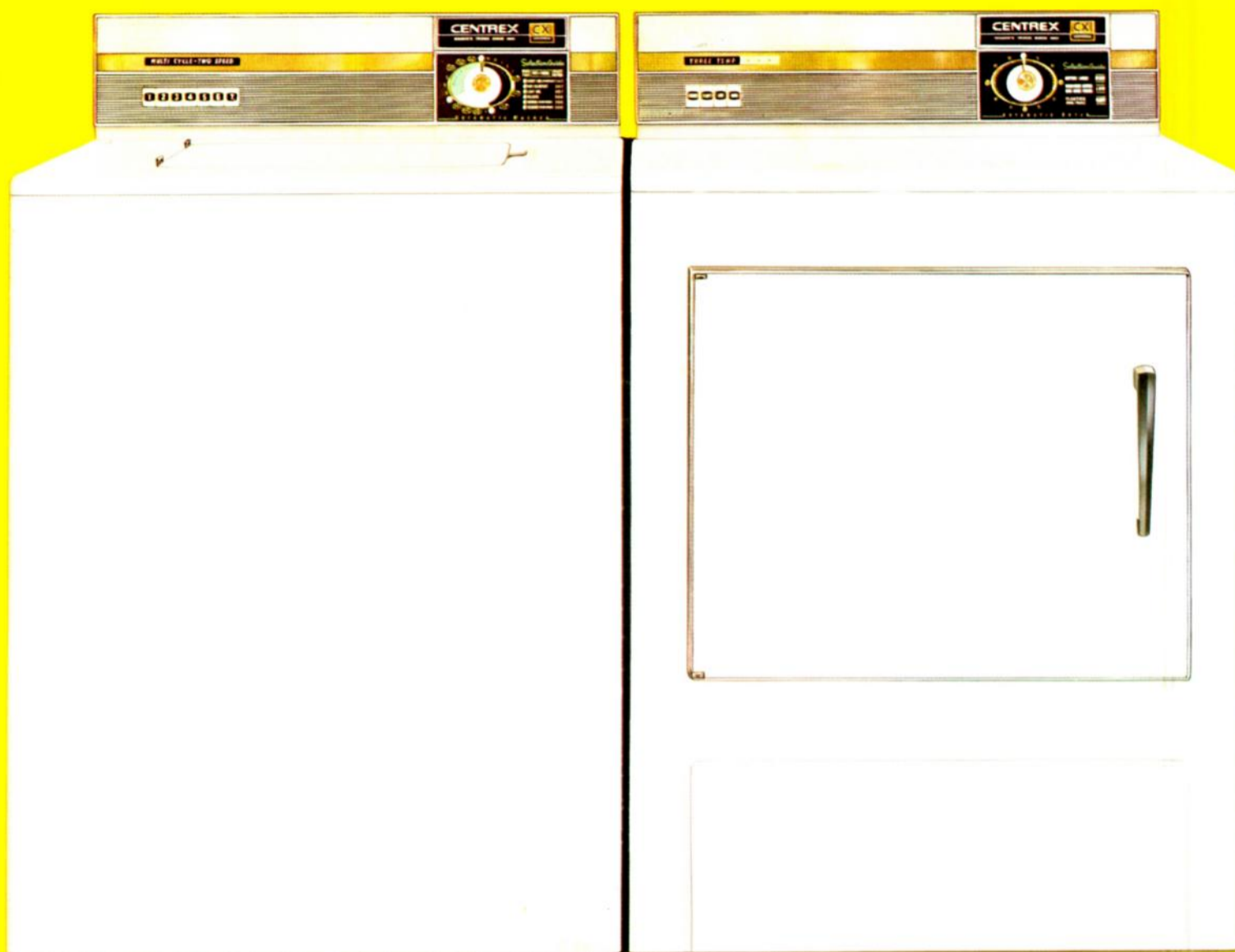
The challenges are met with head-on impact that clears the air. "Product Proliferation" is examined from all angles. The return of retail price protection is discussed fully.

New merchandising techniques that attract and sell customers are presented for each product classification. From where I sit, this promises to be an issue which will be of great interest to everyone with a stake in housewares.

Cordially,


Dale R. Bauer

SELL THE NEW



New deluxe automatic washer with "something extra" features

Complete water temperature selection for latest detergents and fabrics. Multi-wash, multi-rinse cycles, two speeds — for regular, delicate, wash'n wear. Big perforated tub. Exclusive heavy-duty leveling legs. Dry-wall construction. Out of balance control. Many features found only on commercial machines. New, modern styling.

New deluxe dryer with "something extra" features

All-fabric, full cycle drying. Push button controls for fluff, high or low temperature settings. Automatic timer — select any desired drying time. Extra-capacity, easy-to-clean lint filter. Automatic door shut-off switch and safety thermostats. Gentle vacuum air-flow action. Electric or Gas (including LPG).

Something extra in home laundry design—the Centrex Decorator Line

New Centrex deluxe automatic washers, deluxe dryers and semi-automatic wringer washers are also available in new, stimulating decorator designs. With five different, colorful patterns to choose from the new Centrex Decorator Line is especially appealing to the customer who wants to coordinate laundry appliances with the motif of her home. The Centrex Decorator Line is a real stopper, an attention getter. It's something new to offer, and an opportunity for more "something extra" sales.



GEOMETRIC



TULIP



ROOSTER



SNOWFLAKE



SIESTA

CENTREX[®] LINE

WOMAN'S FRIEND SINCE 1901

For "Something Extra" Profit Opportunities

The new Centrex line of home laundry appliances now provides you with "something extra" to offer the buying public. Result: "something extra" profits for you.

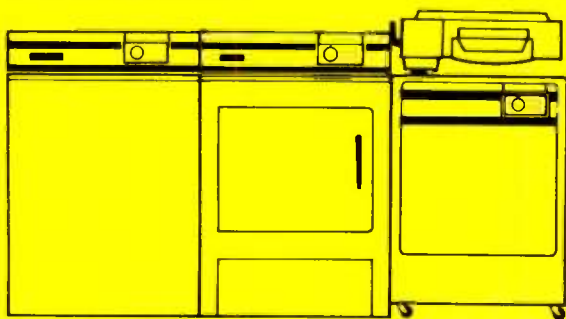
Look at the selling possibilities—a newly styled, multi-speed, multi-cycle deluxe automatic washer with matching all-fabric, multi-temperature deluxe dryer . . . a new semi-automatic wringer washer to match the dryer . . . a new five-cycle automatic washer . . . an economy model dryer . . . new decorator designs for the three top models . . . an outstanding line of wringer washers.

Most importantly, you can sell Centrex competitively with *full mark-up and profit*, not the selling price forced on you by price-slashing competitors down the street.

Centrex, with an excellent reputation for quality products (Women's Friend Since 1901) offers just the line you need for expanded profit margin in laundry appliances. For further information contact: Centrex Corporation, Findlay, Ohio.

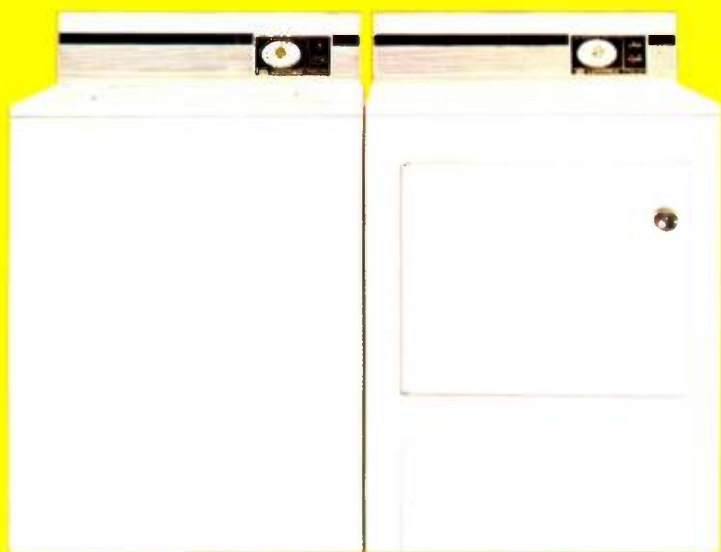
A three-way combination for extra sales

You can sell the new Centrex automatic washer, dryer or semi-automatic washer as separate units. Or, you can sell the dryer and automatic as a matching pair. Or, you can sell the dryer and semi-automatic as a matching pair. Available with the new decorator designs, too. Only Centrex offers this kind of choice.



Something extra to offer the economy-minded buyer

Two valuable additions to the Centrex line for the price-conscious, budget-minded shopper. The new Economy automatic washer incorporates many of the quality features found in the Centrex Deluxe model, with simplified control panel, five-cycle system. The new Economy dryer matches the washer, is a masterpiece of efficient design for effective drying.



The Centrex Crest semi-automatic wringer washer

with exclusive square cabinet styling and new trim, looks good in kitchen or laundry area. It is completely portable, and features a built-in drain pump with Automatic Timer for washing and rinsing. Exclusive Fill 'N Drain system fills and drains from a single connection. A true power rinsing . . . no rinse tubs required. The modern wringer washer for the modern wringer washer market. Available with decorator designs.



Something extra to sell the wringer washer market

The new Centrex wringer washer line has been redesigned with new, high-style contemporary exteriors. Each washer features the new, exclusive miracle tub, guaranteed for the life of the washer. From top to bottom, the Centrex wringer washer line has dozens of modern, time-saving, work-saving features developed through many years of manufacturing Woman's Friend washers. One out of six washers sold today is a wringer washer. The outstanding Centrex line of quality wringer washers — Regent, Deluxe, Standard or Utility — gives you just the products you need to meet this demand.



REGENT



DELUXE



STANDARD



UTILITY



CENTREX[®] CORPORATION

FINDLAY, OHIO

WOMAN'S FRIEND SINCE 1901

How good is your advertising?



We're sure you've run some outstanding retail ads in 1965. If so, you may be a winner of one of the handsome personalized Steuben Glass bowls, plus a trip to San Francisco for you and your wife, offered in this competition sponsored by **Reader's Digest** in co-operation with the National Appliance and Radio-TV Dealers Association.

The reason To give industry-wide recognition to retailers who have run outstanding creative retail ads supporting nationally advertised brands of radios, television sets and appliances.

The prizes Three gracefully designed Steuben bowls (one for each category listed below) together with free trips to the NARDA Convention in San Francisco for winners and their wives. Semi-finalists will be awarded commendation plaques. Everyone entering will receive a library collection of the best retail ads of 1965.

Who's eligible*

Class I) Dealers with annual net sales below \$300,000

Class II) Dealers with annual net sales between \$300,000 and \$1 million

Class III) Dealers with annual net sales over \$1 million

The rules To enter you must submit an official entry form and two tear sheets or proofs of the newspaper advertisement which, in your opinion, is the best or most effective ad you

have run during 1965 (there are still 2 months to go). The ad may be of any size, but must feature one or more nationally advertised appliances, radios or TV sets. Closing date for all entries is January 10, 1966.

Entries will be judged for layout, copy, originality and creativity. Awards will be made at the 22nd Annual NARDA Convention in San Francisco, February 17-20, 1966.

Registration Form

TO: **Reader's Digest**

CREATIVE RETAIL ADVERTISING AWARDS
200 Park Avenue
New York, New York 10017

Please send official entry form to:

Name _____ Title _____

Store name _____

Classification (Circle one) (I) (II) (III)

Street _____

City _____

*The competition is open to all appliance dealers whether members of the NARDA or not.

**MAJOR APPLIANCE
MARKETING**

**KITCHEN
PLANNING
CENTERS**

Retailers across the country report that having a kitchen planning center is a lucrative asset. And more and more retailers are staking out claims in this tremendous sales territory, once the private domain of custom specialists. Here is why:

The market is enormous. In 1964, built-in appliance shipments from manufacturers accounted for almost 3.4 million out of the total 24.9 million of all types of major appliances (including home laundry equipment) shipped. That means built-ins are chopping out 13.6% of the pie, a slice worth over one-half billion dollars in retail value. Add to this the many millions of dollars racked up from retail sales of kitchen cabinets and it is hard to see why so many appliance retailers still resist this market.

Retail resistance, however, seems to be changing. Reports indicate that more retailers than ever before are selling kitchen cabinets, around which the marketing of built-ins revolves. The retailer who does not sell cabinets, an integral part of any kitchen setting, does not stand much of a chance against builders in the competition for sales of built-in type appliances.

Help for retailers from manufacturers is increasing. The concept of the total kitchen package is coming into its own. And with the latest trends toward color, design, and exciting decorator styling in appliances now coming to market, the over-all package can be sold more easily by the enterprising retailer. In fact, many department stores and trend-conscious appliance dealers have diversified or spread out into this merchandising area—with happy results.

The trend is that this should increase. Although less than one out of five retailers surveyed by MERCHANDISING WEEK has a kitchen planning center, the number should grow.

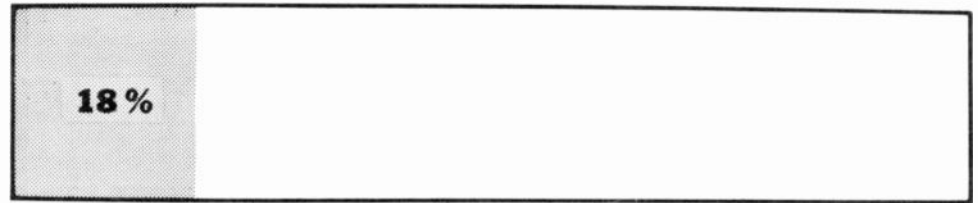
The charts on this page represent responses to all five product-category surveys, thus are based on over 1,000 retailers who sell majors. Responses from the five surveys were combined to get a broader base from which to derive information about retail kitchen planning centers.

The result is an indication that the majority of retailers who sell equipment necessary for a kitchen planning center do their own installation. Also apparent is that installation service is related primarily to the particular product that a retailer sells rather than to any kind of coordinated or planned service revolving around designing and installing entire kitchens.

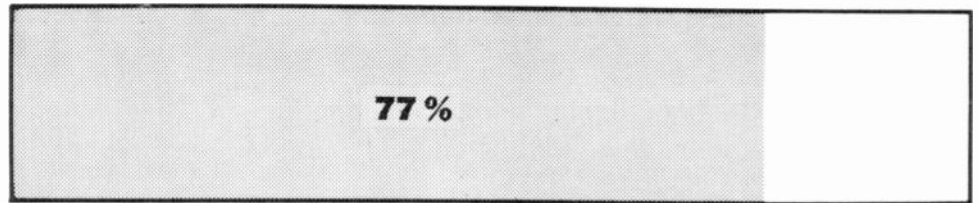
Thus it would seem that many retailers are missing an opportunity to increase sales if they do not offer a more comprehensive type of planning service.

Laundry Strategy on p.42

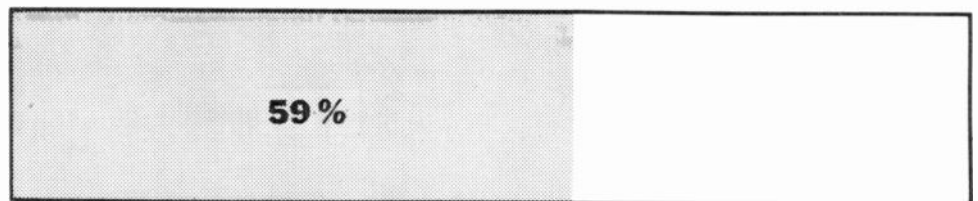
Percent of appliance retailers having kitchen planning centers



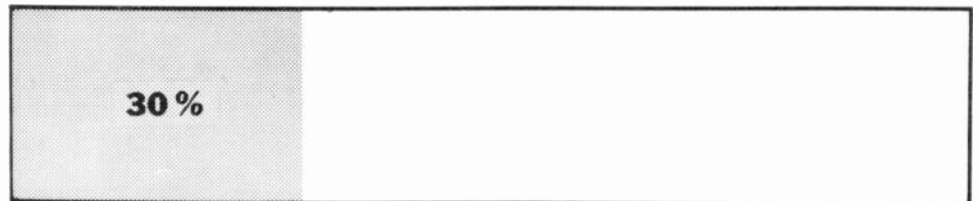
Percent of appliance retailers who sell built-in appliances



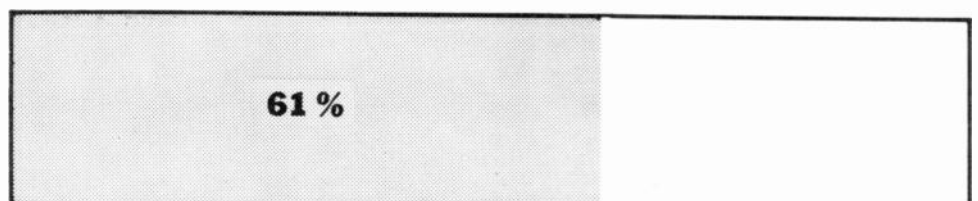
Percent of appliance retailers selling built-in appliances who also install them



Percent of appliance retailers who sell kitchen cabinets



Percent of appliance retailers selling cabinets who also install them



**Whirlpool, Norge,
AGA (Glenwood, Hardwick),
Culligan, Admiral,
Iona, West Bend, Westclox,
Mirro, Presto, Gosco,
Rubbermaid, Tupperware,
Aladdin, Randall, Borg,**

**l i ,
r n ,
v r ,
r r - in i !**

Two issues of McCall's have racked up records back-to-back: A big \$5,900,000 in October. A bigger \$6,140,000 in November. The largest investments ever made by advertisers in single issues of McCall's, or any other women's magazine, or any dual-audience weekly!

And, total appliance advertising investment in October and November was

more than 40% over the same months last year.

The most important selective market of them all is women. And McCall's with its proven merchandisability at the point of sale is the best place to reach and influence women. More women (20,910,000) read McCall's than any other women's magazine, more than

Life (1,800,000 more), more than Look (2,800,000 more).

These and other appliance advertisers are helping to make 1965 McCall's biggest year. Why not join them?

Advertise to women in the first place...

McCall's
First Magazine for Women

**MAJOR APPLIANCE
MARKETING**

**Strategy
for**

**Home
Laundry**

Washday or Blue Monday for millions of housewives across the country is practically a thing of the past. In fact, homemakers of the 1960s may well wonder if Blue Monday ever existed, for certainly it has passed into the "old days" along with Stutz Bearcats and Gramophones.

Some of the factors leading to this present state of the industry have been the successful industry-wide promotions (see home laundry tactics, p.44), the corner coin-up laundry store (where people see and try out laundry products at a slight personal expense), and most importantly, ever-climbing sales.

The figures confirm consumer acceptance. The industry is well on the way to new record highs. And the future is just as bright.

Projections based on available data from the American Home Laundry Manufacturers Assn. (AHLMA) show that laundry equipment of all types is expected to increase a resounding 46.8% by 1970 over the 1965 year-end total estimate. By 1970 the industry, if all economic factors remain strong, will ship over 9 million units for the first time. That's growth.

In recent years the industry has been turning collective and individual talents to improving a consumer accepted product. One facet has been the extension of warranties by many companies.

The emphasis has been to make Mrs. Consumer feel the need for a washer and dryer that can adequately handle her various loads and the fabric content of her wash. And this is the area where new trends are shaping.

One publicity-consuming trend in the last few years has been the tub-capacity race. Tub sizes moved from 10 to 12 lbs., and now have escalated to the point where some firms boast of 16-lb.-capacity washer and dryer units. Some in the industry feel this trend is about played out, others say that capacity claims for large tubs could reach 20 lbs. Still other spokesmen are calling for pertinent standards on capacity, water consumption, etc., AHLMA has been working in some of these areas.

But there seems to be a shift in emphasis, and a new trend may be emerging from reaction to what is happening in the fiber industry. The laundry manufacturers are now working more closely with fiber manufacturers. They are being prodded by the proliferation of new man-made fibers and synthetics. Some in the industry have estimated that over 50% of the wash in a home consists of garments made of man-made fibers. The man-made fiber list is rapidly multiplying.

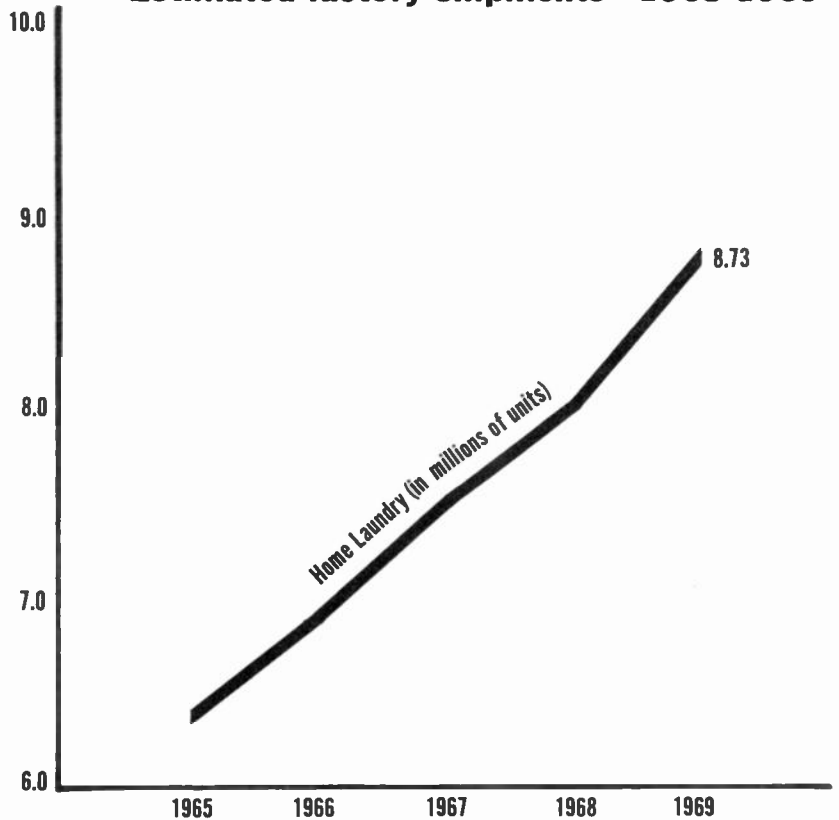
So laundry manufacturers are trying to develop machines that will handle these new fabrics. Programmed washers, which are now appearing at the top-of-the-line are one answer. The programming feature is aimed at providing gentler speeds needed for the new delicate fabrics. Along with gentler cycles are more choices of speed for the homemaker. Undoubtedly there will be some bold attempts to offer the customer ways to wash almost any kind of fabric.

As is usual in any industry on the move, the top-of-the-line features are filtering down into lower and medium priced models. For example, multiple wash cycles and decorator colors are available on units in the lower end for the first time. In dryers, manufacturers have installed electronic sensing on more units. These devices automatically turn heat off in units when clothes are dry.

Laundry tactics on p.44

Five-year forecast: Home Laundry

Estimated factory shipments—1965-1969

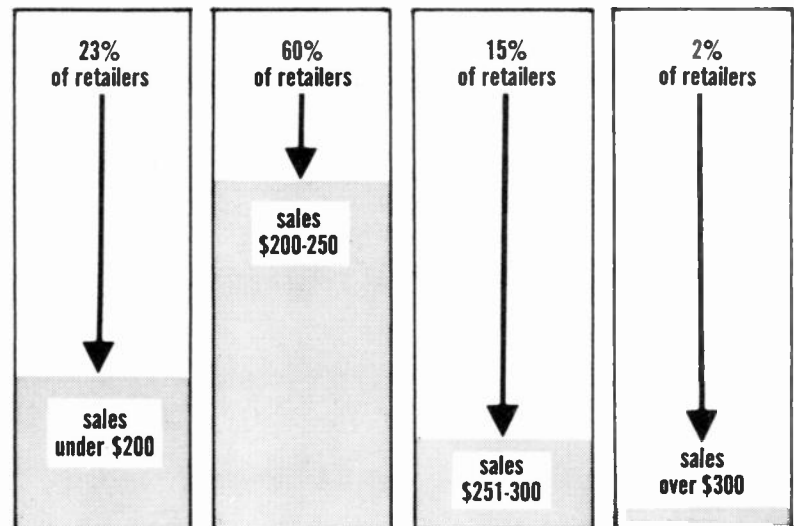


Source: Merchandising Week research based on available data from the American Home Laundry Manufacturer's Assn.

Special analysis of retail trends

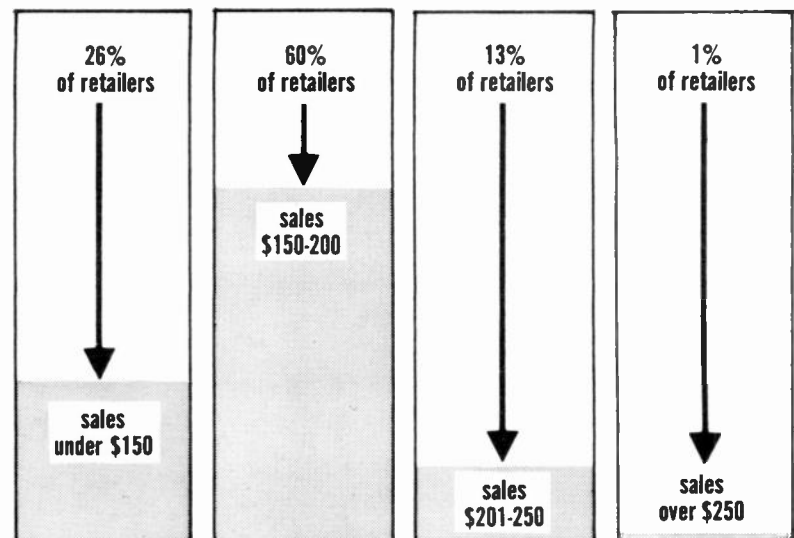
(MW's survey of home laundry retailers)

Retail price ranges—Automatic Washers



Retailers reporting sales by price range: more than half of their sales fall into these price ranges

Retail price ranges—Dryers



Retailers reporting sales by price range: more than half of their sales fall into these price ranges

Announcing for fall-winter sales!

The Big Ones

Big New Range Line! Brand New Styling! Fully Featured!

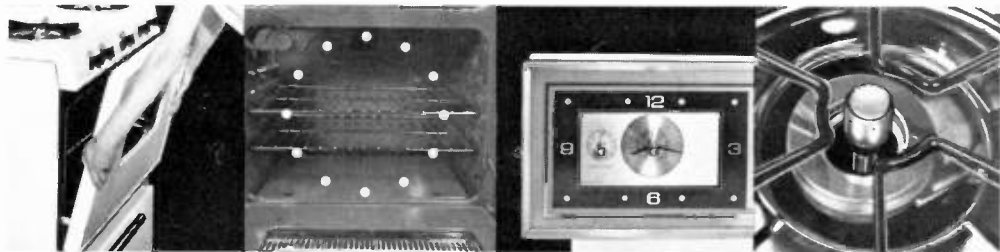


Hottest step-up line ever presented!
Includes fully featured leader models
—gas or electric—in 30 and 36-inch sizes!

Unmatched for price, value, features—clear across the board! No skimping. Nothing left out. Every selling need covered—gas or electric—in 30 and 36-inch models. Even the new Norge leader models are fully featured; include such top-of-the-line features as a removable oven door, spacious 24½" balanced-heat oven, oven indicator light, porcelain broiler pan and grill, porcelain top; and with electric ranges: removable surface units with infinite heat selection controls. All this plus a No. 1 national rating in overall cleanability. (All removable parts can be sink-cleaned...easily, quickly). Proof! Norge means business about boosting your range business.



New Norge Contessa Eye-Level Ranges—gas and electric—for growing "built-in" market. 30-inch wide models slide into cabinet space (or fit on top of standard cabinet.) Controls for oven and surface units up at eye level—out of children's reach. Double-oven convenience with big 24" lower oven. More vertical space for tall cooking utensils (15 inches between surface top and upper oven). Beats competition on every count!



Removable oven door (all models) for easier, quicker cleaning. Smooth porcelain oven interior.

Balanced-heat oven (all models) for perfect baking and roasting. Temperature controlled down to 140°.

Oven with a mind. Automatically cooks dinner, turns heat down to safe "keep warm" temperature.

Meal Sentry Burner for truly automatic surface cooking. Maintains precise heat you select.

from Norge!

Big New Refrigerator-Freezers...17, 18, 19 cu. ft. models



New Norge Refrigerator
-Freezer line
—bigger than ever!

Covers every market, every need, every size—from a 10 cu. ft. compact to a giant 19 cu. ft. deluxe model. Big line-up of demonstrable features include Never Frost convenience from top to bottom; handy new Space Control™ Adjustable Shelves; Automatic Ice Maker; New Thin-Wall foam insulation; 7-day Refrigerated Meat Keeper; Ice Server and Ejector Trays; Deep Handidor Shelves; everything it takes to boost your refrigerator sales across the line.



Automatic Ice Maker. Makes ice cubes that won't stick. Fills itself, freezes and stores ice cubes automatically. Available in step-up models throughout the line.

Thin-Wall Design. All-new polyurethane foam insulation for unmatched cooling efficiency. Makes room for more food without using up extra floor space.

New Space-Control™ Adjustable Shelves. Offer total flexibility in storing foods and beverages of all shapes and sizes. Crispers move anywhere you want them.

No defrosting—ever. Norge Never-Frost Refrigerators-freezers come in all sizes, both top and bottom mounts... at prices you can sell.

NORGE®

For more information, call NORGE direct—
or the Norge distributor nearest you.

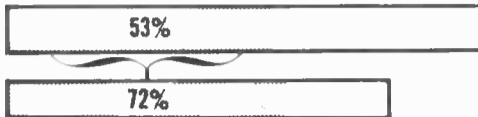
Norge
appliances

BORG **WARNER**®

Comparative analysis of retail practices (MW's survey of home laundry retailers)

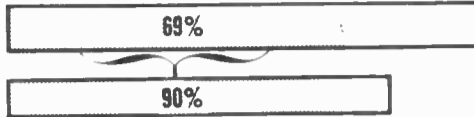
The value of promotions

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53% of retailers tie-in



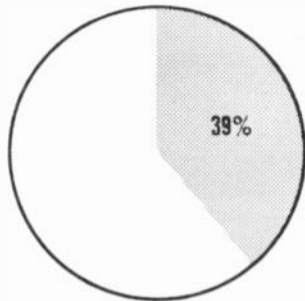
Do tie-ins increase sales?
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Local utility promotions:
69% of retailers tie-in



Do tie-ins increase sales?
90% of those who tie-in say yes

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Switching: 86% of retailers attempt to switch a customer who asks for a specific brand

Parts and servicing



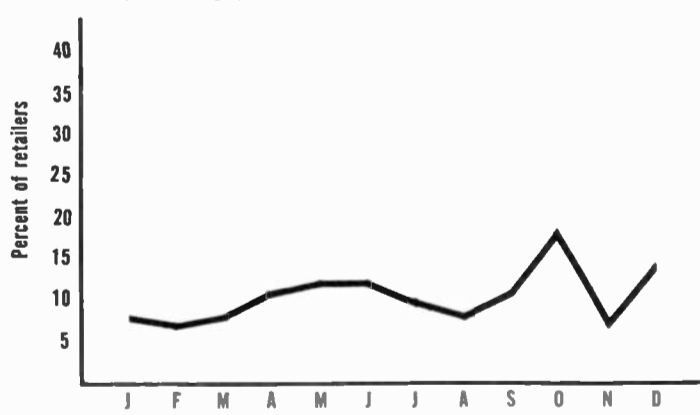
Parts: 81% of retailers who sell home laundry also stock parts



Servicing: 84% of retailers who sell home laundry also service them

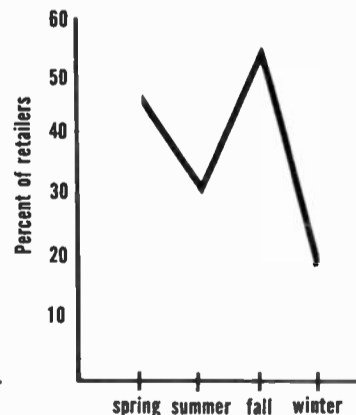
Inventory and buying peaks

Inventory: when retailers usually have a high-point

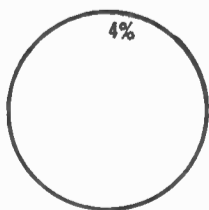


Detail exceeds 100% because some retailers mentioned more than one period

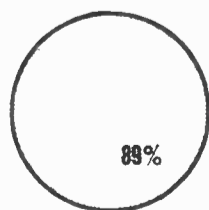
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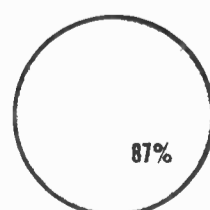
The value of co-op buying



Co-op buying groups:
4% of retailers are members of co-ops



Does membership improve dollar volume? 89% of these members say yes



Does membership improve profit margins? 87% of these members say yes

MAJOR APPLIANCE MARKETING

Tactics for

Home Laundry

If anyone in the home laundry industry has been wondering what retailers really think about industry-wide promotions, the positive answer leaps from the retail surveys interpreted here.

Analysis of the figures show that the "Waltz Through Washday" promotions have certainly helped increase sales for seven out of 10 retailers who have participated. Local utility promotions, which in most cases overlap or run simultaneously with the over-all industry promotion, have helped almost nine out of 10 retailers who have joined in.

The message is obvious. The dealer or retailer who ties-in with the industry campaigns and uses a little effort of his own will tinkle that little bell on his cash register.

Not quite two out of five customers ask for a specific laundry brand. Retailers attempt to switch almost nine out of 10 of these customers.

Service and stocking parts are overwhelming musts for laundry retailers, as shown by the survey and illustrated by the pie charts.

Buying commitments are made in fall and spring, and almost one out of five retailers have their heaviest inventory at the peak selling period in October.

Although co-op buying groups are not a factor in most parts of the country and are usually restricted to metropolitan markets where tough competition abounds, the small number of retailers who do belong are quite happy. Almost nine out of ten co-oppers report increased dollar volume and, most important of all, increased profit margins.

In addition, 11% of retailers who responded sell water softeners, 94% deliver in their own trucks, and 92% have direct buying authority.

The findings are based on a structured sample of 1,200 retailer-subscribers of MW; 70% of those who sent in usable replies sell home laundry products.

Of the retailers surveyed, 72% describe their outlet as appliance-radio-tv store; 9% as home furnishings, furniture store; 4% as department store, mass merchandiser; 1% each for auto supply and plumber; 13% were classified as other types of outlets.

Geographical representation of the retailers surveyed showed the greatest percentage of survey returns (22%) are from the East North Central region. Second highest percentage (15%) are from the South Atlantic. Next comes the West South Central and Middle Atlantic (14%). The West North Central checks in with 11%, and each of the four other regions are under the 10% mark.

Air conditioner strategy on p.47

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



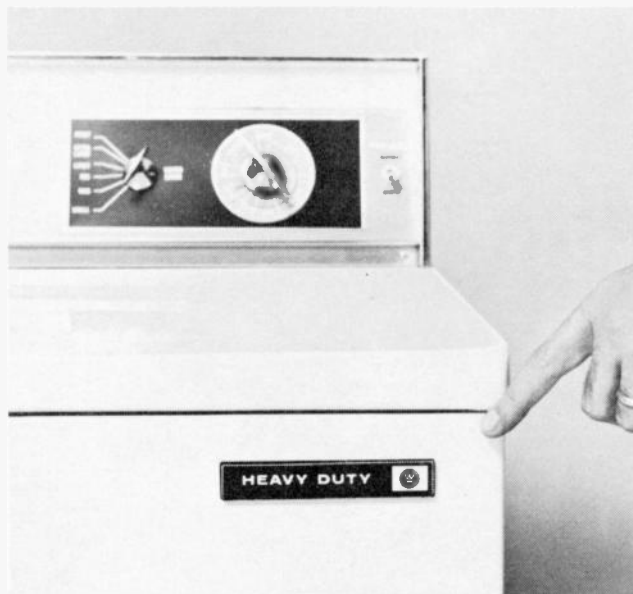
"I'm Marketing Manager of Westinghouse Home Laundry Equipment. There's a basketful of washer business and we've got 25 years of experience in it to help you get your share."



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



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



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



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



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



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



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



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

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

You can be sure if it's Westinghouse



SLIM



SLIMMER AND TRIMMER . . . the new Holiday Dryer by Hamilton will start many a sales-winning argument. Customers will quickly see that Holiday's modern-size cabinet is much narrower than conventional dryers. That it'll fit where others won't. That it beautifully, exactly matches automatic washers in size. And when they say, "But I need a bigger dryer to keep up with my new washer" . . . *that's* when you come up with the other two* powerfully persuasive sales-clinchers. Works wonderfully!

* What other two? (1) Despite its trim looks, Holiday has an extra large capacity . . . *will dry any size load that an automatic washer can wash!* (2) Not one, but *two* fans, working with greater BTU input, deliver *more* warm air, *more* evenly. Clothes are dried gently, but faster . . . *much faster!*

HOLIDAY...THE NEW SLIM DRYER BY

Hamilton

Hamilton Manufacturing Company, General Offices, Two Rivers, Wisconsin, Factories at Two Rivers, Wisc. and Kosciusko, Mississippi



HAMILTON — THE FULL-LINE LAUNDRY LINE OF HERITAGE AND HOLIDAY DRYERS, AUTOMATIC WASHERS, WRINGER WASHERS

**MAJOR APPLIANCE
MARKETING**

**Strategy
for**

**Air
Conditioners**

It is hard to keep cool when discussing the air conditioner industry because the figures and prospects are red-hot.

The National Electrical Manufacturers Assn. (NEMA) foresees a never-look-back acceleration of manufacturer shipments for the next five years (see chart). When the final tally is in at the end of 1969, NEMA sees a 21.6% increase over estimated shipments for 1965.

Even though the industry is currently "eating" a lot of inventory as a result of over-production and over-predicting, NEMA reports that, at the end of August, eight-month shipments were still 11.6% ahead of 1964. This year will probably limp in a record setter, but not by the margin originally expected by industry pundits.

Where is the market going? Indicators point to increasing sales and corresponding lower prices in under-7,000 Btu units. NEMA reports that, for the first six months of this year, the under-6,999-Btu category accounted for three out of 10 room units shipped by manufacturers.

Figures gleaned from MW's retail survey back up the move to lower Btu units (see lower pie chart). One out of five units sold at retail are carrying price tags of less than \$150. Although retailers report that under-\$100 units are taking only 2% of their total sales, the sales action in this price category should increase in the immediate future.

There are a number of reasons for this. The under-\$100 room models are relatively new on the retail scene, having been introduced in the past few years. But now with the spur of no manufacturer excise tax and a growing consumer demand for tinycoolers, look for many more numbers in manufacturers' lines to be tagged at under \$100.

Retailers surveyed report that the \$150-to-\$300 retail price area pulls down 65% of their sales. This is still the fat area where most retailers rack up their profit margins.

At long last, retailers around the country seem to be getting into the central air conditioning business—where dollar volume and profits lie. This could be a reaction against sales of lower priced, smaller capacity units.

Also many manufacturers are now beginning to push central units through regular appliance retailer channels and have added promotional power to help.

The pie chart shows that over 50% of retailers surveyed—68% of whom describe themselves as appliance-radio-tv stores—have added central air conditioners to their product line-up only in the last five years. Doubtless there will be more profit-minded merchandisers who do the same in the next few years.

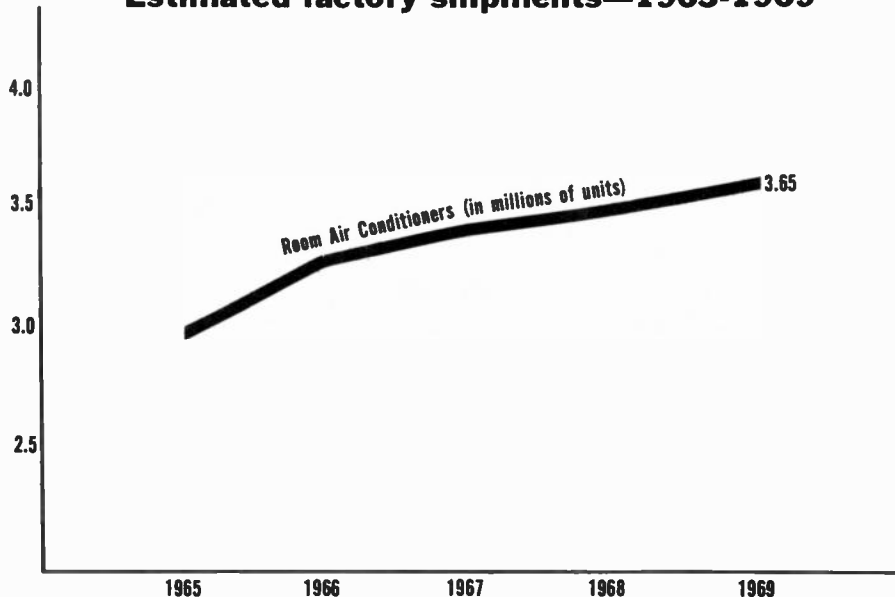
Along with the trend to stocking central air conditioning units is a sales ripple at the top of the capacity scale in room units. For the first six months of 1965, one out of 10 units shipped was 20,000 Btu or over. Significantly, top retailers seem to be selling these units; they report 14% of their sales in the over-\$300 price category.

Added feature fillips for 1966 units include more of a swing to decorator panels—a trend started three or four years ago.

Future features may include new variable speed controls that are transistorized. These new solid-state applications are now appearing in housewares in power tool lines.

Air conditioner tactics on p.50

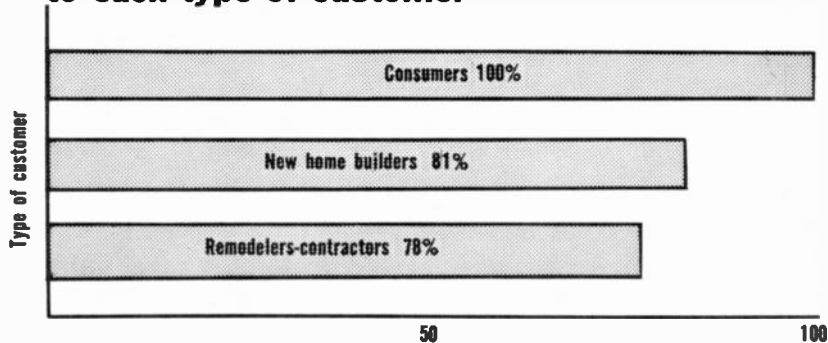
**Five-year forecast: Room Air Conditioners
Estimated factory shipments—1965-1969**



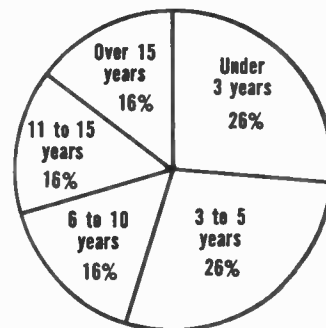
Source: National Electrical Manufacturers Assn.

**Special analysis of retail trends
(MW's survey of air conditioner retailers)**

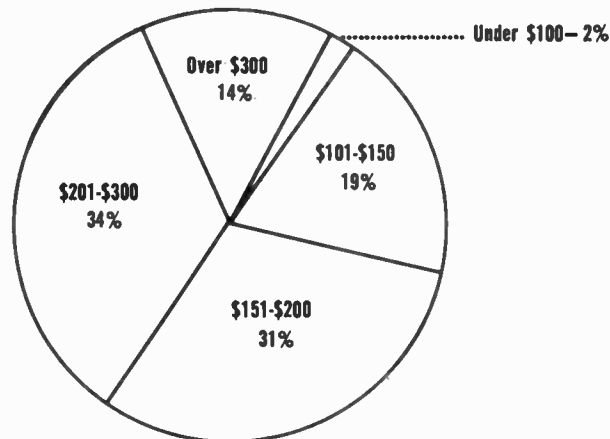
**Percent of retailers
selling central air conditioners
to each type of customer**



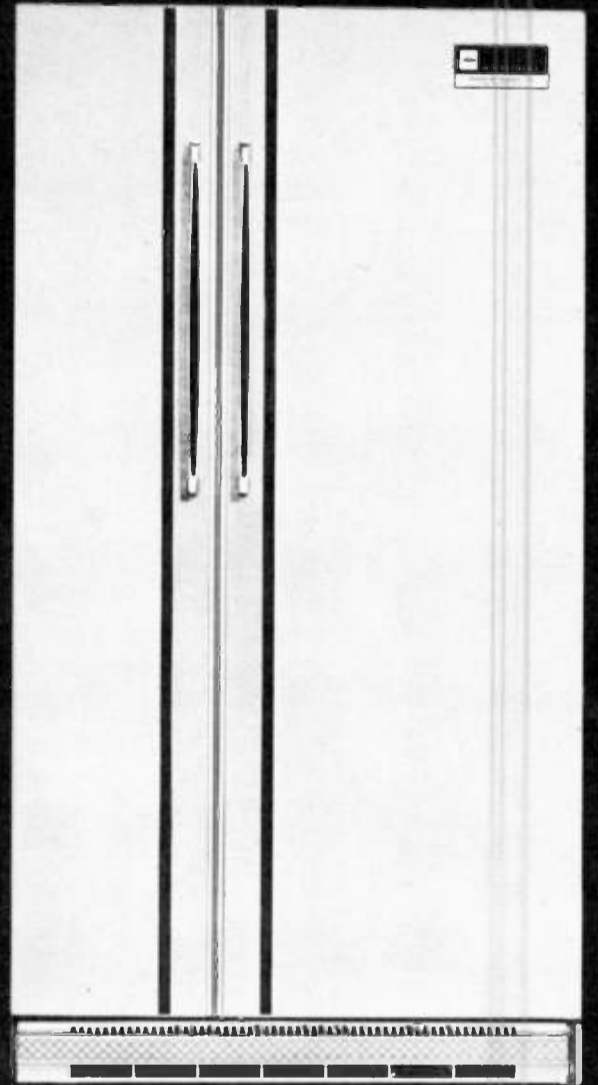
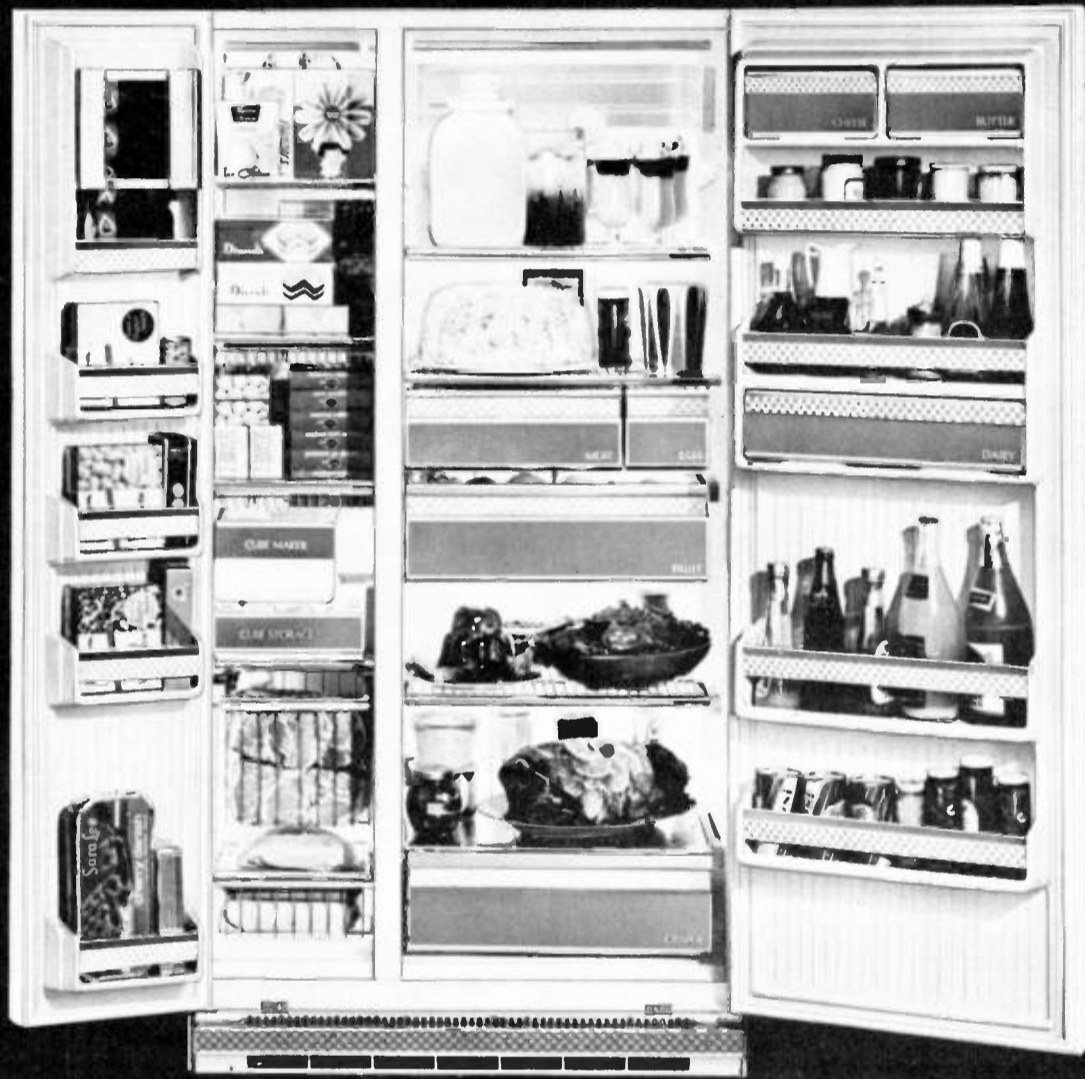
**Length of time retailers have sold
central air conditioners**



Retail price-range mix—Room Air Conditioners



Admiral announces another new Duplex 19...

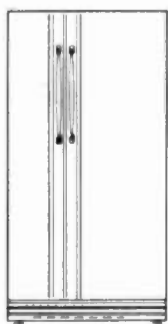


← 19.0 cu. ft. capacity →

← 33" wide →

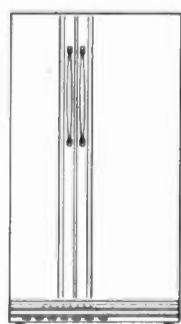
No-frost Model ND1969 with Automatic Ice-Maker, rated 19.0 cu. ft.

The only complete line of side-by-side freezer/refrigerators!



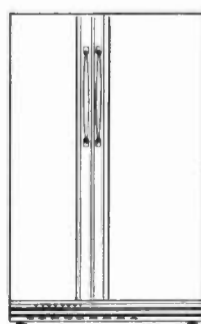
← 33" →

New Admiral Duplex 19...
197 lb. no-frost freezer, 13.4
cu. ft. no-frost refrigerator.



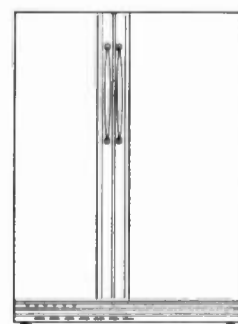
← 35 3/4" →

New Admiral Duplex 22...
259 lb. no-frost freezer, 13.4
cu. ft. no-frost refrigerator.



← 41" →

New Admiral Duplex 25...
325.5 lb. no-frost freezer, 15.1
cu. ft. no-frost refrigerator.



← 48 1/2" →

New Admiral Duplex 30...
395 lb. no-frost freezer, 17.9
cu. ft. no-frost refrigerator.

All Duplex sizes available in white, Copper Bronze, Citron Yellow, Turquoise, Brushed Chrome and new Halo Beige!

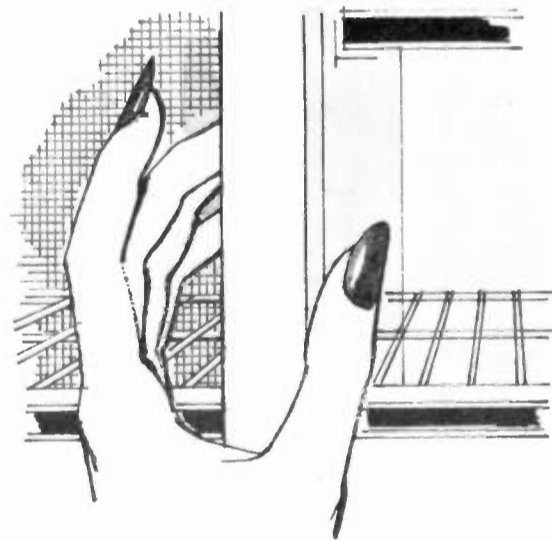
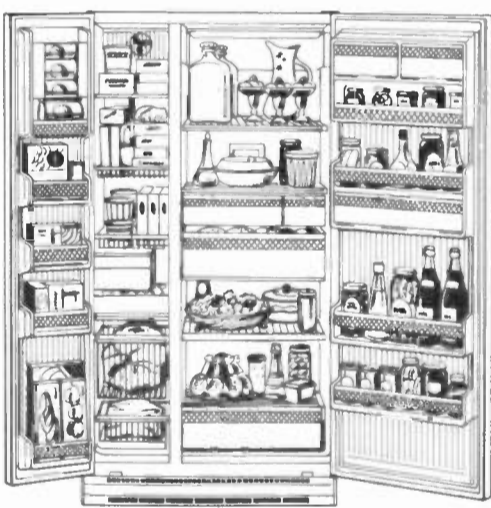
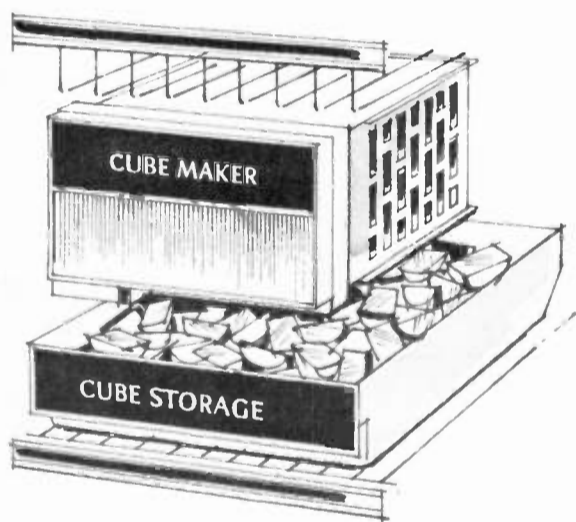
No need to carry imitations! The world's first 19.0 cu. ft. freezer/refrigerator only 33 inches wide now gives Admiral Dealers the *only* complete line of side-by-side freezer-refrigerators in the business! And not only is the Duplex 19 a new exclusive to sell, it's the perfect step-up to larger Duplex sizes! Admiral Dealers can sell the *largest* Duplex that will fit a customer's needs and budget! Call your Admiral Distributor now for full information!

industry first!

only 33" wide!

It's the most profitable product a dealer can sell! And now it fits more kitchens than any competitive brand!

New Duplex 19...19.0 cu.ft. big inside...only 33" wide!



New Admiral Automatic Ice-Maker. most-wanted, easiest-sold, step-up feature, available on all four Duplex sizes. It keeps a party-size supply of ice cubes always on hand. Giant basket holds over a hundred cubes . . . no filling, no slopping, no mess.

New Admiral Duplex refrigerator compartment has been completely redesigned for maximum convenience and capacity. No stooping, no bending, no reaching for either frozen *or* fresh foods. Everything is at your customers' fingertips, helps them sell themselves.

Admiral Thin-Wall Construction makes the amazing Admiral Duplex possible. Admiral engineers use new foamed-in-place insulation to make cabinet walls 40% thinner, increasing inner storage area, decreasing width, height and depth to a new minimum!



Sell the exclusive mark of quality

Admiral®



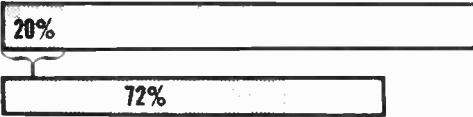
MARK OF QUALITY THROUGHOUT THE WORLD

Comparative analysis of retail practices

(MW's survey of air conditioner retailers)

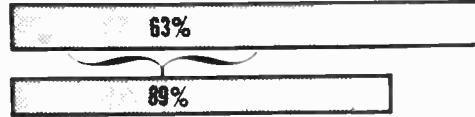
The value of promotions

Industry promotions:
20% of retailers tie-in



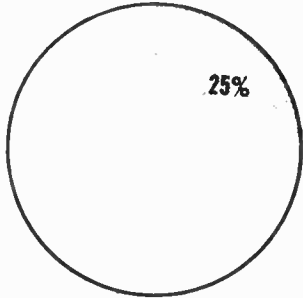
Do tie-ins increase sales?
72% of those who tie-in say yes

Local utility promotions:
63% of retailers tie-in

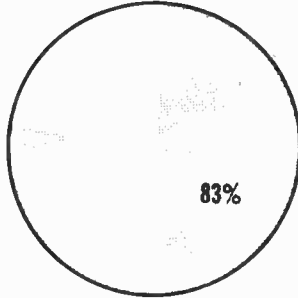


Do tie-ins increase sales?
89% of those who tie-in say yes

Brand preference and switching

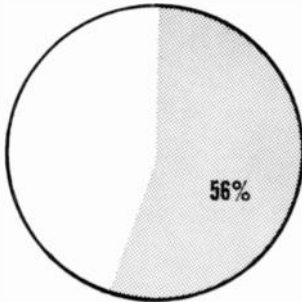


Brand preference: approximately 25% of customers ask for a specific brand

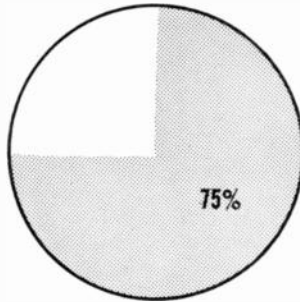


Switching: 83% of retailers attempt to switch a customer who asks for a specific brand

Parts and servicing

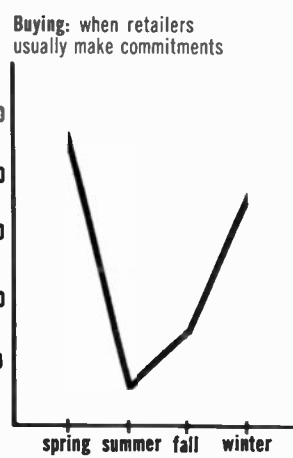
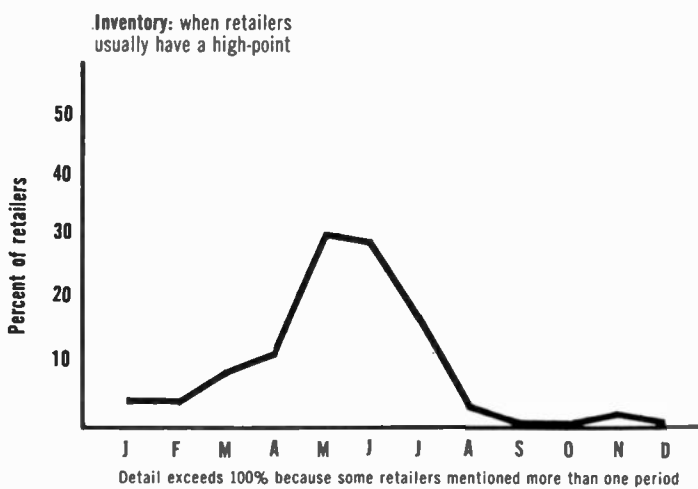


Parts: 56% of retailers who sell air conditioners also stock parts

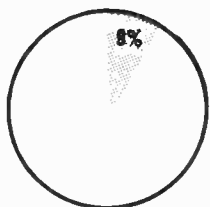


Servicing: 75% of retailers who sell air conditioners also service them

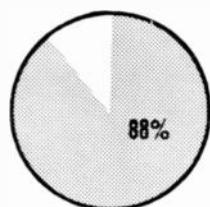
Buying and inventory peaks



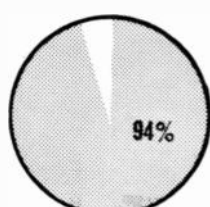
The value of co-op buying



Co-op buying groups:
9% of retailers are members of co-ops



Does membership improve dollar volume? 88% of these members say yes



Does membership improve profit margins? 94% of these members say yes

MAJOR APPLIANCE MARKETING

Tactics for

Air Conditioners

Hot weather is the air conditioner retailer's best salesman, but MERCHANDISING WEEK's survey shows that promotions can also help rack up sales. While only one out of five retailers reported tying-in with industry-wide promotions, almost three-quarters of them said sales were boosted by the campaign.

Local utility promotions were more popular with air conditioner retailers: more than six out of 10 tied-in with utility efforts, and nearly 90% of them said their sales went up because of the promotion.

While 1965 will probably be another record year for air conditioners, sales have not matched some enthusiastic forecasts for the year. Perhaps the retailers' reported success with promotions may mean that a more concerted effort should back up the industry-wide campaign.

Customers for air conditioners request a specific brand only 25% of the time, retailers said. More than eight out of 10 retailers admit they try to switch these customers to other brands.

Although an even three-quarters of the retailers surveyed said they service the air conditioners they sell, only a little over half of them stock parts for air conditioners. The survey also showed that 95% of the retailers who handle air conditioners deliver in their own trucks.

May and June are months when air conditioner inventory is at its peak, according to the survey. And spring and winter are the seasons for making buying commitments for air conditioners. Of the retailers surveyed, 92% report they have direct buying authority.

Co-op buying is a tremendous boost to air conditioner retailing, the survey showed. Although only 9% of the respondents reported membership in a co-op, nearly nine out of 10 said their dollar volume was increased through the co-ops, and 94% of them said their profit margins improved through co-op buying.

The results of this air conditioner survey are based on a structured sample of 1,200 reader-subscribers of MERCHANDISING WEEK. Of those who sent in usable replies, 76% said they sold air conditioners.

Of the retailers surveyed, 68% describe their outlet as an appliance-ratio-tv store; 10% as a home furnishings-furniture store; 7% as a department store or mass merchandiser; 2% as an auto supply store; and 2% as plumbers. The remainder—11%—were classified as other types of outlets.

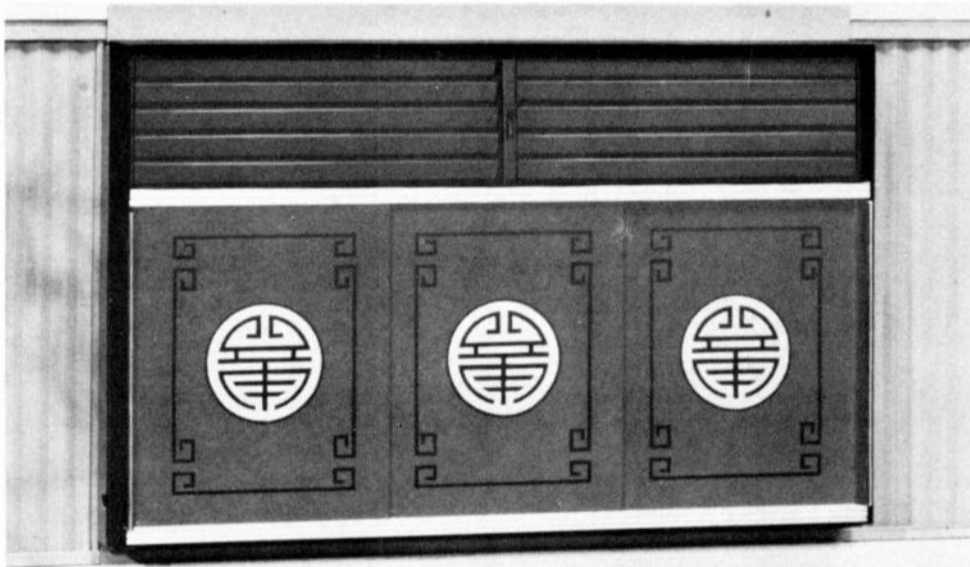
Geographical break-down of the respondents is as follows: New England and East South Central, 5%; Middle Atlantic and West North Central, 16%; East North Central, 20%; South Atlantic and Pacific, 11%; West South Central, 12%; and Mountain, 4%.

End. Special report begins on p.13



Gibson
Designer Series

DRAFT-FREE
Air Sweep
AIR CONDITIONERS



Penny Hallock Lehman

Mrs. Lehman has combined a career of homemaker, mother and leading interior designer for over 18 years. A special consultant to Gibson during this important trend-year to high styled appliances, she offers the experience needed to assure Gibson leadership in color and style, as well as performance and quality.

A beautiful new way to sales...

One of the important trends, today, is the styling of home appliances with an eye to how their design and color affect the total decor of a room. Because they are used throughout the home, air conditioners require a maximum flexibility of color and style. For 1966 Gibson offers seven distinctively original designer fronts for the 6E and 6K series, ranging from the daring accent of Chinese Red (shown) to formal Provincial White. Available across the heart of your line from 6500 to 18,000 BTUs, this important extra of high style adds valuable sales power to your still-exclusive story of patented draft-free cooling effectiveness.



HUPP
 CORPORATION

GIBSON REFRIGERATOR SALES CORPORATION
 Greenville, Michigan



Get with the Gibson trip of a lifetime...

High Adventure in **HONG KONG**

See your Gibson distributor for exciting details



WEEDER

TIME-TAKERS.



APPLIANCES
STEREO
COLOR TV

AUTHORIZED
DEALER



TIME-SAVER.

Wouldn't you rather see 1 salesman about 7 products, than 7 salesmen about one product each? Here's the answer.

Meet your G-E Sales Counselor. He comes in like a time-saver. A one-man shopping service. The only salesman in the appliance business with a full bag. There are no holes in the G-E lineup. Every major appliance is right in our Sales Counselor's bag, all of them with exciting product features that make selling G-E easier.

And when you have only one salesman to deal with, one set of bills to cope with, one set of delivery papers to check . . . you free-up time. Time to sell what you buy.

You sell faster, too, with G-E exclusive product excitement.

For instance?
For instance...

Refrigerators with giant freezers and Auto-Fill Ice Makers. Popular price lines. Exclusive Roll-Out Freezers, Swing-Out Shelves. The one-and-only high-style Americana®.

Ranges with P-7® ovens that clean themselves electrically, now yours to sell on 7 different models. Some with double ovens.

Washers with MINI-BASKET®, G.E.'s exclusive auxiliary wash basket that fits in the G-E washer, does a 2-lb. load of delicates, takes only 2 gallons of water.

PortaColor TV, the first portable color TV. Weighs only 25 lbs., goes anywhere in the house. Priced for profit, too.

Porta-Fi Broadcasting System. First complete sound transmitting system. With this exclusive G-E music distribution system, the G-E Stereo console can be heard in any room without the need for cus-

tom wiring. Porta-Fi sends the program throughout the house via the regular house current.

Dishwashers with Silver Shower, the plus washing action for silverware. High-pressure washer jets focus straight into the basket.

Thinette Air Conditioners, the portables that are breaking sales records. Light, easy to install in minutes, they turn on powerful cooling.

And behind this unbeatable G-E lineup is the best service setup in the business. To say nothing of a barrage of national magazine and TV advertising that presells for you.

Think it over.

In the time you save, you can make a lot of sales.

GENERAL  **ELECTRIC**

Saved again. But the odds get shorter the longer you play retail roulette.

In the changing appliance — consumer electronics — housewares field, it's risky business to concentrate on only a portion of the market (only mass merchandisers, for instance) and ignore the rest (independent retailers). Especially when you don't have to gamble. You can reach them both in Merchandising Week.

Merchandising Week is the Big One because it does more for retailers. Our editors don't just print the week's news, market facts and figures... they put these events into perspective. They interpret, analyze, evaluate! It's the type of editorial dimension retailers can get only in Merchandising Week.

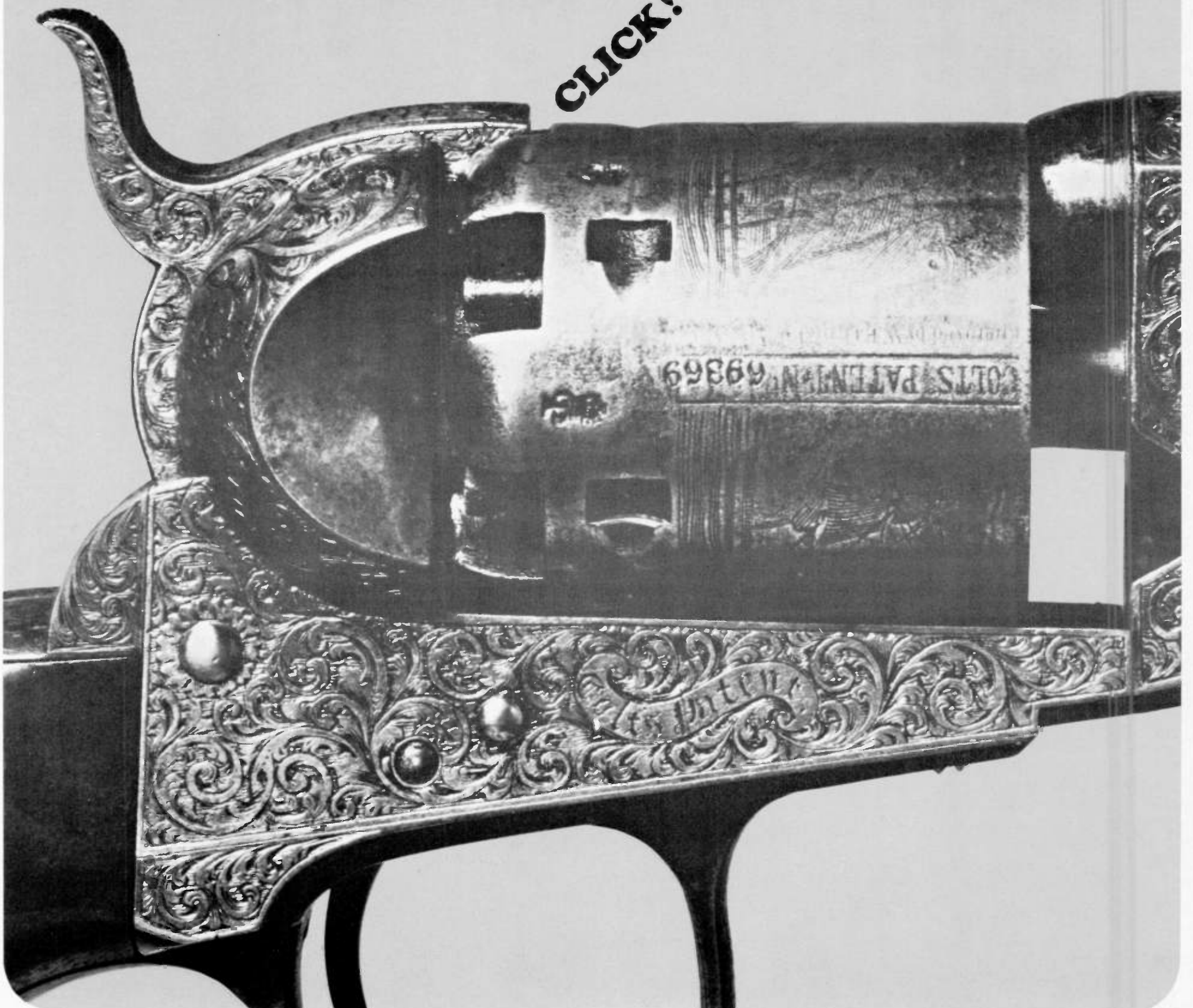
When you advertise in the Big One you're assured of reaching all of today's top pros. Equally important, you're reaching the brand-new retailers today who will be the king pins tomorrow... thus automatically building a future market. And doing it at the lowest possible cost.

MERCHANDISING WEEK

The Interpretative News Weekly

A McGraw-Hill Publication, ABC-ABP

CLICK!



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EXECUTIVE, EDITORIAL, CIRCULATION AND ADVERTISING OFFICES: McGraw-Hill Building, 330 West 42nd Street, New York, N.Y. 10036. Telephone 971-3333.

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Pick your favorite reason for not selling car radios

*Too tough to install and service . . .***Wrong! Today they're about as easy to sell as any carry-out appliance.**

Motorola has over 6,000 Warranty Stations, fully equipped to take care of installation or maintenance for your customers. All you have to do is sell car radios—as carry-outs—just as you would sell a small appliance.

*Don't have the space . . .***What space? They take up only 8.3 sq. ft.**

That's all it takes to put up a complete Motorola operating display—that lets you demonstrate eight popular Motorola car radio products. Customers can sell themselves, while you're elsewhere in the store.

*Cars today come factory-equipped...***Try again! Almost 40% of all cars leave the factory without radios.**

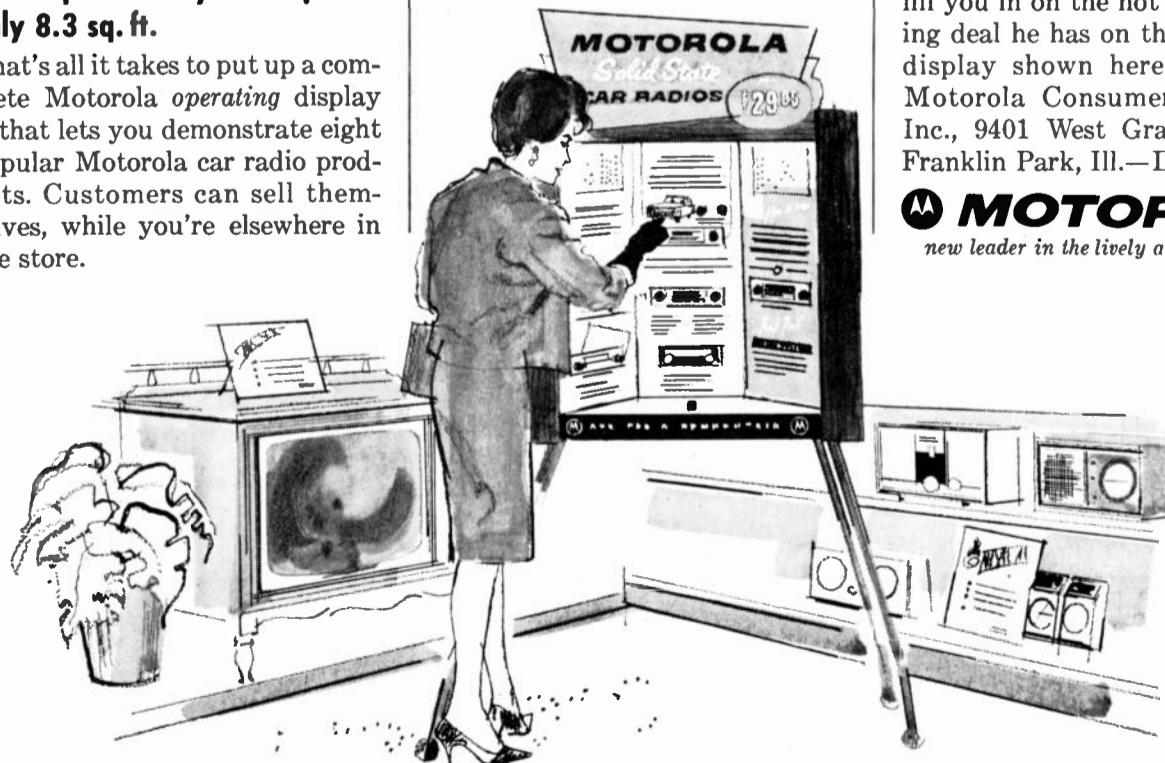
Automotive News figures show only 61.53% of all cars, in every price and size category, are sold with radios. And even owners of cars that are factory-equipped are prospects for Motorola AM/FM radios, FM tuners, and Vibrasonic Sound Systems.

*Not enough profit . . .***Not so! Car radios are a real sleeper.**

There's an excellent markup on car radios today and good volume, too. And retail prices haven't been footballed, as they have with so many other traffic appliances.

*No real information available on them . . .***Why not ask us?**

Call your Motorola distributor and he'll give you the facts. Also fill you in on the hot merchandising deal he has on the self-selling display shown here. Or write: Motorola Consumer Products, Inc., 9401 West Grand Avenue, Franklin Park, Ill.—Dept. CJG-4.

MOTOROLA
new leader in the lively art of electronics

rodriguez looks at selling



"Here's your chance to show your stuff, Milt—he's got a consumer testing magazine that has a 'not acceptable' rating on that AM-FM stereo."



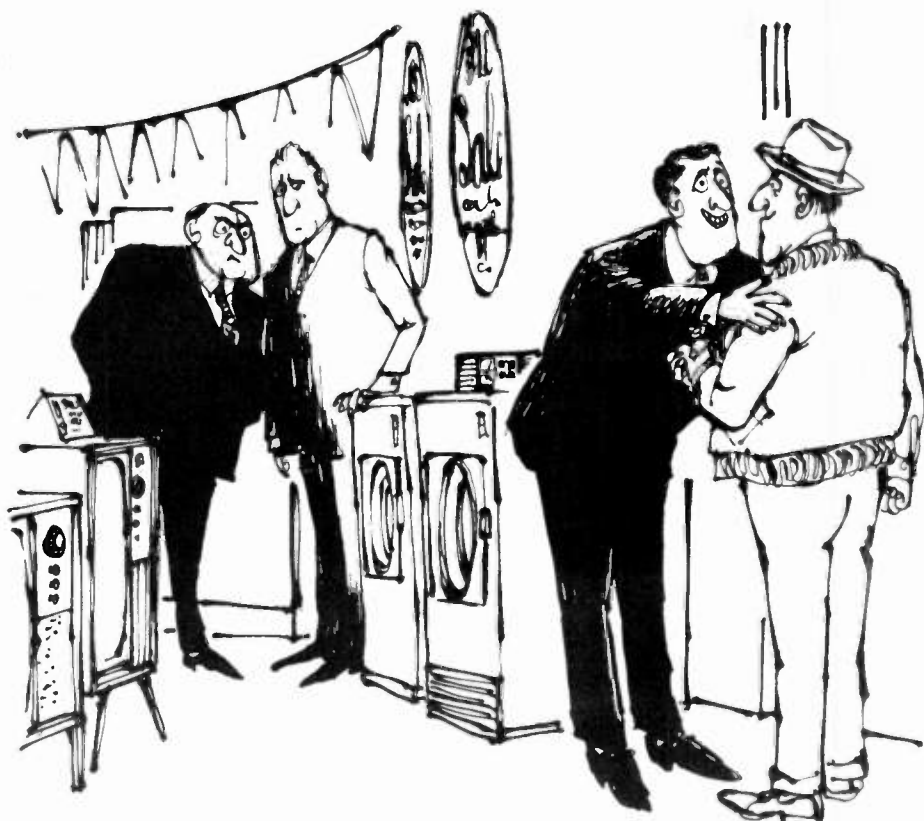
"When your brother-in-law suggested you should go into the appliance business, do you think maybe he meant the manufacturing end—soldering, assembling, or something?"



"I don't know what he's up to; he walked in and said he was interested in our 'nailed down' items."



"I'll let you talk with our Mr. Varnick, sir; he does the dickering on our 'fair trade' line."



"... He oils them up royally, he knows all the specs, he sends them all Christmas cards out of his own pocket,—well, he's not fooling me—any day now he'll be opening up his own store..."

INDUSTRY TRENDS

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

| | date | 1965 | 1964 | % change |
|----------------------------------|----------|------------|-----------|----------|
| FLOOR CARE PRODUCTS | | | | |
| floor polishers | August | 91,589 | 92,492 | - .98 |
| | 8 Months | 740,233 | 738,553 | + .23 |
| vacuum cleaners | August | 376,644 | 389,895 | - 3.40 |
| | 8 Months | 3,099,952 | 2,851,844 | + 8.70 |
| HOME LAUNDRY | | | | |
| dryers, clothes, elec. | August | 142,796 | 115,200 | + 23.96 |
| | 8 Months | 712,899 | 619,887 | + 15.00 |
| dryers, clothes, gas | August | 70,463 | 56,761 | + 24.14 |
| | 8 Months | 357,237 | 330,200 | + 8.19 |
| washers, auto. & semi-auto. | August | 347,965 | 324,721 | + 7.16 |
| | 8 Months | 2,401,943 | 2,249,285 | + 6.79 |
| wringer & spinner | August | 50,635 | 59,994 | - 15.60 |
| | 8 Months | 389,842 | 437,431 | - 10.88 |
| OTHER MAJOR APPLIANCES | | | | |
| air conditioners, room | August | 101,900 | 128,000 | - 20.39 |
| | 8 Months | 2,472,800 | 2,214,000 | + 11.69 |
| dehumidifiers | August | 10,800 | 22,600 | - 52.21 |
| | 8 Months | 189,400 | 191,000 | - .84 |
| dishwashers, portable | August | 26,600 | 18,700 | + 42.25 |
| | 8 Months | 218,300 | 170,800 | + 27.81 |
| dishwashers, under-counter, etc. | August | 69,700 | 53,600 | + 30.04 |
| | 8 Months | 515,500 | 446,200 | + 15.53 |
| disposers, food waste | August | 123,400 | 112,900 | + 9.30 |
| | 8 Months | 867,000 | 838,200 | + 3.44 |
| freezers, chest | August | 48,700 | 40,500 | + 20.25 |
| | 8 Months | 313,200 | 302,300 | + 3.61 |
| freezers, upright | August | 69,100 | 63,100 | + 9.51 |
| | 8 Months | 467,200 | 466,000 | + .26 |
| ranges, elec., free-standing | August | 101,100 | 87,400 | + 15.68 |
| | 8 Months | 814,300 | 740,400 | + 9.98 |
| ranges, elec., built-in | August | 62,300 | 64,900 | - 4.01 |
| | 8 Months | 508,300 | 533,400 | - 4.71 |
| ranges, gas, total | August | 193,100* | 193,500 | - .21 |
| | 8 Months | 1,421,300 | 1,424,000 | - .19 |
| refrigerators | August | 415,400 | 399,300 | + 4.03 |
| | 8 Months | 3,191,100 | 3,050,800 | + 4.60 |
| water heaters, elec. (storage) | August | 98,400 | 86,900 | + 13.23 |
| | 8 Months | 720,700 | 666,700 | + 8.10 |
| water heaters, gas (storage) | August | 199,620 | 216,390 | - 17.75 |
| | 8 Months | 1,698,380 | 1,838,850 | - 7.64 |
| CONSUMER ELECTRONICS | | | | |
| phonos, mfrs. ship., port.-table | June | 321,945 | 310,742 | + 3.61 |
| | 6 Months | 1,427,422 | 1,047,190 | + 36.31 |
| distributor sales | June | 214,292 | 217,171 | - 1.33 |
| | 6 Months | 1,250,973 | 989,010 | + 26.49 |
| phonos, mfrs. ship., console | June | 171,253 | 153,027 | + 11.91 |
| | 6 Months | 687,538 | 656,819 | + 4.68 |
| distributor sales | June | 111,371 | 126,026 | - 11.63 |
| | 6 Months | 610,988 | 658,335 | - 7.19 |
| radio production (ex. auto) | Oct. 1 | 275,295 | 244,189 | + 12.74 |
| | 39 Weeks | 10,027,466 | 7,612,155 | + 31.73 |
| distributor sales | June | 1,020,575 | 868,247 | + 17.54 |
| | 6 Months | 5,112,766 | 4,019,448 | + 27.20 |
| b&w television production | Oct. 1 | 193,229 | 208,697 | - 7.41 |
| | 39 Weeks | 5,949,345 | 5,761,403 | + 3.26 |
| distributor sales | June | 533,123 | 613,124 | - 13.05 |
| | 6 Months | 3,386,935 | 3,443,073 | - 1.63 |
| color television production | June | 231,253 | 123,725 | + 86.91 |
| | 6 Months | 1,083,093 | 599,345 | + 80.71 |

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

Here Is The Best Appliance Truck
Money Can Buy Because Only The

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OFFERS YOU

EXCLUSIVELY THESE TWO FEATURES

1 ALL-STEEL RATCHET STRAP TIGHTENER WITH AUTOMATIC STRAP RECOIL!

This new ratchet quickly and easily tightens strap around load. When loosened, spring action automatically rewinds the strap in a neat coil, out of the way and instantly ready for its next use. A real time saver! EXCLUSIVE ON THE ESCORT!

2 FAMOUS ROLLER BEARING CRAWLER TREAD!

This ESCORT feature allows you to roll the loaded truck up and down stairs with a minimum of time and effort. A real back saver! EXCLUSIVE ON THE ESCORT!

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APPLIANCE TRUCKS

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Magnesium Light!
Magnesium Strong!

MODEL SRT
Rugged, All-Steel
Construction

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Planning to change your address?

Please use this form to indicate your address change. We can best serve you if you can notify us at least one month in advance of your change. Attach the address label from your most recent issue of Merchandising Week in the space provided.

attach present label here

(Please print your new address below)

name & position

company

type of business (if retail, please indicate type of store)

street

city

state

zip



Sony tape deck, reverser, recorder

A new tape deck, an automatic tape reversing system, and an updated tape recorder are announced by Sony.

The tape deck, Sony 350 (shown above), is a 4-track, solid-state unit

featuring a three head design, two VU meters, an end-of-reel automatic cutoff, and a pause control and digital tape counter. Other features are tape and source monitor switches and a heat set monitor jack.

Power needs are 117v and 40w; frequency response is 50 to 15,000 cps. With tape speeds of 7½ and 3¾ ips, the unit is in a walnut-grained, black and gold decor. Suggested retail price is less than \$199.50. A grey and chrome version of the tape deck is expected to retail for under \$219.50.

The tape reverser, Sony 660, is a solid-state, four-speaker unit with two Sony F-96 dynamic microphones. Its reverse unit is triggered by silence, changing tape direction auto-

matically. Like Sony 350, the reverser has two VU meters, a cutoff switch, two speeds, pause control and digital tape counter, and headset. Power specifications are 115v and 150w, while frequency response is 30 to 18,000 cps and 50 to 15,000 cps. It carries reels 7 inches and smaller. Expected retail price for the Sony 660 is under \$575.

Refinements have been made in the Sony 777-4 recorder (shown at right). Frequency response has been raised to 30 to 16,000 cps. All service adjustments are on one tilt-out circuit board. A new bilateralead design combines erase and record action. Power needs are 85w and 110 to 117v. *Superscope Inc., 8150 Vineland Ave., Sun Valley, Calif.*

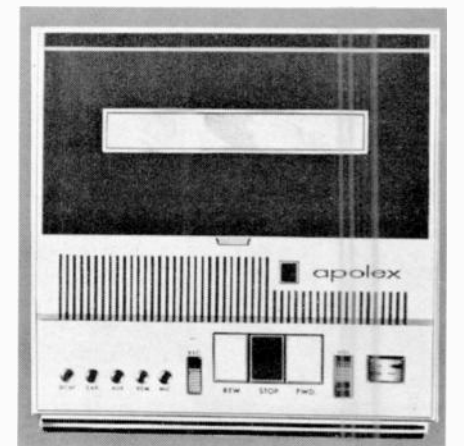


Columbia battery-AC phonograph

New to the phonograph line of Columbia Record's Masterwork division is a portable unit, model 1903.

The new phono (shown above) operates on both battery and AC current. Besides a tone arm safety clip and detachable cord, the unit features a solid-state amplifier, full transformer power, two sapphire needles, a rubber-tracked steel turntable, and a three-position switch.

Encased in red vinyl with aluminum trim, the model's suggested retail price is \$39.95. *Columbia Records, 51 W. 52nd St., New York, N.Y.*



Sunwave tape recorders

Two new thin-line solid-state tape recorders are introduced by Sunwave.

Apolex RC-600, a capstan drive model, features six transistors, two speeds, push-button controls, a remote control microphone, and forward and rewind control. With four-inch reels, recording time in three hours. The unit (shown above) is 2¾ inches thick and weighs 6.6 lbs.

The second model, Apolex RA-65, is a four-transistor reel drive unit. It includes a crystal microphone, a 2¼-inch speaker, and a 10-minute recording limit. The recorder is 2¼ inches thick and weighs 2.6 lbs. *Sunwave Industrial Co. Ltd., No. 5, 4 Chrome Yhesu, Chou Ku, Japan.*



It's a visible flame, modern fireplace • It's a 25,000-btu automatic gas space heater • It's so unique-it's patented!

Siegler HEARTH GAS FIREPLACE-HEATER

Another great new use for gas pioneered by Siegler! All the beauty and charm of a modern fireplace plus automatic gas heating comfort. It's fully vented and the legs are adjustable to meet various ceiling

heights. Ceramic logs are realistic in detail and color. Available in olive, white and charcoal, it is easy to assemble and install. Want the facts on this fresh, new profit maker? Write: Salesmanager,

SIEGLER HEATER COMPANY • CENTRALIA, ILLINOIS

BIG ONE

in Merchandising Week!

MERCHANDISING
WEEK



ON THE INSIDE

AT PRESSTIME

When the need for both impact and frequency sends the budget beyond limits, take the cake-and-eat-it approach by concentrating in *the* BIG ONE: Merchandising Week! Eliminate the whispered word, the seldom heard. Speak out loud, clear, often...concentrate big in the action-arousing pages of Merchandising Week. Penetrating, balanced retail coverage that blankets the field. Concentrate where? In *Merchandising Week!*

MERCHANDISING *WEEK*

The Interpretive News Weekly



a letter to the president

Mr. Granville J. Shoofly
President
Supersound Corp.
Fogeyville, Ohio

Dear Sir:

May I begin by commending you for the high quality of your electronic products, and what is equally important, for the minimum selling prices you have rigorously enforced through the years.

Because of your very vigilant policing, none will dare cut price lest they be stripped of your very profitable franchise. I know this to be a

fact. We got your franchise after the guy across the street had had it all to himself for fifteen years.

Since then, he has flooded our store with spies and secret agents in an effort to catch us shaving Supersound prices. He has even photographed our windows in trying to prove that we use Supersound as a football—which would indeed be a crazy act on our part. But to no avail. You know our hands are clean from this sordid activity.

But I have a problem, Mr. President. Should I hold to minimum price on Supersound even if it means

losing a sale to another dealer for another brand? Permit me to explain.

The other day a pair of Cupid-smitten youngsters walked in. They were out for a famous brand portable tv with which you are familiar—the AOK. This is unquestionably the biggest football on the market since the game was invented, and we do not carry it. Instead I talked up the merits of Supersound, showed them a few models, and before you could say UHF, she went for one with a minimum selling price of \$179.95. They regarded each other's blue eyes,

whispered, announced they wanted to make one more stop, and glided out.

Two hours later they returned. "We saw an AOK for \$169.00 which we like," she declared. "But even though it's ten dollars more, we like the Supersound better. Is this the table we get?" she said pointing to the matching stand on which the Supersound reposed.

"It is \$9.90," I told her. "The stand comes free of charge with the AOK," she advised me, "which means that the Supersound is really twenty dollars more than the AOK."

Mr. President, I could not give her the Supersound stand free. That is your policy—not mine. But I did not want to lose your sale to AOK. So I gave her a different stand free of charge—which is a violation of your policy banning the giving of a gift to make a sale. You term this an evasion of your minimum selling price.

Anyway, so far so good. I started to write up the sale. "\$179.95," I inscribed on the bill.

"What?" she exclaimed. "You said \$179.00!"

"It is only a difference of 95¢," I remonstrated. "It will not make me rich or you poor, but I cannot write this up for a penny less than \$179.95 or I can lose the whole franchise."

"The AOK was \$169, and I am beginning to think maybe we are spending too much now," she said looking toward the door.

"After you have enjoyed this set for five years, you will long since have forgotten the 95¢," I stated.

"Honey," she said to her fiancé, "we better think this over."

It was here I lost my head, Mr. President. "Look," I spouted frantically, "I will write it up for \$179.95 and give you back the 95¢—all right?" Again they gazed into each other's eyes while I waited breathlessly. After an eternity she turned to me.

"All right," she said and counted out the full amount in cash.

Yes, Mr. President, I confess. I did violate Supersound's canons. To take away a deal from AOK, I gave away a table and 95¢. Will you forgive me this one and only trespass?

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

KEY MOVES

Thermador—Sam Givenco replaces Ross Meredith as new sales rep for the East Bay territory, including Contra Costa and Alameda counties. Meredith moves to Portland, Oregon.

Maytag—Cletus A. Busen is named general service mgr of Maytag Detroit Co., which serves the appliance market in eight eastern Michigan counties.

Symphonic—Herman Marsen comes from Sharp Electronic Corp. to head Symphonic's Television Division.



Old parts room

Nine times out of 10, a call to service a General Electric major appliance can be completed from a parts stock carried in a small panel truck.

That's because of the compactness and versatility of the G-E line of Genuine renewal parts.

For instance. A new one-piece G-E water valve fits all G-E washers produced since 1957. Three home-laundry motor models fit virtually all G-E automatic washers and dryers ever made. Four fan motor models fit all G-E room air conditioners with KCP and KSP 5½-inch diameter motors. And two Calrod® unit sizes and four trim rings fit all ranges—G.E. and other makes.



new parts room

If you are not enjoying this kind of versatility, contact your General Electric parts distributor. He'll be glad to show you how you can cut out costly second calls and increase the profitability of your business through a parts stock tailored to your sales and service volume. 830-27A

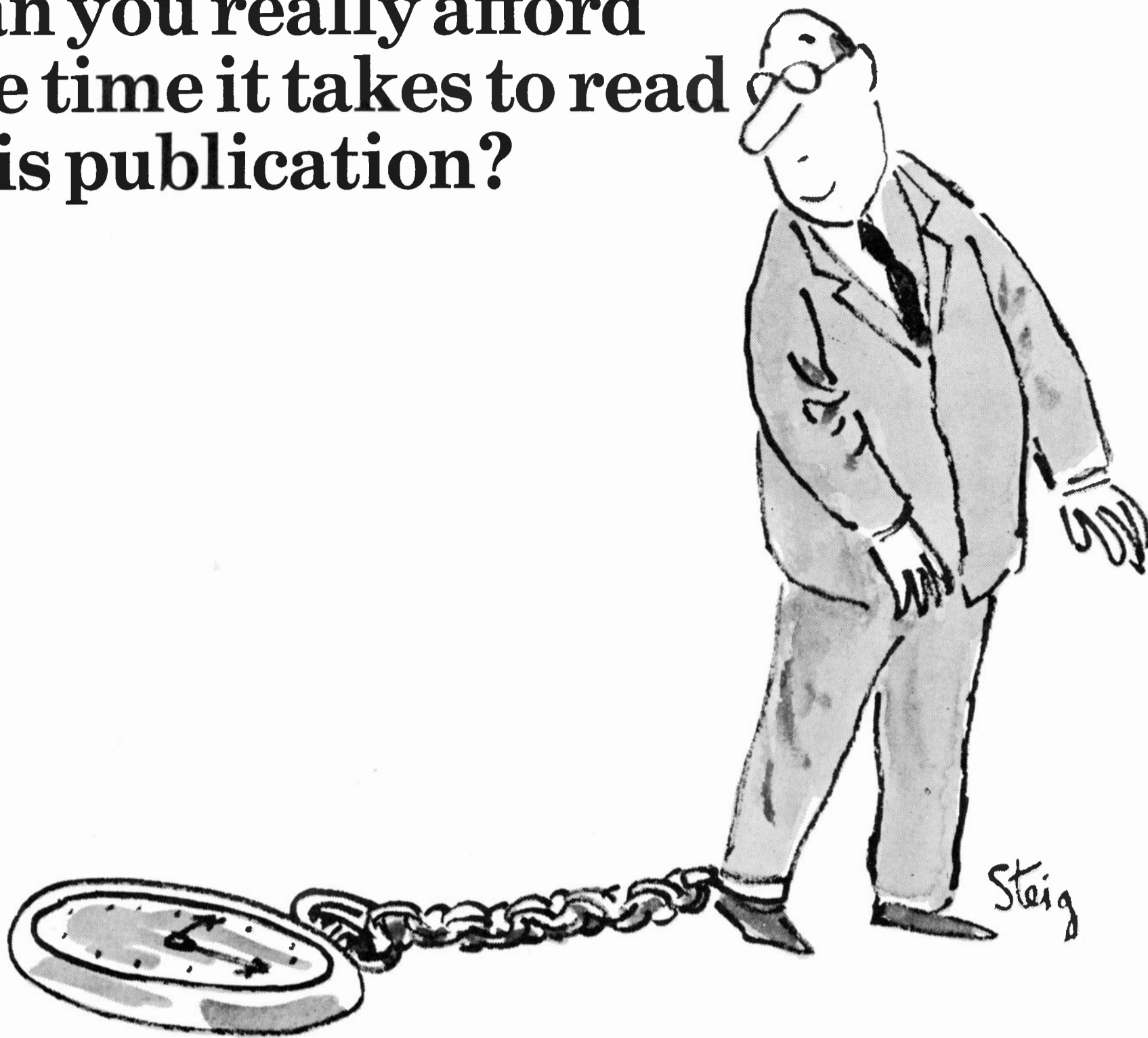
Complete 9 out of 10 service calls in one trip

GENERAL ELECTRIC



To Company Presidents:

**Can you really afford
the time it takes to read
this publication?**



You really can't afford not to, can you?

We don't know where you're reading this publication: In your office; in your home; in a hotel room; or in transit. But we do know that wherever you are, every minute of your time is valuable. And every minute you spend with us has to pay off.

That's why we work so hard, not to waste your time but to save your time, by giving you every important piece of news and information you need — as fast as it happens, exactly as it happened, and what's likely to happen as a result.

When you open our publication, we know you mean business. So do we.

MERCHANDISING WEEK

Completes A Load Every Four Minutes
No Bleaching Or Hand Treating
Saves Water, Soap, Softener, Electricity
NO OTHER TYPE WASHER CAN MATCH

DEXTER QUICK TWIN



FAIRFIELD, IOWA

See Your Dexter Distributor or Write Dexter, Fairfield, Iowa

Short or Tall



NEW YEATS model 14

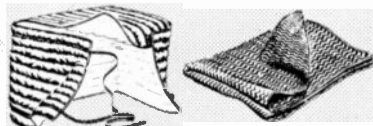
give non slip grip...
even under lifting leverage

Now, with two strap ratchets and four strap positions from which you can grip appliances, the new YEATS Model 14 gives you non slip holding power even when a second man lifts against an appliance on stairs. Appliance cannot slip off even under lifting leverage! Fast grips everything from washers to refrigerators. You get the performance of two different size dollies in one! This plus all the other famous YEATS features saves up to a dollar's labor handling each appliance. See your YEATS dealer or write direct.

NEW FINGER TIP RATCHET RELEASE
Even when strap ratchet has stretched belt in tightening, new trigger device releases ratchet grip with finger tip.

"Everlast" COVER AND PADS

YEATS semi-fitted covers are made of tough water repellent fabric with adjustable web straps and soft, scratchless flannel liners. All shapes and sizes — Write.



Washer Cover Furniture Pad

YEATS APPLIANCE DOLLY SALES COMPANY

1304 W. FOND DU LAC AVE., MILWAUKEE, WISCONSIN

KEY MOVES

Bentley Audio Corp.—Albert Leon is appointed sales mgr.

BSR (USA) Ltd.—S. David Feir is appointed sales mgr for all BSR products; Martin L. Scher, vp of BSR (USA) Ltd, embarks for an extended stay in the European Common Market.

Gaffers & Sattler—John G. Smaxwell is promoted to national marketing mgr for heating and air conditioning equipment; he will also continue as national marketing mgr for evaporative coolers and blowers.

Kelvinator—W. E. Grumiaux Jr. is named director of advertising and sales promotion; Grumiaux succeeds M. C. Cameron, who recently was promoted to field sales mgr.

Maytag—Regional mgr Wint Wilks Jr. is promoted to a 16-county area in northeastern Oklahoma; Wilks succeeds Fred O. Jones, who is now serving metropolitan Denver through the company's Denver branch; James F. Biggane moves to the newly created position of administrative mgr of manufacturing, and is succeeded as mgr of manufacturing by Eugene A. Nicol—effective Oct. 1.

Motorola—Dr. Daniel E. Noble, group executive vp and member of the Motorola Inc. board of directors, has been elected vice-chairman of the board and has been designated the corporation's chief technical officer; Dr. Noble continues as head of the communications, military electronics, semiconductor products, and control systems divisions.

RCA—Leonard Gillon is promoted to the newly created post of mgr-tv picture tube manufacturing department.

Singer—Herbert L. Laube and Herbert O. Leipold are appointed assistant vps of the company; both are with Singer's Climate Control Div.

WASSCO—Westinghouse Appliance Sales and Service Co. names two new regional service mgrs: G. E. Bouton is named mgr for the Eastern region; W. J. Smotherman is appointed mgr for the Northwest region.

Whirlpool—Gene Durren is named general mgr for laundry products sales to Sears; Durren replaces Ralph Ashley, who was recently named executive vp of George W. Roper Co.; Robert M. Mitchell, corporation vp, announced his plans to retire effective Jan. 1, 1966.

DISTRIBUTOR APPOINTMENTS

Admiral—Arlington Distributing Co. Inc., 5111 Southwest Ave., St. Louis, is appointed for all products in the St. Louis, Mo., territory; Towne Distributors Inc., 744 E. 25th St., Norfolk, is appointed Admiral builder distributor in Norfolk, Va.

Fedders—Cain and Bultman Inc. is named to handle sales of central air conditioning equipment, room air conditioners, and major appliances in Miami, Fla.

Philco—Woodlawn Distributing Co. is appointed for majors and consumer electronics in the Louisville, Ky., and Nashville, Tenn., areas.

CPU

FOUNDER AGNES FURNDQC

Craig Panorama University was founded by a man named Agnes Furndoc who left his half-vast fortune to learn you to make a lot of money pushing tape recorders and radios.

If you shape up, and read these columns whenever they appear, you'll be so rich you'll need a special fireplace just to burn money.

CRAIG TR-490
Mike With the Built-in Tape Recorder

- built-in microphone, speaker
- tape-pack operation
- V-U meter, variable speed control
- leather case, batteries, remote mike, earphone, tape-pack included

Full profit at less than \$80 retail

VISTA TR-520
2-Speed Tape Recorder • solid-state, battery powered • capstan drive, 5" capacity • 4-hour recording time • remote-control mike, tape, batteries and earphone included • Full profit at less than \$60 retail

VISTA NTR-6G AM Globe Radio

- beautiful golden globe with black base
- all-transistor, battery powered
- AM-SW and AM-FM also available
- earphone, batteries included
- AM-SW model pictured above

Full profit at less than \$30 retail

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

To Craig Panorama, Inc., Dept. MW-1018
3412 South La Cienega Blvd.
Los Angeles, California 90016 ☎

Dealer's name _____

Buyer _____

Dealer's street address _____

Dealer's city state zip _____

GE's move could help unravel its housewares traffic jam

General Electric Co.'s housewares division should gain marketing flexibility and increased local support when it takes over the sales-distribution responsibilities now handled by General Electric Supply Co. (GESCO). The new program (MW, 11 Oct., p.3) becomes effective Jan. 1.

Increased local marketing support will be one result, because the housewares division will have a housewares man—rather than a supply man—running the show at the local level. How actively any GE housewares marketing program is supported at the local level is now determined by a GESCO district manager responsible to the housewares division, which also is headquartered in Bridgeport. GESCO operates as a separate division of the corporation, as does the housewares division.

Even though the personnel may remain the same under the new set-up (most GESCO men connected with housewares distribution will move over to the housewares division), these local district managers and salesmen will be directly responsible to the housewares division.

Long-range flexibility will result from the housewares division having a built-in direct-sell organization under its wing. If GE eventually decides that it must go to more direct sell in order to get the housewares coverage it needs, the organization already will be there.

To alleviate any possible fears on the part of independent GE distributors, GE handed them new two-year contracts to replace the current one-year pacts.

GE distributors may be on trial; at least, that is how some trade sources see the current situation. Speaking before the New York Housewares Club recently, W. H. Sahloff, GE vice president and housewares division general manager, stressed that the independent distributor will con-

tinue to play an important role in the distribution pattern—as long as he does an effective job for the retailer, and, of course, for GE.

"GE is not about to throw out the Eli Horns and the other independent distributors who do a tremendous job for them," one trade source commented in New York City. Horn Bros., Brooklyn, is the largest GE distributor in the New York City marketing area. And Horn Bros. does not fear losing any of its important department store and discount store accounts to the GE direct-sell organization that will take over from GESCO.

"They can't undersell us," one independent distributor said. "They still have the same costs no matter whether GE or GESCO runs it."

Some independent distributors expect to gain from having GESCO out of the picture. "I think we can pick up some GESCO business," one jobber commented. "If any distributor comes out short, it probably will be his own fault," another commented.

One GE distributor pointed out that the independents for the first time have "someone in Bridgeport looking after our interests." He was referring to the appointment of S. M. Fassler as manager of independent distributor sales. J. F. Stark has been named manager of GE (direct-sell) distribution.

Product proliferation worries GE, and Sahloff, in particular. As MERCHANDISING WEEK has been pointing out, the traffic appliance industry is in danger of becoming bogged down in its own product traffic jam. GE's latest move—like its decision to use the direct-sell approach on the Universal-by-GE line—is only one more example of the changes taking place. The industry undoubtedly will see many more.

—Ed Dubbs

Hotpoint begins an oven battle by putting the heat on Tappan

Violation of air space is a key issue in Hotpoint's hot war against the Tappan Co., declared last week in a U.S. District Court in Chicago. Hotpoint complained that its patent on ovens with Teflon-coated side panels is violated by some models in Tappan's new oven line.

Hotpoint's patent (No. 3,145,289), issued Aug. 18, 1964, covers the design combination of Teflon-coated side panels plus air space between them and the oven walls. Teflon deteriorates at temperatures above 500 degrees F.; and air space keeps the panels much cooler, thus prevents such deterioration.

Hotpoint says it offered Tappan a license on the patent and knowhow for its design last Sept. 14, "just two or three days after we learned they were coming out with a similar design." Tappan turned down the offer.

Hotpoint's complaint, Docket 65C-1666 before Judge James Parsons, must be answered by Tappan before the end of October. Hotpoint says, "The Tappan ranges we bought on

the open market come very close to duplicating the panel and rack structure of our own designs. Our suit charges patent infringement and asks for an accounting of the damages.

Walter Gummere, Tappan secretary, said "We have not been served with Hotpoint's suit yet, so I can't say what our reaction is. We have marketed ovens with removable liners for several years and just when the first Teflon liner hit the market I don't know."

"We would not knowingly violate a patent. But when you have large aggressive companies working toward the same goal, sometimes there is friction."

Hotpoint's suit does not name specific Tappan models which infringe its patent; the suit "covers any Tappan model with Teflon panels." Hotpoint says that, according to the law, "anyone who sells a product which infringes on a patent is also guilty of infringing the patent." Hotpoint added that it bought the Tappan range from a small Chicago retailer.

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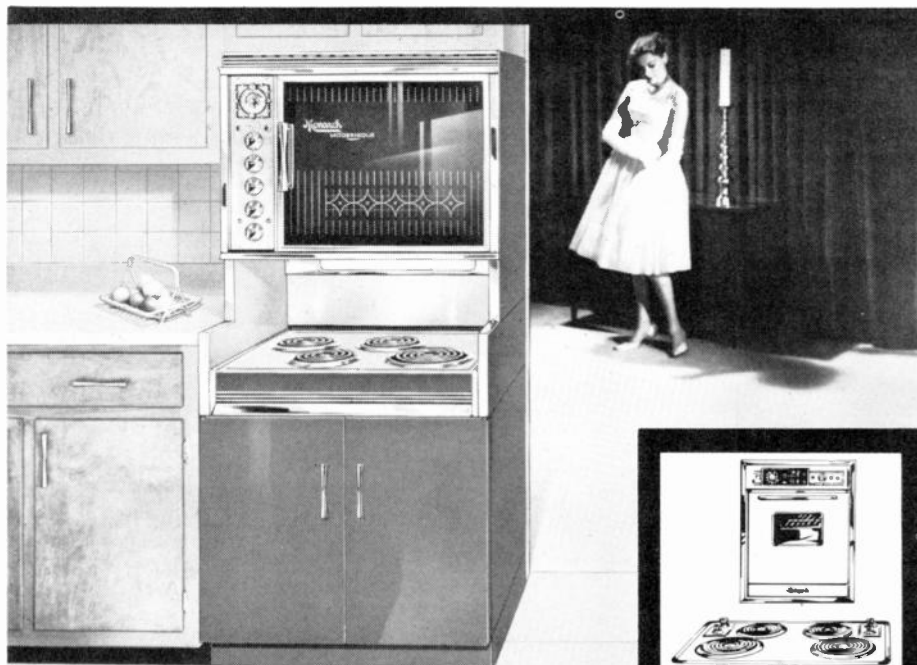
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Now let Nationwide do the talking. Here's what Nationwide Consumer Testing Institute had to say after exhaustive comparison tests: "The Regina Brush 'n Beat cleans as clean as leading uprights* tested, with *less effort*. Maintains its peak cleaning power for a longer cleaning time than other uprights tested."

Enough said, now talk to your Regina Rep or Distributor. Demand a demonstration of the Brush 'n Beat. Lift it. Try it. Compare it to the others. You'll sell it to every woman who's had it up to here with old fashioned monster uprights. The Regina Corporation, Rahway, New Jersey.

*Competitively priced models



REGINA

GE's Sahloff sets the pace as manufacturers hit the road

"GE is on the move in the housewares industry," MERCHANDISING WEEK reported in June (MW, 7 Jun., p.1). Since then, GE's No. 1 housewares spokesman, Willard H. Sahloff, vice president and general manager of the housewares division, also has been on the move. GE is presenting programs; Sahloff is backing them up with his "papers," as he prefers to call his speeches.

What it all adds up to is "a major GE effort to solidify its leadership in the housewares field, a position that has been whittled away in recent years" (MW, 7 Jun., p.1).

Sahloff was on the move again last week, going to Washington, D.C., to pitch the newly acquired Handy Hannah by GE housewares line to retail druggists. Landers formerly marketed the Universal Handy Hannah Deluxe line to druggists on an exclusive basis, and GE is now offering a similar line—17 items long—to the same drug trade.

Some four weeks ago, Sahloff appeared before department store chain buyers in New York City, and also presented them with an exclusive line: Universal by GE. Only one week before going to Washington to speak to the druggists, Sahloff went to Chicago to reassure independent GE distributors that the regular GE line still belongs to them, even though it may no longer belong to General Electric Supply Co., and even though GE has set up its own direct-sell operation in Bridgeport, Conn., to replace the GESCO operation. (See story on p.63.)

What Sahloff told the druggists: "I stand before you assured and confident that the Handy Hannah line, designed for the drug trade exclusively, will become one of the strongest electric housewares lines in the industry. We have product plans, promotion plans, advertising plans, which are hand-tailored to your needs and requirements. As we gain experience, we intend to do even better, by broadening and advancing the entire image of this excellent line beyond the scope of anyone's imagination."

Asked if General Electric planned to build special housewares lines to other types of retail outlets, a GE spokesman in Bridgeport, Conn., replied: "We have no intentions to

tailor lines for other classifications of retail trade, such as variety chains, etc." GE, incidentally, still has the Landers brand-name to play around with. GE, however, has indicated it has no present plans to use the Landers name.

Sunbeam's top men are moving, too. Sunbeam officials have been touring the nationwide circuit of investment analyst clubs for the past year. Last week, officials turned up in Atlanta and in Dallas. The tour started about a year ago, in New York City, where top Sunbeam executives hinted strongly that the firm planned to overtake GE as the leader in the housewares industry. The target was set at that time: \$300 million in annual sales in several years. Last week, Sunbeam executives predicted sales will reach between \$280 and \$285 million in the fiscal year ending next March.

Sunbeam has not stood still. Within recent years, Sunbeam has acquired Oster and Northern Electric as subsidiaries, entered the floor care field, came up strong in the clock market, made a big splash in outdoor power equipment, and offered the first price-protected, consigned, housewares line: Vista.

Westinghouse is making its move through expansion: it has begun production at a new Ohio plant for electric housewares. It has gained marketing strength with department stores, thanks to its franchised Royal Lady line. It also has embarked on a program of beefing up its product line category by category—so far, in vacuum cleaners and coffeemakers. Westinghouse housewares executives have yet to take to the road to make speeches.

There are other speech makers: Hamilton Beach, for example, has been sending its top marketing people out to boast of the firm's sales gains and of its leading position in the crowded race for big sales in the electric slicing knife field.

GE, however, is still making the most of the news. The firm is off and running, with Sahloff setting a strong pace. Some competitors claim GE is running scared. Do not expect these competitors to stay home—watching or stand still waiting to see how fast GE runs.

—Ed Dubbs

KEY MOVES

Jacobsen—Lester G. Cordes, Jr., is appointed manufacturing mgr, and Vincent T. Finan is appointed director of industrial relations.

Hamilton Cosco—Daniel Ebling is named to the newly created position of purchasing engineer of the household products division.

Corning—Henry F. McQueeney Jr. is named San Francisco district mgr; John A. Buch is appointed sales planning mgr for department store; Howard P. McClure is appointed Dallas territory rep; and John E. Kroll is named to the same position for Cincinnati. Also, West Virginia Elec-

tric Supply Co., Huntington, W.Va., is appointed distributor for Pyrex Ware and Corning Ware products in the Huntington area.

Hamilton Beach—Robert E. Little joins the division as northern California sales rep. Also, five new members have been added to the "kick-off squad," a national sales team: William H. Bruce, Gerald Krasnow, James J. Brock, Marvin Miller, and Norman Todd.

Black, Sivals & Bryson—Feinman and Gottleib, New York City, are appointed sales reps for power mowers in the New York City area.

□□□□ **Sperti is the first slicing knife dropout.** Sperti, a sunlamp manufacturer, has decided not to produce the slicing knife it showed in mockup form in July. It also is closing out the slicing knife model another manufacturer previously made for distribution under the Sperti label.

A Sperti spokesman said the firm decided to get out of the knife market after seeing pricing hit a low point at the July Housewares Show. Undoubtedly there will be additional casualties in the slicing knife market—a prime example of the product proliferation currently at work in the housewares industry.

Nevertheless, the knife count as of this week is above that in July. Since the July Housewares Show, Hoover has entered the slicing knife market, and Iona has added several models to its Coronet promotional line. The latest count is 106 models, compared to 103 MERCHANDISING WEEK reported in July.

□□□□ **Teflon-coated cookware rates as big cheese** with the Christmas gift mail-order houses operated for the Wisconsin dairy industry. The Christmas gift catalogs are loaded with offerings of Teflon-coated cookware filled with a selection of cheeses. Figi's Inc., in Marshfield, Wis., for example, features a "Teflon Trio"—two frypans and a griddle together with three pounds of cheese for \$14.95. A 2-qt. Teflon-coated casserole with six varieties of cheese is priced at \$8.75 in the same catalog.

The Wisconsin cheese catalogs long have tied housewares products to cheese offerings, including picnic baskets, hot dog cookers, corn poppers, and even electric broilers.

□□□□ **Oster is getting more distributor help** across the country, especially from those who formerly handled the old Universal line. Many of these distributors have been pushing Oster in order to make up for the business they lost when General Electric took the Universal line away from them to put it on a direct-sell basis.

Trade sources also indicate that several other electric housewares lines also are gaining a share of the former Universal business at the distributor level. Among those most often cited are Iona, Hamilton Beach, and Dominion Electric. One trade source pointed out that Dominion's line probably parallels the former Universal line more than the line of any other producer.

Some distributors, meanwhile, are eyeing some of the business done by General Electric Supply Co. This is particularly true in areas where GESCO handled lines other than GE. For a report on the GESCO move, see p.63.

□□□□ **Plenty of souvenirs are planned for Chicago** in January, judging from the extra space the Independent Housewares Show plans to put into use (MW, 11Oct.,p.30), and from the expanded Loop Housewares Exhibit set for the Sherman House. Both shows run concurrently with the National Housewares Exhibit at McCormick Place. In addition to more souvenirs, buyers undoubtedly will be seeing more novelties, notions, costume jewelry, soft goods, leather goods, and all types of general merchandise.

□ □ □ □ **A new process for plastic dinnerware** production is in the works at Stetson Products, and may be introduced at January housewares shows. Philip Stetson, in New York City last week for the Premium Show, declined to comment on the report, but promised that something was in the works that would "revolutionize" the melamine dinnerware industry.

Officials of Allied Chemical, which acquired Stetson earlier this year, have indicated that the firm has been working on an improved manufacturing process for plastic dinnerware. Allied and Stetson officials also had hinted that Stetson would diversify its product line to include other plastic housewares products in addition to dinnerware. Philip Stetson, however, indicated that January introductions will be limited to the dinnerware field.

□ □ □ □ **A new home appliance for packaging food** in plastic is being marketed by Packaging Aids Corp., of San Francisco. Called the Sealette, the appliance seals plastic packages for storage in home freezers.

In the same product area, 3M Co. has denied reports it is closing out its Scotchpak home freezer packaging kit. The product was introduced two years ago at about \$25 retail. Last week, at the New York Premium Show, the product was being offered to premium buyers at a cost that could bring it to consumers at about \$10 in a self-liquidator promotion.

□ □ □ □ **A promotion built around warranty cards** has paid off for Sunbeam Corp. Using a mailing list based on returned warranty cards, the company recently sent Sunbeam shaver owners a refund certificate toward the purchase of a new shaver. The retail sales response reportedly was so good that the firm is planning to use the warranty card information for other promotions.

□ □ □ □ **Floral arrangements with scented soap buds**, designed for the bath, appear headed for good sales results in housewares bath shops. Abraham & Straus (A&S), the Brooklyn, N.Y.-based department store chain, devoted a full-color page of its fall mailer to these artificial floral arrangements for the bath. Strewn with scented color-coordinated soap buds, the plastic flower arrangements come complete with ceramic vases. and retail from \$5 to \$11. The A&S source is National Potteries Corp.

□ □ □ □ **A housewares seminar sure to draw attention** will be staged on Oct. 27, at the Statler Hilton Hotel, in New York City. It will be sponsored by the newly formed Hardware and Housewares Representatives of New York. Panel participants include: Burt Sloane, representing manufacturer's agents; Harry Schwartz, Lincoln Metal Products, for manufacturers; George Weintraub, Central Queens Electric Supply, for "old-line" distributors; Robert Wachs, Leeds-Fox, for "feeder jobbers"; Mel Moss, Daitch Shopewell, the supermarket industry; Sheldon Soffer, Popular Merchandise Co., catalog and mail order businesses; R. A. Smith, electric housewares buyer, F. W. Woolworth, chain stores; Richard Wohl, Gimbels New York, for department stores.

General Tire rolls out private-label electrics

General Tire Corp. will use private-label housewares for the first time this fall in a series of traffic-building promotions for its tire-auto accessory stores. General Tire has chosen an electric blanket, a slicing knife, and a Teflon-coated party perc for the nationwide promotions, which are scheduled to break shortly before Thanksgiving and run through the Christmas season.

The private-label approach was chosen, explains Bob Reeves, merchandising manager of General Tire, to avoid direct price competition with housewares retailers—particularly discounters. Reeves indicated that private labels may be used in future seasonal promotions designed to build traffic for General Tire stores.

Sharp pricing will be featured on the private-label blanket, knife, and perc, although Reeves is not going to tip his hand by divulging prices now. General Tire showed how competitive pricing can get when it put out an 11-piece, Teflon-coated, Regal cookware set earlier this year at

\$11.85. The promotion drew excellent response for the company's stores, General Tire reports. The success also encouraged the chain to use additional housewares products as traffic builders.

The electric blankets, to be provided by Slumberest under the Concord Deluxe label, will be available with either single- or dual-heat controls in standard size only. The party percs, to be provided by Regal Ware, will use the Imperial label. A five-year replacement guarantee will be emphasized. A promotionally packaged Roto-Broil slicing knife will appear under the Eldorado label.

Newspaper co-op ads and local mailings are scheduled to kick off the fall promotions throughout the country. This is the first time that General Tire has used a last-quarter promotion for any products other than snow tires.

Three other non-automotive products also will be featured in the year-end push: golf balls, phonograph record albums, and toy animals of inflatable vinyl.

Manufacturers, retailers ready for the Christmas Teflon rush

"We hate to talk about it, but that possibility exists." "That possibility," as related by one cookware producer, is the chance of late-season delays in manufacturer deliveries of Teflon-coated products.

Manufacturers report peak levels of production. Demand for Teflon-coated products is outstripping other housewares products, according to several manufacturers: at the same time, they contend that they have geared production to meet those demands for non-stick items. "We anticipate no delivery problems this Christmas," said a Wear-Ever representative.

"Sunbeam is very substantially ahead of last year's Teflon shipments," acknowledged S. M. Bohmbach, vice president of Sunbeam's appliance division.

"We're sticking our necks out," admitted one manufacturer, "but we have to." His company, he explained, has a large investment in expanded facilities and a three-shift production schedule.

And Regal Ware, one of the major producers of Teflon-coated aluminum cookware, revealed it now has some shipping delays and that it cannot accept orders on certain items now, despite the firm's heavily beefed-up production schedule.

But the mood of manufacturers—amid all the pressures—is the pervasive mood of optimism that comes when business is good. "We're in a wonderful situation," said one producer, but he was talking in terms of record-breaking sales, rather than delivery schedules. "But," he added, "I feel sorry for the salesman who has to talk to the customers."

Retailers would rather be safe than sorry; consequently, they have cal-

culated orders to assure ample supplies during the long winter selling season ahead.

"We are in a very strong position for Christmas sales of Teflon-coated items," said one Philadelphia department store buyer.

"Additional sources, better delivery, and improved planning since last year will put us in a good position for selling Teflon-coated products this Christmas," remarked an East Coast retailer.

The prospect for both retailers and manufacturers is for a record volume in Teflon-coated products and over-all sales this Christmas—with the hope they will be fully unhampered by delivery delays.

Last year, retailers were dependent on a relative handful of sources who could not meet the enthusiastic consumer reaction to the reappearance of Teflon.

But this year, product proliferation—in addition to a veritable herd of new sources—is being counted upon to help stem the deluge of demand that the industry definitely anticipates.

Some industry sources indicated that if shortages do occur, Teflon-coated electric housewares may be the hardest hit product area. However, even in electrics, shortages are expected to be limited to specific items in a manufacturer's line; over-all industry shortages are not anticipated.

Manufacturers and buyers pointed out that electric housewares manufacturers are newer to the Teflon-coated field than cookware producers, and thus are not in as good a position to judge production requirements for the Christmas selling season.

Three surveys tell one story: U.S. economy is holding steady

No matter what the viewpoint, the economic picture for the remainder of the year is bright. Surveys of consumers, interviews with employers, and analyses of economic statistics all tell the same story: income and employment are up, business is good, and it may get better.

Income is increasing, say consumers. According to the latest quarterly report from the Survey Research Center of the University of Michigan's Institute for Social Research, 37% of the people interviewed reported income increases in the last three months, and only 9% reported decreases.

The institute found that income increases were perhaps even more frequent in 1965 than in 1964, and income decreases were less frequent. This finding is of great significance, the institute says, since according to available data, income gains were spread over a larger proportion of families in 1964 than in any of the preceding ten years. (The table below from the McGraw-Hill Department of Economics shows the total rate of increase in income in the past decade.)

Although the war in Vietnam has caused widespread concern, the pub-

lic's views of the domestic effects of international conflict have undergone a change in the recent past, the University of Michigan interviewers noted. During the numerous cold war crises that have occurred during the last ten years, the majority thought the domestic economy would suffer and were inclined to postpone some of their discretionary expenditures. Such expectations are much less frequent today, the institute says, although the international situation causes more concern among those interviewed than at any time since the early stages of the Korean War.

One of the most significant changes in the general public's outlook occurred in its evaluation of future trends in employment, the survey showed. Substantially fewer respondents than at any time since 1958 believe that unemployment will rise, and more believe that unemployment will decline during the next 12 months.

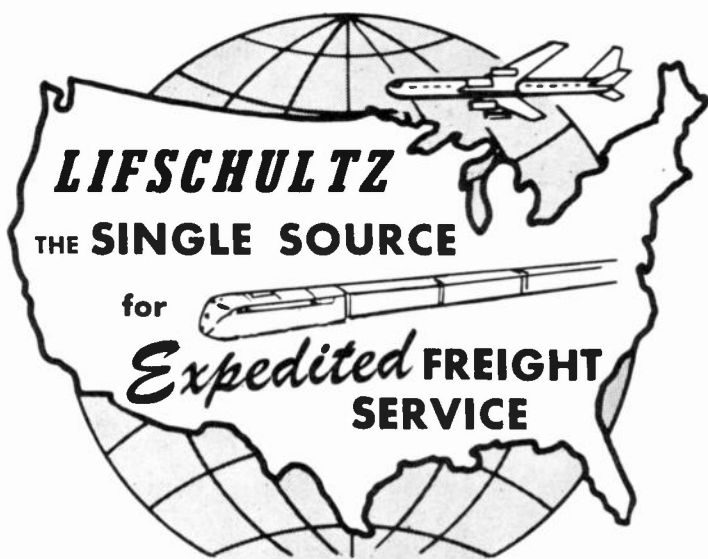
Employment will remain stable—if not increase—in the near future, employers concur. According to a national survey of more than 1,200 businessmen conducted by Manpower Inc. (an international temporary

continued on p.68

U.S. per-capita income—by region

| | Dollars | | % Change 1955-65 | % of U.S. Average | |
|-----------------|---------|---------|---------------------|-------------------|--------|
| | 1955 | 1965 | | 1955 | 1965 |
| FAR WEST | \$2,199 | \$3,117 | 42% | 117.8% | 114.8% |
| MIDEAST | 2,153 | 3,126 | 45 | 115.4 | 115.2 |
| NEW ENGLAND | 2,076 | 2,996 | 44 | 111.3 | 110.4 |
| SOUTHEAST | 1,323 | 2,051 | 55 | 70.9 | 75.6 |
| SOUTHWEST | 1,615 | 2,261 | 40 | 86.5 | 83.3 |
| GREAT LAKES | 2,084 | 2,954 | 42 | 111.7 | 108.8 |
| PLAINS | 1,664 | 2,533 | 52 | 89.2 | 93.3 |
| ROCKY MOUNTAINS | 1,701 | 2,442 | 44 | 91.2 | 90.0 |
| U.S. | 1,866 | 2,714 | 45 | 100.0 | 100.0 |

Source: U.S. Dept. of Commerce; McGraw-Hill Economics Dept.



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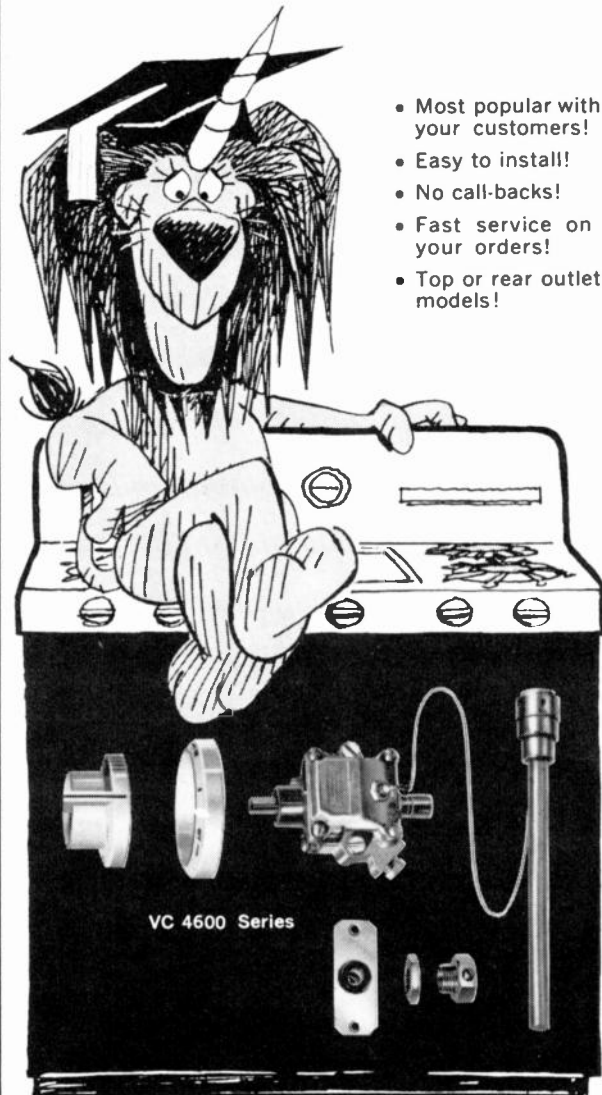
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growth

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

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

Three surveys *continued from p.67*

help and business service firm), 66% of the respondents said they expect employment to remain stable during the final quarter of 1965. Another 24% look for an increase in employment. Only 6% expect a decrease. The remaining 4% had no opinion.

Electrical appliances manufacturers see their employment needs remaining relatively stable during October, November, and December. Of those appliance manufacturers interviewed, 74% foresee stable employment, 18% predict employment increases, and the remainder had no opinion.

In a region-by-region breakdown of employment predictions, Manpower Inc. found that the New England area—Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, and Connecticut—expected the greatest increase in employment demands. In this region, 36% of the respondents foresee increased employment, 51% anticipate no change from the first quarter, and 10% expect employment needs to decrease. The remaining 3% had no opinion.

The U.S. market is changing, and the American consumer is moving, indicates a report from the McGraw-Hill

Department of Economics. Today, the fastest growing U.S. territories—both in terms of income and population—are the Far West and the Southeast.

But, the report makes clear, the “fastest growing” does not mean “the largest.” Measured by total dollar volume of income today, the Midwest and the Great Lakes regions still are the largest marketing areas.

The McGraw-Hill study predicts that the Far West and the Southeast should go on growing at a faster clip than the rest of the country in the years ahead. The most significant thing about America's income-producing categories is the fast-growing service segment, says the report. The service segment has been moving

ahead at a fast pace, and for the first time in U.S. history has pulled ahead of any other single income-producing segment of the economy during the past decade.

“What this all means,” says the study, “is an increasingly productive society, in which relatively fewer and fewer people are needed to turn out more and more goods and to grow more food. But more and more people are needed to market them.

“In short, a bigger job of marketing is in the cards, with the western and southern areas becoming more important as marketing areas over the decades ahead. However, the Midwest and the Great Lakes are likely to remain the richest marketing area in our country for some time to come.”

The McGraw-Hill study breaks down the changes in the economic fabric of the country by geographical regions:

In the Far West, incomes grew faster than in any other region. However, the population gain—35% in the last decade—was large enough to dilute the region's income gain and pull its per capita income gain down below the average U.S. gain. Nevertheless, total income in the Far West rose 91% over the decade, compared with 71% for the nation.

It was the all-star showing by California that made the region a winner. The northern trio of Far West states—Oregon, Washington, and Alaska—ran a poor race during the same period.

In the Southeast, still the largest farm producer in the country, the increase in incomes was second only to the Far West. Florida, the pacesetter of the region, racked up the highest income gain—131%—of any other state in the Union.

In the Mountain states, the least industrialized area of the country, the market is also moving fast. Although the region was outpaced by the Far West and the Southeast as a growing market, the Mountain states have been industrializing much faster than any other area in the past decade; and since 1961, the area's factory and nonfarm payrolls went up more than any other region.

In the Southwest, the economic pace was slower than in any other of the four western and southern regions. The biggest surprise of the decade was the poor showing of Texas, the dominant state within the region. Today this state accounts for 4.6% of U.S. income and 5% of U.S. retail sales.

In the Mideast, income, population, and retail sales have all lost ground over the last decade. Of the three most industrialized states in the region, New Jersey made the best showing, while New York and Pennsylvania fell behind in the income race.

In the Great Lakes states, growth as a marketing area was slower than in all other regions of the U.S., although the region remains the industrial center of America.

In New England, the marketing race is being lost to western and southern rivals. And, says the McGraw-Hill study, the lack of raw materials, together with costly and slow transportation could hold back the region as a growing consumer market in the years ahead.

In the Plains states, farms and factories ran better races than the U.S. in general. However, other sectors of the region's economy fell far behind, pulling its income gain below the U.S. average.

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The secrets of success California dealers heard

Like to reduce the high cost of doing business? Lower the high price of labor? Cut down on turnover, absenteeism, indifferent workmanship, and other labor-induced costs?

The independent dealer *can* reduce his greatest cost—labor—and make more money, according to Russ O'Connor, chief of Special Services, California Dept. of Employment.

Speaking before the 11th annual educational seminar and convention of the Appliance Profession Association of California in Sacramento, O'Connor presented a plan prepared by his department which he asserts will help the small dealer make more money by reducing labor costs and, more specifically, by cutting down on high unemployment insurance rates.

His plan, in effect, is to kill 'em with kindness.

"If you're a salesman, why not sell your employees," he said. "An employee may spend some 27% of his working life in your shop. If you had a customer there that length of time, you'd certainly sell him *something*. Why not sell your employees on your business?"

The secret of lower labor costs, said O'Connor, is to "practice *effective* employee relations. If you woo your customer, why not woo your employee in the same way. The result—increased loyalty, enthusiasm, low turnover—may make all the difference between a profit and a loss.

"**The greatest motivation** to work is not just profit," claims O'Connor, "but ego enhancement." People work not just for money, but also because they want to be of value, to feel useful, to feel they are making a contribution however small. They want to feel important. They want to participate, and they want to sense that they are needed and that they belong."

Salary is not the only labor cost, says O'Connor. Added to a man's wages is maybe another 38% in fringe benefits, high unemployment insurance rates resulting from rapid turnover, and the costs of tardiness, mistakes, bad customer relations, and other costs resulting from indifference and lack of enthusiasm.

However, says O'Connor, any action of management to give the employee a sense of respect and importance will result in better work and, ultimately, in lower labor costs. Make it continually known to your employee that you care, that you need him and value his judgment and opinions. It is not enough just to be a nice guy. Sell him on yourself and on your business. Make him a loyal, long-term employee who *wants* to do his best—for you.

"If you don't believe me," says O'Connor, "go home and try it on your wife. You'd be amazed how well it works."

But there's more to business than employee relations. According to Walter Christensen, a Sacramento women's wear retailer and Vice Mayor of the city, if the independent dealer is to compete with the giants he must take three factors into consideration: his need for being in business, his style of borrowing, and his concern with credit.

It's not enough merely to rent a store and open the door to go into business and to survive, he pointed out. The dealer must have drive, ambition, imagination, an image, and—

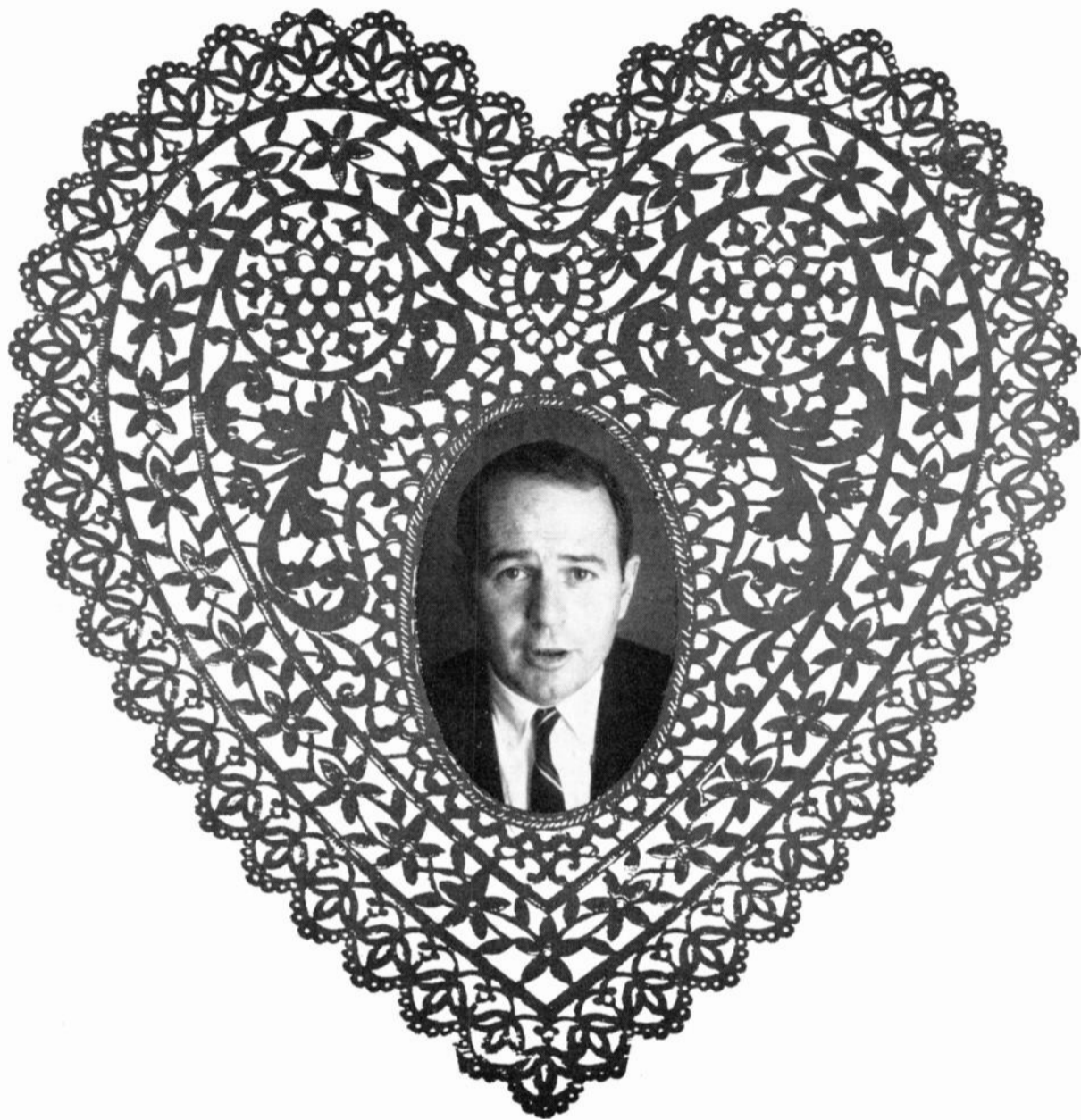
most of all—a reason for being in business. "You won't be in business long unless you've got a good reason for being there. You must analyze the needs of the community and offer it something it really needs, that there is a demand for, if you're going to survive as an independent. You must be different and you must have some kind of image."

Borrowing. It's also vital, he asserted, to borrow properly. Most important, do not borrow under your needs since it is worse to borrow too little than too much. With too little money, a dealer will not be able to do the job

properly and may have to sell some of his assets and reduce his business—a poor record to present to a banker when money is needed. Christensen cited one instance when he bought a large dry goods store in Sacramento. He did not borrow enough to maintain the store's inventory, and, consequently, had to reduce its volume. It took years to build back up to its former size simply because of lack of money.

Christensen, president of the Capitol City Service Co., a credit organization, firmly believes in credit for the independent dealer in competi-

tion with large firms. The dealer's best bet, he said, is to form a credit cooperative in which stores sell their accounts receivable to a company which will collect for them at a certain profit. Under this plan, the stores could extend credit more liberally since the credit company could take greater risks and would get immediate payment of their accounts receivables. The company would make the credit checks, do the billing and collecting, and administer the plan. Cost to the firm would be about 3%, and firms could issue joint credit cards. —Jack Kaplan, San Francisco Bureau



No one's asking you to love this man. Just to listen to him.

He may not be your idea of a great guy... but he might be a guy with a great idea.

He's got eye-popping information about your top prospects. Information that can give you solid new ideas on how to sell them when they're ready to buy.

Ask your Yellow Pages salesman how the Yellow Pages National Usage Study can help you. He's helped a lot of others. He's in the Yellow Pages under Advertising—Directory & Guide.



Advertise for action

York vans roll out sales pitch to sign new retailers

By combining modern audio-visual techniques with the ancient concept of taking the mountain to Mohammed, York air conditioning has chalked up a 50% increase on its dealer roster in 18 months.

York put a movie house on wheels to sell its line to far-flung dealers otherwise not contacted. York's fleet of demonstrator vans promote the company with a film and slide story of its history, operations and product line.

The van idea had been broached to York's management in 1961, but they were not quite sold on it. Then, in April, 1964, encouraged by the economy's health and pressed for more outlets, management responded. Three vans were christened. Dealer response to the vans was quick and favorable.

By last April, five mobile units, specially designed to deliver the York pitch efficiently and congenially, were roving town and country.

Van operation is the responsibility of York's district managers. They work directly with company distributors who set up showings in their particular areas. Distributors pay \$50 a week for use of a van. Though this hardly covers cost, the payment does insure the company that the distributor will have a retailer audience at the showings.

Two 16mm sound films are now shown in the vans. Both are in color. One, aimed at dealers, is entitled "Quality Control." It gives a 27-minute tour of the York plant, narrated by Frank Blair.

"Atmosphere of Productivity," the second film, presents the economy of air conditioning for manufacturing areas, offices and institutions. Employing the "soft sell," it features Chet Huntley as narrator.

Among the subjects illustrated with color slides are room, residential and commercial air conditioning. Slides depicting service training are also included as part of each van's repertoire.

Standard scripts are provided for each set of slides. These are read by the York representative making the presentation. When occasion makes particular material irrelevant for a certain retailer group, it is deleted. However, fairly uniform presentations are assured because the script construction makes radical changes difficult. All modifications of the standard program are made the night before by the representative. This reduces fumbling of slides and hesitant deliveries.

The vans themselves are actually screening rooms for presentations custom cut to fit any group of potential retailers. Equipped to show both 16mm sound movies and color slides, the vehicles cost \$16,000 each. Since they carry their own power generators, they are equally at home, whether in the metropolis or in the boondocks.

A permanent roll-up screen is mounted at the front of the van's viewing area. The slide and sound projectors are operated from the cabinets when not on display. Particular stress is laid on a smooth, effective delivery.

With an eye for the subtle effect, York covered the interior walls with wood paneling. Four inches of insulation minimizes distracting outside noises. Screening areas are air

conditioned in summer and heated in the winter.

All power, including the fluorescent lighting, is provided by an Onan 30-ampere, 120-volt generator that is driven by a gas motor fed from the truck's fuel tank. The fleet operates out of strategically placed bases across the country. Their daily trips are interrupted only by mechanical breakdowns.

The projectors used by York are equipped with interchangeable round slide trays. Each tray will hold a maximum of 80 color slides. Individual slide numbers are mounted

on the trays. A lock-on top, removable during projection, prevents the slides from slipping when feeding into the projector. Each of the Carousel projectors can be operated directly or by remote control. Remote controls also can focus the lenses. With its automatic timer, the projector can show slides at 5, 10 and 20 second intervals.

The projectors were selected by York on the basis of its experience with the machines. They had been used by factory representatives at frequent sales meetings where they proved rugged and flexible for pro-

gramming. Van use shows them equally efficient and economical.

Though York does not claim to be first with vans in an over-all sense, they say they are the first air conditioner manufacturer to use them. With them, York gets the identical story to dealers wherever they are.

The result, York maintains, is that the company's competitive stance has been definitely improved. Formerly, many distant retailers could not visit York's plant. Today, York claims business expansion and an extended dealer organization because of the demonstrator vans.

Curtis Finch
Appliance and Furniture Dealer
5410-20 Asher Avenue
Little Rock, Arkansas



"We found an insurance policy so 'right' it might have been designed for us alone... and we save \$388.00!"

"We're happy with this new Business Owner's Policy! Home Agent Charles Campbell, of Rebsamen & East, Inc., has proved that it can cover our business insurance exposures and save us real money!"

Curtis Finch



See for yourself! It pays to get the protection that's right for you.

It makes sense to pay for the coverage your business needs—and only that! That's why businessmen all over the country are switching to the Business Owner's Policy of The Home Insurance Company. Here's what you can get —

- Full coverage of the risks you want covered.

- Physical damage insurance on your building and contents.
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- Inventory coverage that protects your stock fully —even at peak—but costs you only for the average inventory you carry.

At the Premium Show: high hopes for the high ticket

For a boxtop and \$2 a month, American housewives soon may be able to obtain high-ticket merchandise as premiums—on the installment plan. If the prediction comes true—it was made last week at the New York Premium Show—it could open up the booming incentive-premium industry to a wider range of housewares and consumer electronic products.

How the plan may work in the premium field was outlined by Harry M. Horn, vice president of Advertising Distributors of America, at the Premium Advertising Conference held in conjunction with the trade show.

"In the clothes whitener field, in order to insure that the housewife will remain a loyal customer for a guaranteed six months, Shazam might offer a \$19.95 steam iron for \$2 down plus a boxtop," Horn said. "For the next five months she sends in a payment of \$2 plus a boxtop—and pays a total of \$12 plus six boxtops for her bargain." Horn makes his point, even though he apparently is not up on retail values—\$12 plus six boxtops does not appear to be very attractive pricing on a self-liquidator steam iron.

Women are conditioned to buying

on the installment plan, Horn points out, adding: "It would be worth it to an advertiser to keep her in the fold for six months by offering her a bargain of this type. She could squeeze it out of her budget with little or no difficulty."

A \$360 self-liquidator is foreseen by Horn. "A group of household product producers might offer an encyclopedia set worth \$360 for all of their boxtops plus \$10 a month for 18 months."

If such encyclopedia sets can be used, presumably \$125 deluxe vacuum cleaners and even \$360 color tele-

vision sets are applicable to the Horn proposal.

If the idea sounds far-fetched, it does not to Horn, who quickly points out that even a \$12.95 premium sounded far-fetched only 15 years ago, when few premium users dared to go above 25 cents in coins or stamps.

"The future quality of premiums will be ever upward," Horn predicted. "Just think: 15 short years ago there were no Eastman-Kodak, General Electric, Hathaway Shirts, Lionel Trains, AMF, Philco, Bates Fabrics, RCA, and a host of other big-league national companies who are now participating in the premium field."

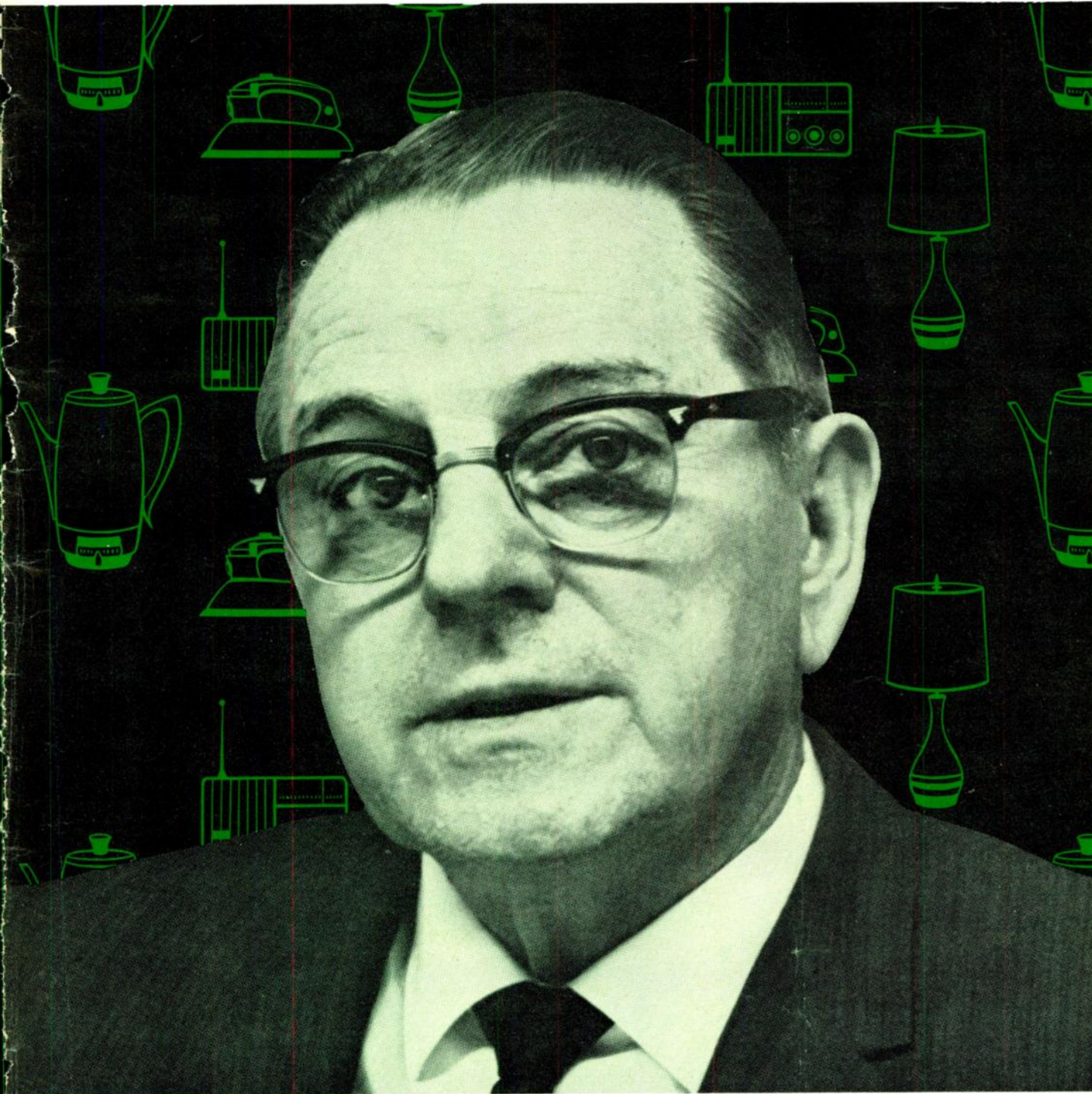
Premiums have matured—and many new companies and new items will come along as the price spiral continues upward, Horn points out. "The price to the consumer will represent a better value than she can obtain from a discount outlet. Good premium merchandising will still offer a 50% saving. And as the premium prices increase, so will the value. The consumer will be offered better recognized merchandise at more believable prices."

Price barriers have been broken, Horn stressed in his speech. He cited a long list of manufacturers who "have broken the price barrier successfully": Diamond Crystal Salt, with \$1.50 stuffed animals; Berns-O-Matic, \$4.95 record album (rather than the usual \$1 premium album); Dristan, \$5 wrist watch; Lysol, \$2.99 bath mat; Lucerne milk, \$2 stuffed animal; Plumbo Ham, \$2 inflatable pig; Post Cereals, \$2 inflatable dolls; Nestle, eight pairs of hosiery for \$3; Pride of Niagara, a \$3 hat box and \$7.95 bed spread; Teacher's Scotch, \$25 radio; various companies, \$10 to \$11.95 for Lionel trains; three newspapers, \$3.95 books; McKesson-Robbins, \$17.95 beach umbrella; American Broadcasting Co., \$2 book; Brillo, \$2 cheese tray; Philip Morris, \$5 camera; and Pos' cereals, \$8.95 phonograph. The prices are what consumers paid for the premium, not the retail values.

What premium buyers were seeking at the trade show was the unusual product to feature in a self-liquidating promotion, as well as for the sure-fire premium winners—slicing knives and Teflon-coated cookware.

One premium buyer liked Panasonic's electric pencil sharpener. The personal care field—electric hair brushes, in particular—also attracted considerable interest. High-intensity lamps, already proven winners in premium deals, also were well shopped. Shoe polishers drew more than routine interest. And blenders and broilers shape up as gaining increased exposure through premium offers.

Exhibitors reported seeing an increased number of retailers shopping the show for in-and-out limited-time promotions. Supermarket chains that have dropped trading stamps appear to be turning to the premium industry—rather than rack jobbers—for premium merchandise to be tied to sales register receipts. Other retailers were looking for merchandise to use as premiums in their promotional activities. Many were looking for low-priced giveaway merchandise for new store openings.



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They'll show your customers and prospects how Kelvinator gets clothes clean with less wear than other washers. Instead of beating clothes back and forth (*left*), Kelvinator's one-way action (*right*) cleans with less wear.

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You can sell all the things women want most: cleanest possible washing, safe washing for every fabric, complete dependability, and less hot water usage.

And there's still more: presoak cycle, extra rinse cycle, automatic prescrubbing, dramatic new wood-tone styling, competitive new pricing.

Most important, with Kelvinator's exclusive one-way action, *you've got something different to sell. No competitor has it.* That alone is good enough reason to post these symbols in your window now!



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