

MERCHANDISING WEEK

EDITED FOR THE APPLIANCE, CONSUMER ELECTRONICS, AND HOUSEWARES INDUSTRIES

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◀ ◻ ◻ ◻ **Christmas merchandising** this fall centers on the New Consumer and his or her demand for flair, color, design, convenience, and status in hard goods. For what top retailers say about the New Consumer, an analysis of the five areas of sales potential, plus a look at Christmas best sellers, see.....p.21

AT PRESSTIME ◻

◻ ◻ ◻ ◻ **Portable color tv sets** are in the works for Panasonic. The company will have two color portables—a 12-incher and a 16-incher—on the market next year. The Matsushita-built sets will not be ready for delivery before next spring, and, according to Ray Gates, sales vice president at Panasonic, the 12-inch portable probably will not be shown until next summer. Although prices have not been set on the portables, it is expected the 12-inch set will be priced competitively with GE's 11-inch Porta-Color, which now lists at \$269.95. "Hopefully," says Gates, "the 16-inch portable will be tagged between \$300 and \$330." RCA's 15-inch color table model, now scheduled for introduction early next year (MW, 8 Aug., p.3), is expected to sell in this price range.

◻ ◻ ◻ ◻ **Whirlpool is moving into** consumer electronics. The company will buy a majority of the stock of Warwick Electronics Inc. from Sears, Roebuck and Co.; Sears presently owns about 83% of Warwick's outstanding common stock. Warwick, a Chicago-based firm, principally manufactures private-label consumer electronics, including color and b&w tv sets and radios, for Sears. Whirlpool, which supplies private-label major appliances to Sears, *continued on p.3*

KitchenAid replaces all kinds of dishwashers.



Most of our customers relied on their own two hands to wash dishes before they bought a KitchenAid.

But a surprisingly high number relied on automatic dishwashers. Our replacement sales to this group are about double the industry replacement sales.

Why do so many people buy a KitchenAid dishwasher in the first place? Or the second?

It could be our reputation for quality and de-

pendability. Or our fine service record. Or the way we carefully build a dishwasher so it works better and lasts longer. Or any one of the many other special KitchenAid features.

Well, whatever the reason, all we know is that people, especially people who are replacing a dishwasher, come to KitchenAid. And they're not disappointed.

So don't you disappoint them either. Display the KitchenAid line of built-ins, convertible-portables,

portables and our dishwasher-sink combination (the only one on the market). Then whatever style, model or price your customer wants, you can supply it.

See your distributor for details. Or write KitchenAid Dishwashers, Dept. 6DP-8, The Hobart Manufacturing Co., Troy, Ohio 45373.

KitchenAid
Dishwashers

KitchenAid dishwashers are products of The Hobart Manufacturing Company.

will pay Sears \$13.25 per share for Warwick and will have an option until 1971 to buy the balance of Sears' shares in Warwick. Whirlpool says it has no plans to market products manufactured by Warwick through Whirlpool distributors and branch distributors. In a related move, the Radio Corporation of America (RCA) and Whirlpool have agreed that Whirlpool will stop using the RCA trademark on products manufactured and sold by Whirlpool. Products bearing the RCA mark will be completely phased out by March, 1969. Four factory branches of the RCA Victor Distributing Corp.—in Atlanta, Buffalo, Los Angeles, San Diego—plan to continue selling Whirlpool appliances. RCA also will continue to provide service on Whirlpool appliances through the RCA Service Co. The credit facilities of Appliance Buyers Credit Corp., a Whirlpool subsidiary, will remain available to RCA distributors and dealers.

In another expansion move, Whirlpool's board of directors acted to provide money—up to \$13.5 million—to build a new plant for the manufacture of dryers. A site has not been picked yet.

When the company introduces its new line at the end of September, it will unveil its first side-by-side refrigerator-freezer combinations. It is understood that models in 33-inch and 36-inch-wide sizes will be introduced.

□□□□ **Sears is converting 100 catalog centers** into retail outlets, says a company spokesman. However, the stores will continue as catalog operations, he said. Owing to their relatively small size, the stores will sell only selected lines of major appliances and home entertainment equipment. Termed an "experiment" by Sears, there was no comment on whether or not the 1,200 other Sears catalog centers in the U.S. would take on retail sales. Servicing for the products sold by the new outlets will be handled by the nearest large Sears department store.

□□□□ **Hamilton Beach promises strict enforcement** of its new fair-trade program now covering nine products (MW, 8 Aug., p.3). In a statement issued at the weekend, the company also indicated the program would be broadened even further to include additional items, probably by January. Retail reaction to the new program generally has been that it marks a "step in the right direction." However, retailers have expressed concern over enforcement and a need for a higher markup on the price-protected items. The Hamilton Beach program operates in 18 states where fair-trade programs are legal.

□□□□ **The times are changing** for appliance-tv retailers and manufacturers was the message from D. L. Mills, executive vice president of RCA, at the National Appliance & Radio-TV Dealers Assn. (NARDA) meeting in Washington, D.C., last week. Throughout his speech, Mills stressed the fact that distribution patterns are changing. "Your customer has drastically changed her shopping habits," Mills said, "and perhaps it is time for our industry to dramatically change our attitude toward distribution. We can be sure that mass merchandising will represent a majority of the appli-

ance and television business as we know it today. To a manufacturer, whose business philosophy is geared to volume production, the inescapable fact is that we must learn to live with the mass merchant as well as the loyal, but smaller, independent dealerships." (For more news of NARDA, see p.8.)

□□□□ **Maytag has unwrapped its first dishwasher** (MW, 4 Apr., p.3) in the Los Angeles market. The portables (Model WP-600), which is expected to retail in the \$270 area, measures 34½ inches high, 23¾ inches wide, and 27¾ inches deep; it has a counter top. Water and electrical connections are both made from the front of the unit, permitting it to be installed undercounter. When Maytag distributes the unit nationally, it will introduce built-in and convertible models. Initially the unit will be serviced exclusively by the factory.

A three-pronged premium program is available for retailers in the test market. For \$10 retailers can receive: (1) a 64-piece dinnerware set, including glasses; (2) a 9-piece Teflon-coated Regal cookware set; or (3) a 50-piece set of stainless-steel dinnerware. For \$7.50 retailers can get a display rack for the dinnerware premium.

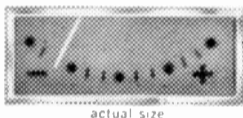
□□□□ **Arvin will receive 5,000 tape players** from Nippon Columbia during the August-September period. The player accommodates both 4- and 8-track tape cartridges and plays mono and stereo. A stereo console that houses the player was shown by Arvin at the Music Show at \$349.95 (MW, 18 Jul., p.8).

□□□□ **An all-out sales training program** is being launched by Motorola. The campaign—to cost more than \$250,000 the first year—will offer training in business techniques, products, management, and sales for retail and wholesale executives, managers, and sales personnel. Retail store principals who are enrolled in the program by Motorola distributors will receive "The Retailer's Executive Digest." Motorola salesmen will be equipped with an audio-visual device known as The Courier, to provide them with Motorola product material in an 8-to-10 minute presentation. Motorola distributor principals and distributor sales managers and salesmen will receive memberships in the Research Institute of America.

□□□□ **Admiral and Zenith fall advertising plans:** Zenith will increase its fall advertising more than 80% over last year. The multimillion dollar campaign will use newspapers, national magazines, and network television. Admiral will run full-page newspaper ads in 91 markets to kick off the most concentrated newspaper ad program in its history; the campaign will supplement Admiral's record investment in national magazines and network television (MW, 16 May, p.26). Admiral will send over 5 million mailers to consumers this fall. A sweepstakes drawing offers a \$5,000 prize covering remodeling of any room in the winner's home and installation of Admiral electronic products. By qualifying at an Admiral dealer's, the winner gets a \$5,000 kitchen completely equipped with Admiral appliances.



How to sell a color TV console to a couple of tough customers.



Take Mr. Tough Customer. He's looking for a set he won't have to fiddle with.

Show him the Meter Guide automatic fine tuning.

It tells him if he's getting every drop of color the station is sending.

And it's standard equipment on every General Electric color TV console.

Now take Mrs. Tough Customer.

She wants a beautiful piece of furni-

ture to go with her Early American living room. Show her that G.E. styling.

An elegantly designed piece in Early American (or Spanish, or French Provincial, or Contemporary) that also happens to be great color TV.

When you get around to talking price, it won't seem like a lot.

Sell the color TV consoles by G.E. and you'll find there's no such thing as a tough customer

GENERAL  **ELECTRIC**

Television Receiver Department Syracuse, New York

□□□□ The cost of living is giving the Johnson Administration more than its share of headaches these days. The big news is being made by the increase in the price of steel and the threat of an inflationary wage hike as a result of settlement of the current airline strike.

But the real threat is in the Consumer Price Index, a measure of the cost of goods and services to the consumer. This is rising at an annual rate of 3.5%, and union leaders are thoroughly aware that if they stick with President Johnson's 3.2% wage boost guidelines,

new contract gains quickly will be dissipated in high prices.

The Administration agrees that some leeway must be permitted in the 3.2% guideline. But it rejects outright further use of escalator clauses—that tie wages to the rise or fall in the cost of living—in wage contracts. The Administration insists that these would merely feed the inflationary fires.

Nevertheless, union leaders are primed to insist on escalator clauses—as well as substantial wage hikes—in future contracts. This is particularly true of the eight electrical unions soon to negotiate with Westinghouse and General Electric. If the unions are successful, the result could bode ill for appliance prices.

□□□□ If your service is faster or better than that of a competitor, you should be permitted to advertise it as such. That is the gist of an advisory opinion which was handed down by the Federal Trade Commission (FTC) to a trade association that had wanted to prohibit members in one city from advertising faster and better service in the home territory of another member.

As is usual in such cases, the FTC did not name the trade association. But the ruling could apply to appliance dealers. The FTC noted that advertising promotes competition, and any effort to restrain legitimate or truthful advertising restricts competition and would thus be illegal.

□□□□ Exemption of CATV from copyright laws, or at least some of them, is drawing increasing support in Washington. Rosel Hyde, chairman of the FCC, and Abraham Kaminstein, register of copyrights, both have told a Senate subcommittee that CATV should have some exemptions from the copyright laws.

Proposals before Congress would force CATV systems to pay royalties on the programs that they take off the air. Chances now are that Congress will make some modifications in this plan—but probably not before some time next year.

Phonola is not in the football business.

Are you?

Let's face it. We're both in business to make a profit. We do it by making the fin-

est stereo equipment we know how. You do it by selling that equipment. And playing football doesn't help either of us. (That's for the back yard, not your salesroom.) Sure, we like to play ball with you. We give you a quality stereo line cover-



on the gridiron. If you must play football, play with someone else's line. To Phonola, business isn't a game.



est stereo equipment we know how. You do it by selling that equipment.



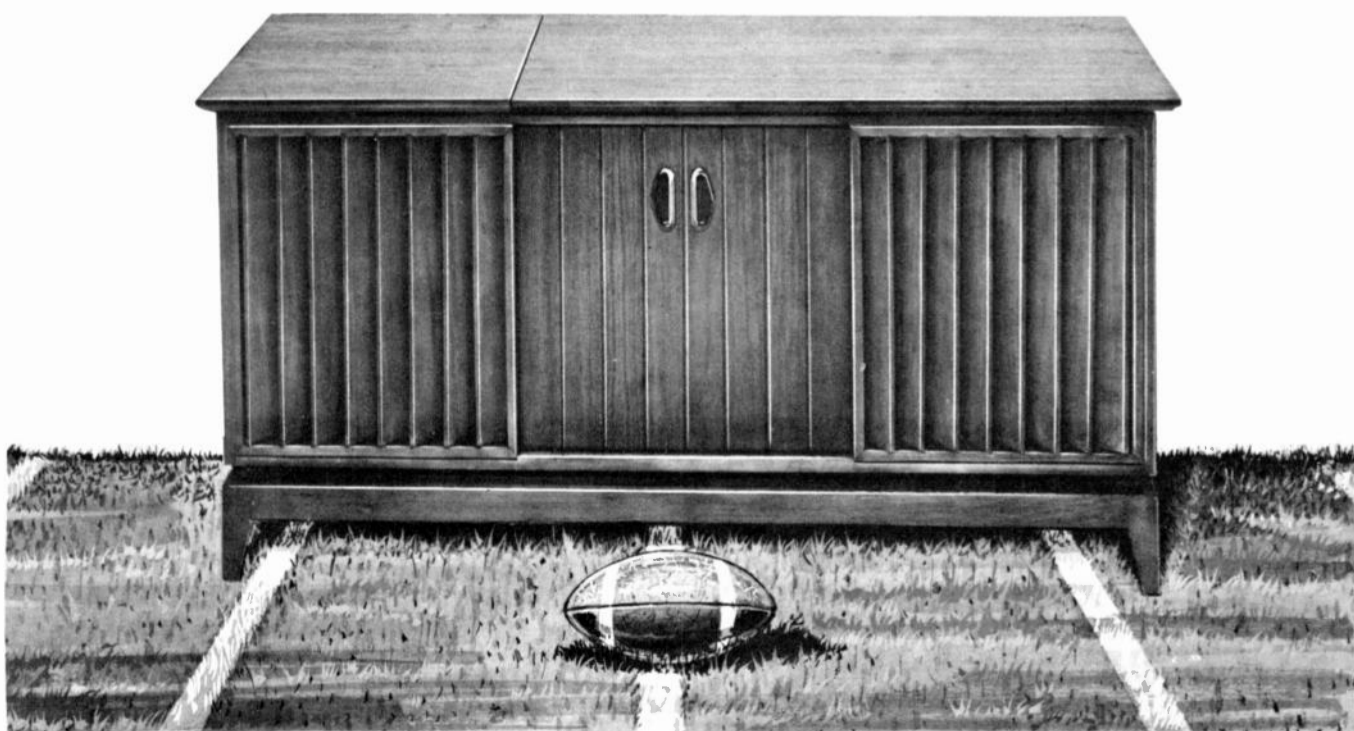
ing a complete price range. We give you top components, engineering and style. We give you a sound line that satisfies the most critical ear. And we give

you an exceptionally good profit margin, to boot. Let your competitors play games. Phonola doesn't believe in football, except



VERY BIG IN SOUND
phonola[®]

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



Importers on the front line in receiver tube skirmishes

While solid-state and integrated circuit works are the new romance words in consumer electronics, the tube-type television set and radio are still the backbone of the industry. These sets use receiver tubes—and more and more of these tubes come from Japan and the Far East. Today, U.S. Customs is trying to raise the tariff on receiver tubes from Japanese manufacturers, and the U. S. set manufacturers who use the tubes are fighting back.

The battle

The receiver tube importers and the U.S. Customs Bureau are engaged in a crucial battle over the method of evaluating tubes for fixing duties. Recent Customs' actions have brought the price of imported receiver tubes from Japan dangerously close to the price of the domestic product. And American manufacturers claim that they cannot meet the industry's needs without the imported tubes.

As it now stands, the situation reduces itself to a case of paying the fiddler or doing without the tune. And with the "tune" being tubes, the fiddler will just have to be paid—unless the U.S. Customs Bureau can be persuaded to return to its old standards soon.

The disputed ground

On the old standard, Customs collected a 12.5% duty on the invoice or export price of an item. In 1956, it established a new system for fixing the value of certain imports—including receiver tubes—under the Customs Simplification Act. Section 402a of the Act states that the standard for determining import duties will be the market value at which such tubes or similar merchandise is freely offered for sale in the country of origin, regardless of the invoice price.

When the volume of receiver tube imports began to swell in 1960, Customs applied the new standard, vastly increasing the price of the tubes. And, to make matters worse, the Customs Bureau started a new collection policy in June this year that requires immediate payment of the increased duties.

The battlefield

Sparked by Motorola attorney Lewis D. Spencer, a loose-knit organization of some 11 television, radio, and phonograph manufacturers—including GE, RCA, and Westinghouse—challenged the validity of establishing a foreign value for an import in Customs Court. They lost; they won a subsequent appeal; and, finally, the manufacturers lost again when Customs appealed their appeal. Another appeal by the manufacturers is now pending in Customs and Patents Appeal Court.

The manufacturers are favored in this next round because of a decision last month in a similar case in which the court ruled that the duty on binoculars coming to this country should be computed on the basis of their actual export value rather than

the higher Japanese government "check prices."

The objectives

In the meantime, American manufacturers, working closely with the Electronic Industries Assn. of Japan, are trying to roll back the Customs evaluation of imported receiving tubes to former levels in some other ways.

They have been pressuring the State Department for help, on the grounds that the new Customs moves are contrary to U.S. policy against putting bars on world trade. Thus far, the manufacturers have managed to get two bills before Congress, either of which could nullify the Customs Court ruling by suspending collection of the higher duty for three years from the date of passage. The legislation, which would also be retroactive, changes the classification of receiving tubes under 402a and assures that duties would be levied on the export price.

Although there is little time for passage of the bill during the current session of Congress, manufacturers are hoping that it might get through as a rider, or amendment, to other legislation.

Whichever way relief comes, it will have to come soon to prevent a rise in prices of radios, phonographs, and television sets. American manufacturers rely heavily on Japanese receiver tube imports to augment the domestic supply. Receiver tube imports from Japan totaled 28 million units in 1964 and 42.9 million units in 1965. During the five months through May of this year, they totaled 21.7 million units.

If the manufacturers do not get a winning combination on one of the fronts in their fight against the new tariff, Customs will be impelled to apply the new standard to other imports on a worldwide basis, and the tariff will add to the economy's heady inflationary drift. Already, for example, Customs has increased the evaluation on transistor radios shipped from Taiwan by 35¢ each. According to Customs, the increase is based on its findings that radio parts made at Taiwan come originally from Japan, and that normal profits and general expenses are not included in the f.o.b. price. Thus, Customs arrived at its own "constructed factory price" of 35¢ more than the billing price. Other products on the list under 402a, which are in the same category as receiver tubes and whose import duties could be determined on the basis of "foreign value" rather than their export price, are "television apparatus and parts," speakers, electric motors, switches, and recording tape.

Another effect of the new tariff—if upheld—could be the death of the receiver tube. Recent advances have made it nearly as inexpensive to build consumer electronics products with ICs as with tubes and tube-transistor combinations. Thus, a permanent increase in the cost of receiver tubes will serve to spur the transition from tube to solid state.

—Martin Steingesser

□□□□ **Carson Pirie Scott & Co. will test tv ads** in a fall-Christmas television campaign. The Chicago retailer will put approximately \$200,000 into color television commercials between the beginning of September and Christmas. The effort will not cut into Carson's traditional use of newspaper advertising. As Carson's—and other retailers—weigh the idea of advertising on television, the Federal Communications Commission has announced that television stations and networks increased their sales of time and services by 10% and profit before taxes by 8% in 1965.

□□□□ **"Almost-merged" Singer and Packard Bell** last week announced their latest figures. (The two companies, which had planned to merge, hit a snag in negotiations earlier this month: (MW, 8 Aug., p.7). Singer Co. says its second-quarter sales of \$236,342,000 increased 8% over the same period in 1965. Packard Bell reports its sales for the nine-month period ended June 30 rose 34%—to \$32,568,000—from \$24,355,000 last year. In referring to the Aug. 1 announcement that the agreement for sale of Packard Bell's assets to the Singer Co. had not been signed as scheduled, Packard Bell's president, Dr. Wendell B. Sell, said that "while discussions may continue between the two companies, our board of directors does not expect further definitive action to be taken in connection with the acquisition in the near future."

□□□□ **NARDA will ask and answer questions** when it conducts a two-hour dealer session in Peoria (Ill.) Sept. 20. Among topics for discussion: impact of wage-hour regulations on low-volume retailers; appraisal of sales by measuring gross margins; how to build traffic and increase service efficiency; and the wisdom of urging a serviceman's licensing law in Illinois.

□□□□ **Waltz News:** *Life* magazine will support the fall Waltz campaign with a full-page ad in its October issues on the advantages of automatic washing and drying. NARDA, in another Waltz step, will offer Van Heusen permanent press shirts at cost to retailers of home laundry equipment for use in washer-dryer demonstrations and giveaways during the Waltz Through Washday campaign.

□□□□ **RCA will build a new cabinet plant** in Ontario, Canada. The \$3.75 million plant, to be built by RCA Victor Ltd., Canadian subsidiary of RCA, will be the largest facility in Canada devoted exclusively to building tv and stereo console wood cabinets. Of interest to cabinet-hungry U.S. manufacturers, the plant will enable RCA of Canada to increase sales of its cabinets to the export market. "At the present time about 20% of our cabinet production is exported and this figure will be increased appreciably as the new plant goes into operation," says George L. Minsour, vice president of RCA Consumer Products Division. Construction of the plant will start immediately; first production is expected by spring, 1967.

□□□□ **Marvel has started production in Kentucky** where the compact refrigerator and freezer manufacturer has opened its new refrigerator division plant at Greenville.

□□□□ **The one-line vs. multi-line controversy** raged once again at the NARDA Institute—but this time with a difference. More voices than ever supported one-line stores—and they were not GE voices. They were the voices of RCA, Whirlpool, and Westinghouse dealers. RCA Victor and Whirlpool dealer Hugh Hannah, Hannah-Adams, Chattanooga, Tenn., plugged product pioneering and better brand identification for the single-line dealer. He said small specialty dealers have the facilities to sell such futuristic products as 3D color tv, thermoelectric refrigeration, and clothes washers without water. And some day, said Hannah, retailers may own large stock holdings or become partners in their supplier's company.

NARDA president Upton Zeisler, Rahr's, Manitowoc, Wis., took the "Diversify or Die" approach. Blaming manufacturers with indiscriminate franchise policies for the present proliferation of appliance outlets, he called for more meaningful franchises, better pricing policies. But diversification is the real answer, he said; the trend to "small shops in big stores compounds benefits of diversification through specialization."

□□□□ **Dealer complaints** about manufacturers and distributors were as plentiful as ever. However, Tom Bartley, training director of Whirlpool, suggested a way for retailers to do more than complain: "Train your factory and your distributor," he said. "If you can't train your distributor to help schedule training meetings for salesmen, to help with new management methods, and to feed back customer and market demands, why do you buy from him?" he asked. He charged retailers to train employees, too—develop job descriptions, start profit-sharing and pension plans.

□□□□ **The fight for new markets to conquer** is the real battle ahead for dealers in an industry beset with "follow-the-leader merchandising," said Sol Goldin, manager of retail marketing for Whirlpool. Dealers should take advantage of such new trends as night shopping, rental appliances, self service, and product diversification to "swing the pendulum toward merchandising imagination." Goldin suggested introducing new product categories, like transportation appliances (including two-way car radios, auto air conditioning, and thermoelectric refrigeration for marine equipment), or new merchandising methods aimed at specialized targets like working wives.

□□□□ **The battle for future consumer dollars** will go to the established, promotionally minded, well-financed, well-managed store, according to Carl E. Lantz, vice president and general manager of Philco. "Appliance dealers must stop being just salesmen and become managers." Only well-managed stores will be able to handle the changes due in the near future. Homes will become computerized; there will be wireless communications, remote shopping via tv, as well as shifts in the economy.

□□□□ **Dealer vs. department store competition** is overemphasized, according to Max Littman, retired appliance buyer for Gimbel Brothers. The real enemy is Sears. Dealers and department stores should cooperate to create a higher saturation of new products by means of town-wide ads, displays, and promotions.

What retailers were saying at NARDA's Institute of Management

Perhaps the key word at the National Appliance & Radio-TV Dealers Assn.'s Institute of Management, last week in Washington, D.C., was "upgrade." But other hot words—words that caused hours of discussion in the halls, classrooms, and dormitories of American University—were "color tv sales," "women sales help," "business ethics," and "buying co-ops."

"Conditions are forcing an upgrading," said H. B. Price Jr., of Price's, Norfolk, Va. "We have better people shopping the store; they have more money, and they are forcing us to upgrade ourselves."

"We've upgraded our salesmen this past year," said Allan Rentschler, New Jersey Plumbing & Appliance, Trenton, N.J. "We now regard them as professional men. We have taken them out of shirtsleeves and made them wear suit jackets when they are on the floor. We no longer address them by their first names; they wear name tags that say, for example: 'Mr. Silvers.'"

Girding for the fall

Most retailer-students at the Institute had experienced tremendous air conditioner sales, and were girding themselves for tremendous color tv sales this fall. "How much color inventory have you got?" dealers asked each other, and compared notes on what they were getting from their suppliers. They agreed inventories were high, but no one, at this point, seemed particularly worried.

What has worried some retailers is that their major appliance business is suffering from the color tv boom. Salesmen who can make an easy, big-ticket, color tv sale, have been neglecting the customer who wants to be sold a refrigerator.

There is another problem with booming color tv sales, too. Sales are up, profits are up, but so are advertising expenses, warehousing expenses, and personnel expenses. They are not watching stock turns for other products besides color tv, so other inventory gets old and expensive.

They are concerned with what will happen after the color tv boom has stopped reverberating. However, Carl Lantz, Philco vice president and general manager, predicted that by 1970 the industry will be selling 10 million color sets a year—and 30 to 35 million black and white sets.

Several retailers were looking forward to the home video tape recorder, and while those who sell it said it is not yet a product for the average consumer, they have been selling to commercial, industrial, and educational accounts. In one practice session, where students were to dream up as many ideas as possible, one group came up with one new way to approach a walk-in: Ask her, "Have you ever seen yourself on television?" Then demonstrate a video tape recorder.

Putting women in sales

Because professional sales help is so hard to find, many more retailers

are considering women. "Women trust women," said one man.

"They like to buy from them. You ask a saleswoman the difference between a Frigidaire and a Whirlpool and she'll tell you—features. You ask a man and he'll tell you \$30. We have women in one of our stores, and the lowest seller is making \$8,600 and the best is making \$16,000 a year."

Joe Richard, GE's director of education and sales training, said that women could sell major appliances if they were mature women who were willing, or able, to work the hours salesmen have to work.

Hugh Hannah, of Hannah-Adams, Chattanooga, Tenn., was concerned that men and women on a sales floor might lead to trouble. But Mrs. Eunice Hancock, Mission TV & Appliance, San Juan Capistrano, Calif., has solved this problem, by limiting her sales force to women.

Not only is the shortage of salesmen a problem; retailer after retailer also remarked about how difficult it is to find servicemen, and how much they have to pay the ones they do find. And, "There is a tremendous amount of stealing of service people in our market," said one Pennsylvania retailer.

"The trouble is," said H. B. Price III, "that customers expect service. Our biggest problem is getting the people who will keep the things we sell running in the home."

Deciding who is ethical

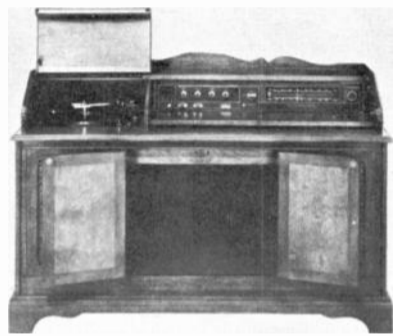
The state of the industry's ethics were indicated by a survey using cases devised by Harry Price and administered by Dr. M. L. King of American University. The results showed generally that while most retailers thought themselves fairly ethical, they did not think the average appliance dealer was.

For example, given a situation where a radio station offered to bill an appliance store \$1,000 for advertising that actually cost \$500 (so the manufacturer's co-op money would pay the whole bill), 66.9% of the students said they would refuse the offer; 76% thought the average dealer would accept it.

On Wednesday morning, Jim Fulford, Colony TV, Washington, D.C., and president of the local MARTA chapter, talked about the advantages of belonging to a co-op buying group like MARTA. "We are growing by leaps and bounds," he said. He covered the familiar reasons for belonging to MARTA, and they were asked whether MARTA respects a franchise. "Yes, we do," he answered, "and we do not ship to a member who does not have a franchise. We shoot for 12 stock turns a year. Each line has a buyer who specializes in that line, and if he buys a dog, he has to get rid of it. Members do know what the merchandise cost MARTA. We like members to buy 70% of their volume through MARTA. To cover the New York expenses and the local expenses—like warehousing—there is a charge of about 1½% of gross purchases." —Wallis E. Wood and Amei Wallach



□□ **Electrohome's stereo console** is finished in walnut and black vinyl and is mounted on upright chrome legs. The solid-state unit, called the Circa 765, has two 4-inch speakers and one 6-inch speaker and features a Garrard 3000 changer. Dimensions are 30½ inches by 10½ inches by 24½ inches. Suggested retail price is \$169.50. *Electrohome, Kitchener, Ontario, Canada.*



□□ **GE shows a stereo console** built into a Colonial-style desk with maple veneer finish. The unit has a horizontal control panel and an AM-FM stereo tuner concealed behind simulated pull-out drawers; the turntable and changer are under the desk lid. Speakers are located behind two louvered sections on either side of the cabinet; record space is provided in the center. The unit will list at \$499.95. *General Electric, Consumer Electronics Div., Audio Products Dept., Decatur, Ill.*



□□ **Hamilton's new laundry line** includes five washers and six dryers, all equipped with permanent press features and the permanent press dial setting. An inscription on the backpanel of one dryer, the Holiday HC907C (shown), announces its solid-state ignition system. Hamilton also offers an industry first: a Teflon-coated aluminized-steel dryer drum.

All of the washers feature a cool-down rinse that prevents permanent press garments from wrinkling during the spin cycle. The top-of-the-line washer has eight wash programs, five water-level settings, bleach and softener dispensers, and a balance-insuring suspension system.

Dryers come in the full-size Heritage model and the compact 27½-inch-wide Holiday. The matching dryers offer a cooldown period at the end of each drying cycle, as many as seven temperatures, unlimited cycle settings, an ultraviolet lamp, and an end-of-cycle signal.

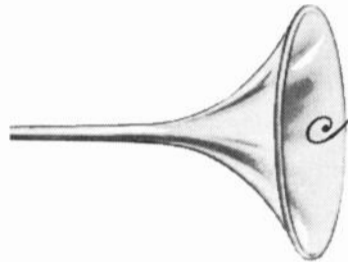
The New Reliables, as Hamilton calls them, are available in either white or coppertone finish with wood-grain trim. The company also has introduced three new wringer washer models.

Hamilton's promotion of the New Reliables will include local radio and tv spots, plus full-page color ads in *Parade*, *Good Housekeeping*, *Sunset*, and *Southern Living*. *Hamilton Manufacturing Co., Two Rivers, Wis.*

□□ **A new stereo tape recorder** is offered by Arvin. The solid-state, 4-track, portable unit can be played on standard 110v AC or on eight D-cell batteries. Two 5¼-inch oval speakers are housed in the detachable speaker boxes. Model 67L39 features hyperbolic contour record-playback and erase heads, an automatic tape lifter, two VU meters to indicate the proper recording and playback levels, three speeds with electrical switchings, and a digital counter with reset button to help locate desired passages in a reel. The unit is 24 inches wide, 14 inches high, and 7 inches deep and comes in a charcoal black case. It retails at \$159.95. *Arvin Industries Inc., 1531 13th St., Columbus, Ind. 47201*



□□ **An 8-track cartridge tape deck** for auto, boat, or home is shown by Automatic Radio. The stereo unit is fully transistorized and comes with four high-fidelity, instant-mount speakers, chrome grille covers, a wiring harness, a locking bracket, and mounting hardware. TapeDek III lists at \$129.95. *Automatic Radio Manufacturing Co., 2 Main St., Melrose, Mass. 02176*



A new hi in fidelity for fine phonographs!



BSR
UA70

Automatic/Manual Turntable

From the world's largest changer manufacturer comes the new BSR UA70...presenting more saleable, more dependable, more profitable audiophile quality:

* Low mass precision-counterbalanced pickup arm * Feathertouch cueing device * Exclusive self-locking pickup rest * Horizontal and vertical pickup arm counterbalance * Fine vernier counterweight adjustment * "Dialomatic" precision stylus pressure control * 4-pole dynamically balanced, shielded motor * 11-inch deep-rim turntable * Fingerlift for manual play * Unified linear control panel with manual record size selector * Vibration-free, 4-point corner suspension * Interchangeable manual and automatic spindles * Plays 7", 10", 12" records: 16, 33, 45, 78 rpm.



PRECISION-CRAFTED IN GREAT BRITAIN BY BSR LIMITED • DISTRIBUTED IN THE U.S. BY BSR (USA) LIMITED, BLAUVELT, N. Y. 10913
In Canada Musimart of Canada, Ltd., 970 McEachran Avenue, Montreal 8



□□ A new tuner-recorder combination (shown) is at the top of the new line from Ampex. It is a stereo console—model 985—housed in a walnut cabinet with tambour doors. The unit features an AM-FM tuner, solid-state components, 3-speed operation, and automatic reversing. An electro-stop control on the recorder allows the operator to stop, hold, and restart the recorder without disengaging the record mode. Separate dual channel

record level and playback loudness controls permit monitoring while recording from any source; and the FM part of the tuner has an automatic frequency control that locks and holds the FM signal. Two microphones come with the unit; price is \$599.95. Matching speakers are optional at \$99.95 a pair.

Ampex also is offering a new series of stereo tape recorders for home use that have bidirectional recording and sound mixing, automatic reversing and threading, solid-state components, VU meters, 3-speed operation, and dual capstan drive. The series is available in four models: model 2150, an uncased deck with stereo pre-amplifiers, at \$479.95; model 2160, a portable deck with

stereo pre-amplifiers and power amplifiers, at \$549.95; model 2165, the 2160 unit with an oiled walnut case, at \$569.95; model 2161, the 2160 unit plus two microphones and two slide-on speakers, at \$599.95.

Two new microphones—an omnidirectional, self-standing model and a unidirectional model—are being introduced in the Ampex line. Model 1101 (shown left) is a compact, high impedance, omnidirectional, dynamic unit with base and microphone combined in one integral design; retail price is \$19.95. Model 3001 (shown right) is a high impedance, dual microphone; a simple wiring change permits conversion to low impedance; price is \$59.95. Ampex Corp., 2201 Lunt Ave., Elk Grove Village, Ill.

The \$995 Color Television Set. For richer or for poorer?

There are two types of people in the market for high-priced, high-quality sets like the ones we make. People who are rich. And people who aren't.

To the rich, money is no object. The mere fact that an Andrea color set is the most expensive they can buy makes it all the more desirable. They want the best. They're accustomed to it. And they're willing to pay for it.

Then there's the other group. Not so rich—but discriminating. They want a set that will last. Not just 2 or 3 years. But 10. Or even 20. And they'd much rather spend the extra few hundred bucks than waste everything on a set that won't hold up.

So you tell them about Andrea. Tell them how it hardly ever needs repair. How it's the one set built to outperform and outlast all others. And then there's not much more to tell them. The rest they can see for themselves.

Now you know the kind of people who are in the market for an Andrea television set. A lot of them probably live right in your neighborhood. And there may be only one obstacle holding them back from walking into your store and walking out with a brand-new Andrea. You're not an Andrea dealer.

Don't worry. We can fix that. Just write to Pete Morahan, our Vice President in charge of Sales. Or call him collect at (212) ST 4-5411.

And if you team up with us in the near future, Pete will tell you how you can be our guest at the Princess Hotel in Bermuda on September 16, 17 and 18. It's just our way of welcoming you to the family. Sort of like a honeymoon.



D
W
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A
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Dexter Quick Twin's DOUBLE capacity has double benefits for you. (1) It multiplies your profits because no other type washer can match its speed or performance. (2) It is easy to sell Quick Twin because it "Sunday Cleans" a full tub of clothes every FOUR minutes without bleaching or hand treating. It's profitable! It's exclusive! Ask your Dexter distributor or write . . .



FAIRFIELD, IOWA 52556

Please send me the Dexter Details:

Store _____

Buyer _____

Address _____

Andrea

The Andrea Radio Corporation, 27-01 Bridge Plaza North, Long Island City, N. Y.

Arlan's new menu: a smorgasbord of majors and home electronics

One of the nation's giant discount chains is switching from slippers to sneakers in pursuit of two lusty sales producers: major appliances and consumer electronics.

Arlan's Department Stores Inc., which currently offers these two lines in only four of its 62 stores, has set its sights on swelling this representation to 40 units in the next five years.

"We're pretty much feeling our way," said Warren Eisenberg, Arlan's 35-year-old president, in an interview with MERCHANDISING WEEK. "Ultimately, though, we expect to carry majors and consumer electronics in 60% of our stores."

To rate these lines, an Arlan's store, according to Eisenberg, must have an area of 70,000 square feet or more and produce an annual volume of at least \$4 million. He estimated that about 35 of the chain's existing stores are candidates for such departments.

Target volume for this merchandise, which is housed in 2,500 to 3,500 square feet, is \$150 a square foot—or between \$375,000 and \$525,000 annually—depending on the particular market.

As for profitability, the youthful retailer thinks in terms of black ink in the second year of operation.

With 10 months of experience in majors and consumer electronics under its belt, Arlan's is confident it has unraveled a blueprint for growth.

"We went into this business in four stores in Detroit—one of the toughest competitive areas in the country," Eisenberg observed. "We figured if we could operate well there, we could go anywhere. We're now convinced we can go anywhere."

Eisenberg—who started as a stock boy with Arlan's 18 years ago at its inception and assumed the presidency last May—emphasized that the company is not looking to open major appliance and consumer electronics departments at a breakneck pace.



WARREN EISENBERG
President, Arlan's Dept. Stores

"We've built a hard goods organization 'an organization within an organization.' Now we're ready to move on to Step Two."

On the contrary, he said, "we plan to move step by step—building an organization, opening a number of departments, consolidating, and then on to the next plateau."

Eisenberg noted that in the last eight months Arlan's had put together a hard goods organization that was "an organization within an organization." It is now at the point, he said, where it is ready for Step Two—in other words, another expansion.

This means the addition of six new departments devoted to major appliances and consumer electronics

within the next three months. Five new departments will open next month in northern Michigan units. The sixth—due in November—will open in an Arlan's store now under construction in Colorado Springs, Colo. This will be the first store in the Arlan's chain to carry these lines on opening day.

Hopefully, said Eisenberg, the rate of expansion will be accelerated a bit next year, with majors and consumer electronics being added in eight to ten stores.

He noted that the chief stumbling block to a speedier expansion rate of these lines was the lack of personnel. "You can only move," he said, "as fast as you can build a good organization. In addition, majors and consumer electronics open up new aspects of retailing to us—in terms of salesmanship, deliveries, service, credit, warehousing, etc. It all takes time to absorb, to become knowledgeable in these areas . . ."

Although Eisenberg said he was "pleased" with the results in the four Detroit stores, there was a noticeable lack of enthusiasm in his words. Asked about this, the Arlan's president commented that it took the chain several months to resolve the personnel problem that accompanied the opening of the four departments. As a result, he said, "we held back advertising at Christmas." *continued on p.41*

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at
Special Prices

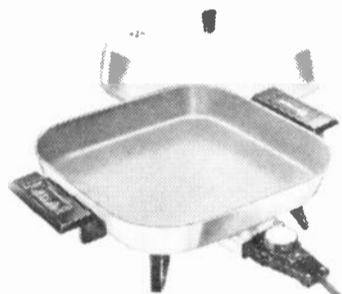


Sorry about that, Katz

Every once in a while at Dormeyer we get this sudden urge to sell, sell, sell. So through our distributors, we offer our hot products at greatly reduced prices. "Door Busters," we call them.

Last year when we did this, Katz bought, bought, bought. And look what happened to him. He got tattered, torn and rich. Sorry about that, Katz.

If you want to live dangerously while you make a good buck, call your Dormeyer distributor and ask him for the "Door Buster" prices on these items.



Teflon* Coated Electric Skillets: SK-11-BU (illustrated), SK-9-BU (reg. cover)



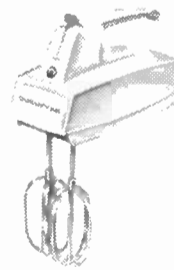
2 Slice "Chef" Toaster: TR-9-CH



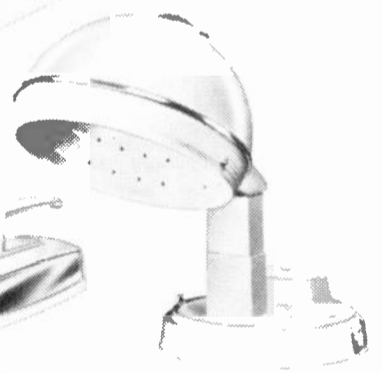
Hand-Stand Mixer: SM-6-WH-2



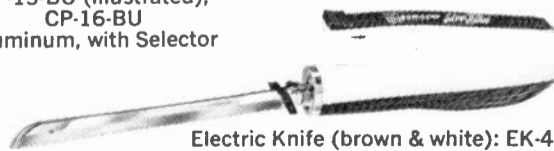
10 Cup Automatic Coffeemakers: CP-15-BU (illustrated), CP-16-BU Aluminum, with Selector



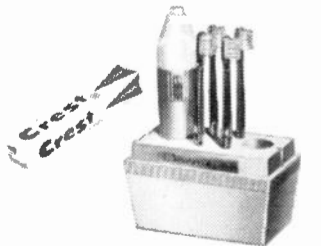
"Dormey" Portable Mixers: HM-7-WH and HM-7-CH



Salon Type Hair Dryer: HD-13



Electric Knife (brown & white): EK-4



Automatic Cordless Toothbrush: DB-1, free CREST Tooth Paste

*DuPont registered trademark

Dormeyer

2400 N. Wolcott, Chicago, Illinois 60614

WHERE ELSE BUT ARLAN'S
PRICES LIKE THESE ON OUR BEST BRAND APPLIANCES!

Hotpoint 18 Cu. Ft. REFRIGERATOR \$259⁹⁵

Kelvinator No-Frost REFRIGERATOR \$239⁹⁵

YOU'LL FIND THESE FAMOUS BRANDS ON SALE BY ARLAN'S
KELVINATOR—WHIRLPOOL—HOTPOINT—GENERAL ELECTRIC
SYLVANIA—ZENITH—SUNBEAM—HAMILTON—RCA

Hotpoint GAS DRYER \$119⁹⁵

Whirlpool Portable DSHWASHER

NO MONEY DOWN!! 36 MONTHS TO PAY!
ABSOLUTE MONEY BACK GUARANTEE - FACTORY AUTHORIZED SERVICE
ARLAN'S APPLIANCE DEPARTMENT AT THESE STORES ONLY!!
OPEN MON THRU SAT 10 am to 10 pm * OPEN SUNDAY 12 noon to 7 pm

SPEND SMALL

BUT BUY BIG



Bring less money.
ARLAN'S

Arlan's advertising campaign switches from hard sell to institutional



What is a customer?

A customer has one wife, 2 3/7 children, 1 1/8 autos, and \$23 billion in debts.

He is a doctor price-shopping on an ice crusher or a floor waxer, buying the first color combo he sees.

He is a mink-decked dowager with no down payment and a hod carrier with \$700 cash in his cement-streaked jeans.

A customer will carefully weigh the purchase of an air conditioner for eight months.

He will buy it at 8:54 p.m. on a Saturday, when the mercury has hit 95 for the fifth consecutive day, and

will trundle it homeward in the baby's stroller, wrestle it up four flights, and install it himself.

A customer will buy a stereo for his kids before a suit for himself.

He will buy a dress for his wife before a shortwave for himself.

A customer is made up of equal parts of trust, skepticism, vanity, and self-doubt.

He reads consumer guides, listens to salesmen, and buys what his brother-in-law recommends.

A customer is the guy who bought his tv across the street and comes in to you with a complaint.

He favors weekend sales, instant credit, immediate delivery, pro football, and pizza pie.

He dislikes sales taxes, excise taxes, income taxes, stuck turntables, burned-out tubes, Elvis Presley, and delivery men with muddy soles.

Sometimes he thinks Taiwan is a city in Japan.

He cannot remember the last movie he took his spouse to since he bought that first 12-inch console.

He believes that wood is better than plastic.

He will buy a video tape recorder when the price goes down to \$299.50.

His 4-year-old stereo tape recorder has been in the closet for three years.

He has doubts about floor samples, fair-trade prices, and salesmen with polka-dot ties.

He wants microwave relays, solenoidal transistorized circuits, automatic icemakers, and the serviceman to arrive promptly at 8:03 P.M.

The dirtiest word he knows is "list price".

When the kids are married, he is going to get a brand new custom kitchen.

His wife is going to get a brand new custom kitchen next week.

He is an enigma, wrapped in mystery, and shrouded in doubt.

He is the despair of his family, the hope of the economy, the will-o'-the-wisp of the dealer—and the savior of the retail salesman.

He is the customer.



How can you offer customers a complete, no-extras-to-buy portable tape recorder outfit, that, for less than \$100, gives them everything they need to record anywhere?

Here's how!



When you sell a Wollensak "4100," you sell much more than just a portable, battery-operated tape recorder. This recorder has everything . . . microphone, carrying case, cartridges, batteries, accessory cord . . . everything your customer needs to go where the action is, records anything. The "4100" records/plays back up to a full hour on each cartridge. Weighs just 3 lbs., yet includes a professional-type VU meter, separate record level and playback volume controls, record lock safety, capstan drive, solid-state construction and high-efficiency speaker.



Wollensak 3M

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 of MERCHANDISING WEEK.

KEY MOVES

Allied Electronics—R. G. Peterson is appointed sales mgr of the corporation and will supervise all activities of national sales personnel; Shelby F. Young is named general mgr of the retail stores division.

Hanson Scale Curtis R. Nase is named a company rep, with headquarters, in Bryn Mawr, Pa., serving Maryland, Washington, D.C., Delaware, and parts of Pennsylvania and New Jersey.

Corning Glass—Robert G. Littleton is appointed controller for the consumer products division; Littleton succeeds Ferdinand W. Bobrick, who was named assistant to the controller of Corning Glass Works.

Dorn's—Richard L. Dollarhide is appointed vp in charge of Northern California operations for this appliance-tv chain.

Symphonic—Charles J. Urban is named to the post of senior vp-marketing, with responsibility for the company's brand-name phono, tv set, tape recorder, and other divisions.

Sylvania—William T. Buschmann is named vp-marketing for the Electronic Components Group, with overall marketing responsibility for products manufactured by the Electronic Tube and Semiconductor Divisions.

GE—Robert C. Wilson, general mgr of the consumer electronics division, is promoted to company vp; Frank J. Rowan is appointed sales mgr and R. D. Kennedy is named merchandising mgr for the electronics sales operation; John S. Chamberlin is named mgr of GE's new tape recorder section; Charles W. Kepler succeeds Chamberlin as radio receiver dept. marketing mgr.

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THERE'S A FULL LINE OF CROWNCORDERS PRICED TO SELL FAST! ALL WITH FULL YEAR PARTS & LABOR GUARANTEE!



CTR 3000 — 3 1/4" reels, 2 speeds, capstan drive.



CTR 5000 — 5" reels, automatic level control.



CRC 5800 — 5" reels, 2-speed, with built-in AM radio



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COMPACT REFRIGERATORS



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The Norcold model that is most responsible for creating the fantastic new compact refrigerator market. Dealers across the nation are claiming it as the greatest volume sales and profit producer in many many years. Feature for feature, price for price, it has no competition. Small enough to fit any limited space yet has huge storage capacity and freezes ice cubes in a jiffy. Very low current consumption. Only 42 lbs. light and just 18 x20x17"

\$69⁹⁵
RETAIL
WITH FULL PROFIT MARK UP

SIMULATED WALNUT WOOD GRAIN FINISH . . . RETAIL 10.00 ADDITIONAL



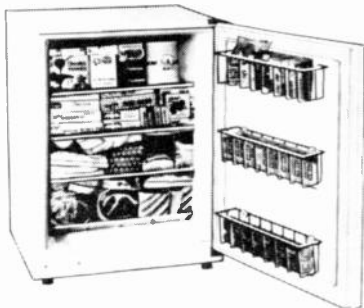
MODEL E-150 . . . THE ICY-MITE ICE CUBES GALORE PLUS REFRIGERATION TOO.

Simulated Walnut wood grain finish. Compact size plus quality and value has made the "Icy-Mite" a sure-fire sales winner with hotels, motels, offices etc. . . . or wherever "room service" hospitality is required. Makes ice cubes in a jiffy. Generous storage area holds 2 full quart and 3 half quart bottles plus 5 ice cube trays. Only 16 3/4"x16 1/2"x15 1/4".

* Suggested Retail List \$89.95

specialty designed

For A Big Booming Market

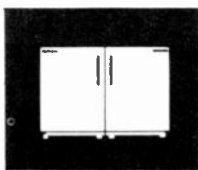


Model F-550: COMPACT FREEZER

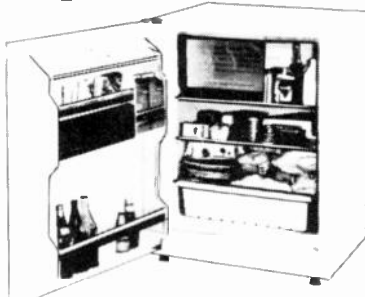
Automatic thermostat maintains consistent zero temperature. Tecumseh licensed self-lubricated compressor. 3 quick-freeze shelves. Flush door, magnetic gasket. Adjustable leg levellers. Sliding bottom tray. Bonderized steel cabinet with baked enamel finish. Storage capacity approximately 5 cu. ft. Holds up to 175 lbs. of frozen foods. Dimensions: 33" high, 24" wide, 24" deep.

* Suggested Retail List \$99.95

CHOICE OF
RIGHT OR
LEFT HAND
DOORS



* All Suggested List Prices
Slightly Higher South & West



Model E600: COMPACT REFRIGERATOR

Full range thermostat with push-button automatic defrost. Tecumseh licensed self-lubricated compressor, 18 lb. capacity freezer compartment. Two ice cube trays. Meat keeper. Vegetable bin and hydrator shelf. 3 removable shelves. Adjustable leg levellers. Bonded steel cabinet with baked enamel finish. Flush Magnetic storage door. Storage capacity approximately 5 cu. ft. Dimensions: 33" high, 24" wide, 24 1/2" deep.

* Suggested Retail List \$89.95

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Warehouses in New York, Chicago, Los Angeles, Vancouver, Toronto and Montreal

RETAIL MANAGEMENT

How Firestone tire sales

A man has just bought a new set of Firestone tires. He is waiting around the shop while they are being put on his car. What does he do with himself?

He may end up buying a color tv set. Or a refrigerator. Or an electric knife for the little lady back home. And if he does not buy now, he may buy later, because every time he comes in to make a payment he will be exposed to new merchandise, new products, new prices. "We don't want anyone to get off our books," says Steve Shubick, Firestone's national tv and appliance merchandiser.

"We like a small store"

Firestone is serious about retailing—perhaps more serious than most people realize. It now has around 1,000 company-owned stores, and plans to open some 200 this year. Most of these stores sell both tires and appliances; a few in major markets sell only tires. There are also a larger number of Firestone-franchised stores. Some of these stores sell only Firestone tires, some sell the whole Firestone package of tires, Philco appliances, bicycles, etc., and some sell Firestone tires and another brand appliances.

But why is a tire manufacturer in the appliance business at all? Firestone wants to display its tires in high-traffic, high-rent, eye-catching stores; in most markets, tire sales alone cannot support such stores. If the appliance-tv sales are subsidizing the tire sales, why sell tires? "Because Firestone is a tire manufacturer," says Shubick. "Manufacturing tires is the main business. Besides, one part of the business isn't subsidizing another. Both are profitable."

But because manufacturing tires is the main business, Shubick, an enthusiastic, hard-driving merchandiser, sometimes finds himself unable to do everything he would like to do. In a store that has unusually good appliance sales, he might like to give more display space to appliances by taking some space from the tire display. He may not. And a store manager who allows either his tire sales or his appliance-tv sales to slip badly will probably find himself talking with Shubick, or his opposite number in tire merchandising.

The stores give about half the display space to tires, the rest to appliances, tv sets, housewares, and other home goods. The stores are not huge; they average about 2,000 to 3,000 sq.ft. of selling space. "We like the intimacy of a small store," says Shubick. "The customer isn't overwhelmed. Where Sears might put one large store in a market, we might put in six small stores."

"We concentrate on brands"

Firestone is Philco's largest customer. Firestone notes this in its store displays and in its advertising. There are, however, a Firestone range, a Firestone freezer, and some private-label radios. "We're concentrating on the Philco brand name," says Shubick. "We use private-label merchandise to fill in the line, to give us something to advertise, and, if necessary, to step away from." (He also points out that Firestone itself is a brand name.)

Company stores also carry Admiral duplexes, Kitchen-Aid dishwashers, other brands if the market justifies the inventory.

Advertising hits hard. One recent ad that ran in Los Angeles featured a 1966 Philco dryer for \$99.95, no money down. "Firestone, World's largest Philco dealer, invites you to compare Price, Quality, Service," said the headline. And beside the word "Service" was, "Wherever you go, coast to coast, border to border, there's a Firestone store to assure you complete satisfaction."

Each store is responsible for getting service for the customer; the stores do not have service departments. Shubick is deadly serious about customer service, however. "The customer must be satisfied with the purchase or someone is in trouble," he says.

Stores advertise as a group—the Los Angeles ad had the names, addresses, and telephone numbers of 34 stores at the bottom—but individual stores do earn co-op money. Shubick says Firestone does not football prices, though the stores do stay competitive in each market.

"Women like our stores"

The key to success, Shubick feels, is traffic. The tire business brings in traffic (indeed, most Firestone appliance-tv customers start as tire customers); the credit sales bring in traffic as customers come in to make payments; shopping center locations mean traffic. "Women like our stores because they are so clean," says Shubick. They are now putting carpeting in the appliance-tv departments.

Shubick cannot generalize about the kind of customer Firestone attracts. The stores sell tires to the doctor for his Cadillac, to the plumber for his old Ford, and often a color tv set to both of them. The salesmen sell tires, major appliances, and tv sets.

At the moment, Firestone is stronger in the South and Midwest than in the East; but if Shubick has his way, it will be strong all over.

continued on p.16

lead to appliance sales



Steve R. Shubick, Firestone's national tv and appliance merchandiser, came from D&H Distributing, RCA distributors located in Harrisburg, Pa.



This is the interior of the Firestone Store, located at Summit Mall, in Akron, Ohio. Beyond the windows at the far end is the auto shop.



While the customer's tires are being put on, he can come into this air-conditioned lounge, sit comfortably, and watch one of the color tv sets.

more solid statesmanship from Webcor



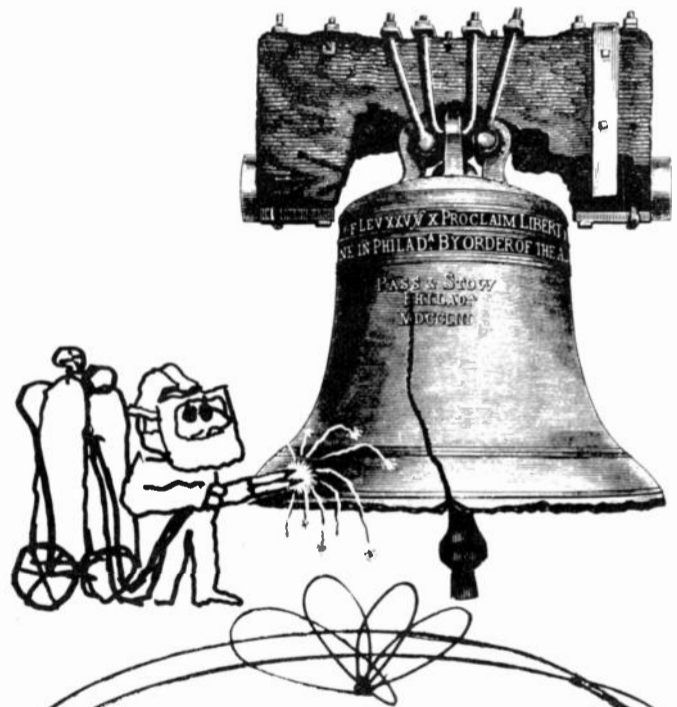
THE FROLIC . . . just one of the new 1967 stereo fonografs featuring extended frequency response, long-life all silicon transistors and the 4 speed Webcormatic changer. This lightweight model comes with detachable speakers and a 45 RPM spindle. Ebony or Walnut case. \$69.95.

Other models \$49.95 to \$99.95—West Coast prices slightly higher.

ALL MUSIC SOUNDS BEST ON A

WEBCOR

2400 N. WOLCOTT • CHICAGO, ILLINOIS 60614



When it comes to quality,
DOMINION
makes it right!

Customers can be sure of top quality when they buy Dominion appliances! That's because our complete line is backed by the original Dominion 1-Year Replacement Warranty. A new appliance free in case of defects in materials or workmanship! Sell Dominion — and you sell guaranteed quality. Dominion Electric Corporation, Mansfield, Ohio.

How one Firestone-franchised retailer, Michna & Kraft,

One successful Firestone-franchised store is Michna & Kraft Firestone Store, in New Braunfels, Texas. New Braunfels is a town of about 20,000 people, some 30 miles from San Antonio; last year, Michna & Kraft's sales there were over \$250,000. The sales were split this way: 60% appliance-tv; 30% Firestone tires; 10% housewares, sporting goods, toys, and the like. The store carries Westinghouse (both electronics and appliances), Zenith, and Philco, which it buys through Firestone. Philco merchandise comes from Philco's San Antonio office.

"Tires bring customers in"

Harold Kraft bought a partnership in 1963 and took over management of the store that year. Recently he consulted his records: "In 1963, we had a 50% increase over 1962. In 1964, we had a 13% increase over 1963. In 1965, we had a 45% increase; and so far in 1966, we've had a 50% increase over 1965."

The store is in a new building with a design specified by Kraft after he had visited other appliance stores throughout the country. It has about 4,500 sq.ft. of selling area;

the entire front is glass. There is an auto service area adjoining, where tires are sold and replaced. The store had been in the tire business for some time before Kraft became a partner. He says, "The tires bring customers in. Usually a tire customer becomes an appliance customer. Not so often the other way around."

Kraft believes in selling at list price, says he's able to maintain his prices. "I'd estimate our average gross margin last year was 30%."

By maintaining his margins, Kraft is able to offer a year's free service; carry his own paper; step up his

advertising program (4% of gross sales in 1965); and provide a life insurance, hospitalization, and sales bonus program for his help.

"We carry our own paper"

"Our customers have more confidence in us since we carry our own paper," says Kraft. (Firestone company stores use the Firestone Bank.) "Many customers look at us in a frightened manner when we suggest they pay off the appliance they want in monthly installments. When we tell them we carry our own paper and do not work with finance companies, you can just see them relax."

Kraft feels that what he is doing can be done by any sound appliance operation. "You can borrow money at any bank at 6% if you are a good credit risk." His carrying charges are 10%, and he still makes a 2% profit after his expenses are deducted. He does not have a full-time credit man. He and one of his salesmen keep track of things during the week; a retired man works on weekends as a collector.

Last year, on about \$10,000 worth of paper, Kraft says he had \$1,650 in losses. He says he has about a 5½% delinquency rate. Biggest problem is that "people will move out."

"Dealers must be prepared"

The key to his success, and to the success of dealers like him, Kraft feels, is the personal touch. There is a coffee lounge in the front of the store where coffee and Cokes are freely dispensed. Kraft and his two men and two women salespeople sit with the customers, drink coffee and chat about crop, cattle, and children.

"I tape my own radio spots," he says. "I put my message into words that will appeal to the folks around here. My sales message must go out in everyday language, instead of the high-powered, over-the-head studio lingo of the announcers." He always coordinates radio spots with newspaper ads, so that when the "Christmas in July" newspaper ads were breaking, the radio spots were playing Christmas music. "Imagine a woman hearing Christmas music on her radio on a hot July day. Don't you think she will listen?" he asks.

The personal touch extends to a summer picnic for employees and their families and an annual Christmas party at which cash bonuses are distributed to those who have achieved outstanding sales records. "All this has made for a happier organization. It means we work together better; produce better sales."

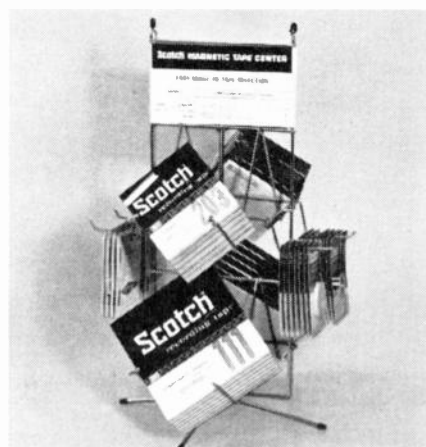
What about the future? "Expansion will be greater in the next ten years than it has been in the past ten," says Kraft. "I see it especially in color tv, in refrigerators, and in electronic merchandise. Dealers must be prepared to be able to merchandise and sell such merchandise. Dealers like myself must start to go to more sales training meetings held by manufacturers, to read more trade publications, and to pass on the information they have gleaned to their own sales personnel in their sales training programs." And finally, "Each dealer must be part of the people and keep the personal touch."

Pages 14-15 by Wallis E. Wood;
Pages 16-17 by Marion Rubinstein,
San Antonio

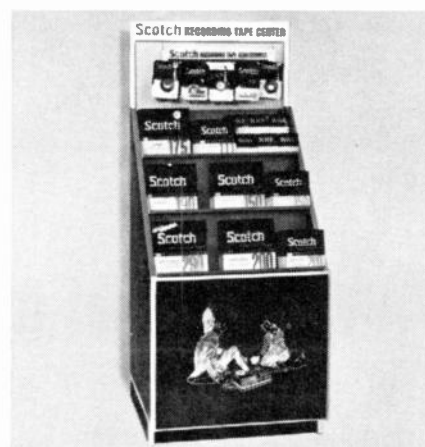
Boost your recording tape sales with these new "Scotch" Brand Displays



NEW! LESS SPACE... MORE PROFIT! Display WCD-5. Perfect for counter or pegboard display. Holds 72 assorted rolls in 3", 5" and 7" sizes plus accessories. Compact: 32" high, 23¾" wide, 8" deep. Header sign gives timing information to aid customer selection. Display free with 72-roll assortment of 5" and 7" sizes.



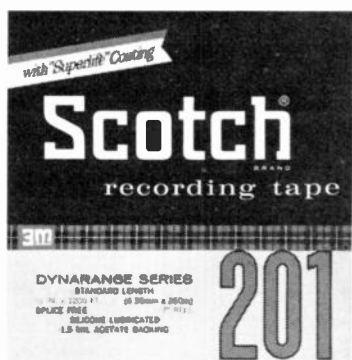
NEW! FAST TURNOVER... INCREASED SALES! Display WCD-7. Holds 24-roll selection in sturdy wire rack display. Makes revolving counter merchandiser or converts into two separate displays for pegboard hanging. Simplified but complete inventory of 5" and 7" rolls. Timer headboard. Display free with 48-roll assortment.



PROVEN SALES BUILDER! Display FCD-2. Dealers report sales increases from 42% to 300% with this handsome floor cabinet merchandiser. Compact—only two feet square, 57" high, yet holds 144-roll assortment plus back-up stock. Attractive walnut and metal construction. Display free with 288-roll assortment.



"LIVING LETTER" DISPLAY Deal LL-66. Shaped like a miniature mailbox. Holds all 3 lengths of "Living Letter" Tapes in plastic mailing boxes plus address labels. Comes packed with 72 "Living Letter" tapes.



**"Dynarange"...
your number one
best seller!**

The demand is still growing for this super-sensitive tape. Gives your customers the same full fidelity at 3¾ speed that they normally expect only at 7½ ips. Nationally advertised and pre-sold in magazines and on national network TV and radio. Free demo tape and special counter display available with 48-roll order while supply lasts.

Magnetic Products Division **3M** COMPANY

SCOTCH® AND THE PLAID DESIGN ARE REG. TMS. OF 3M CO., ST. PAUL, MINN. 55119 © 1966, 3M CO.

manages its appliance sales



Ample parking space is provided right in front of Michna & Kraft's Firestone Store. The store has about 4,500 square feet of selling space.



Ranges are displayed by price so the salesman can step up easily.



Though a Firestone store, Michna & Kraft makes many Westinghouse sales.



Stereo sets, like tv sets, are demonstrated in a soundproof room.



Seasonal merchandise is displayed where it will get the most traffic.

Michna & Kraft & Westinghouse present

OUR ANNUAL CHRISTMAS IN JULY SALE

These prices could mean another "Merry Christmas" that indeed there is a Santa Claus... Everything is gift priced to help you get the Christmas spirit even in the middle of July. That's West... CHRISTMAS IN JULY!

REGISTER NOW FOR FREE Gift Certificates

TO BE GIVEN AWAY EACH DAY \$5.00 to \$25.00 VALUES!

Will be applicable toward purchase of Merchandise. Register FREE!

WESTINGHOUSE COLOR TELEVISION

Model CT-40

ONLY \$398⁰⁰

BIG DOUBLE OVEN

WESTINGHOUSE ELECTRIC RANGE

Model R-100

ONLY \$298⁰⁰

WESTINGHOUSE "JOY RIDE" PORTABLE

Model R-100

ONLY \$128⁰⁰

WHY SWEAT

SLEEP COOL

Model S-100

ONLY \$118⁰⁰

COOL YOU'LL WORK FASTER

The Westinghouse Super Fan

Model S-100

ONLY \$388⁰⁰

FOR THE "FRESHEN"

ZEBCO SPINNING REEL

ONLY \$4⁹⁵

WESTINGHOUSE TOP QUALITY WASHING MACHINES

Model W-100

ONLY \$148⁰⁰

DAINTY MAID

Model D-100

ONLY \$98⁰⁰

FOR THE "FRESHEN"

SHAKESPEARE CASTING REEL

ONLY \$5⁹⁵

JULY TIRE SALE!

4 Tires - \$19.77

6 Tires - \$27.77

FREE CLOTHES

With the purchase of each Washing Machine

TOYS

AT

The "Christmas in July" sale featured not only appliances, but also toys, a bicycle, and tires. Gift certificates could be applied to purchases.

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

Escort[®]

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!

WRITE, CALL OR WIRE TODAY
For Full Details And Descriptive Literature

STEVENS APPLIANCE TRUCK CO.
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MODEL SRT
Rugged, All-Steel Construction

MODEL MRT
Magnesium Light!
Magnesium Strong!

Escort
APPLIANCE TRUCKS

SOLD ON A MONEY-BACK GUARANTEE!

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



All with 25"* Rectangular Color TV

New RCA Victor

Home Entertainment Centers

First with a solid integrated circuit locked into a solid copper circuit for Space Age reliability. A feature in the sound systems of the Mark I Deluxe and Mark II Deluxe Models.

First with new Hi-Lite Tube with Perma-Chrome, for "color so real you'll think you are there!"

First with power tuning via simple channel-bar selector and remote control for all VHF and UHF TV channels. Now in all Mark I Deluxe Models.

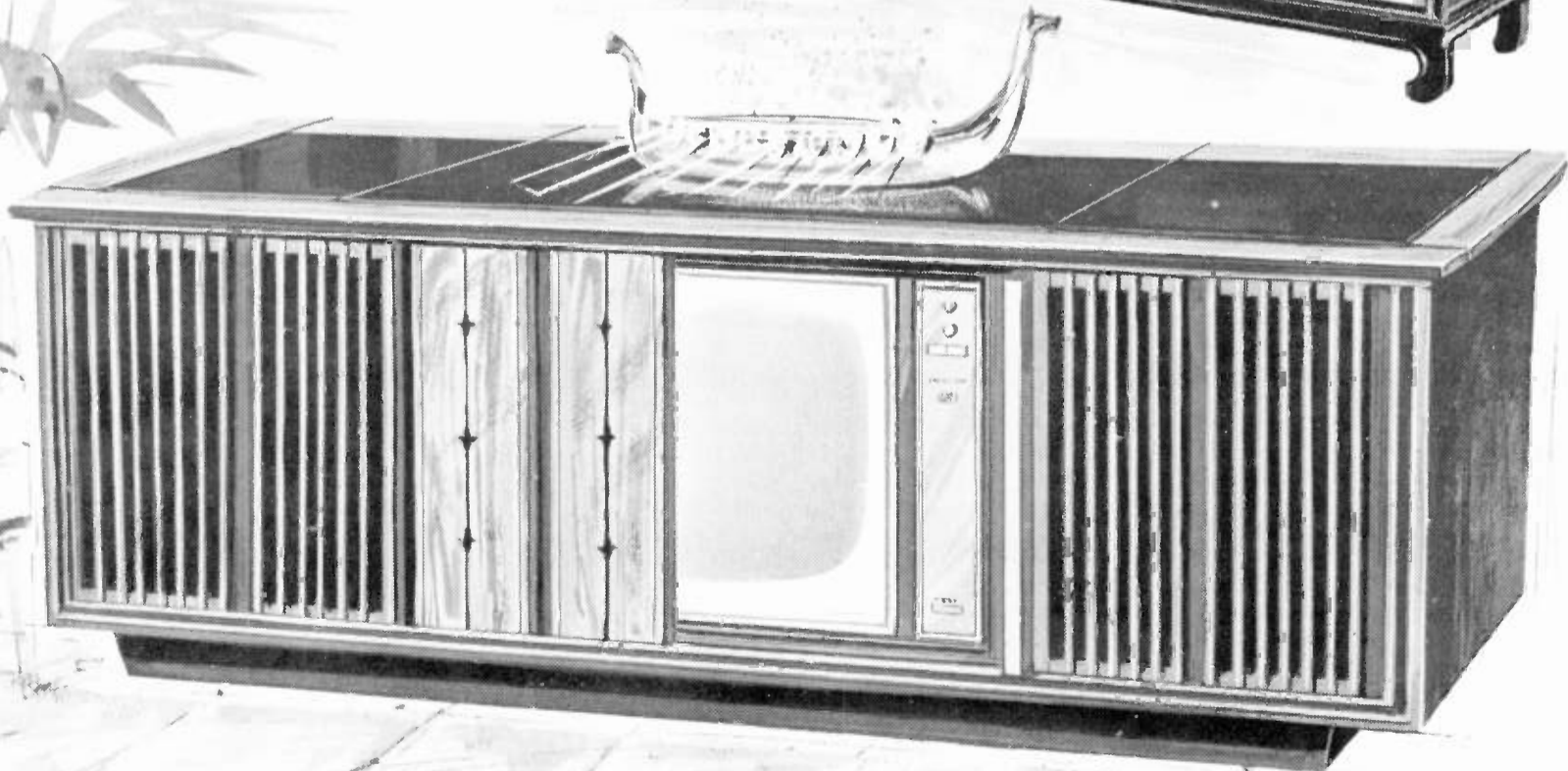
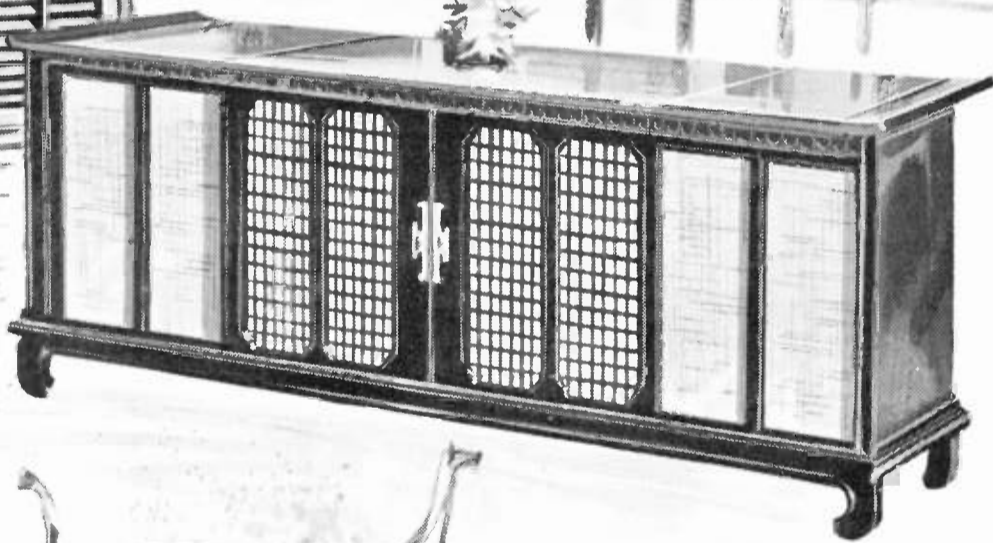
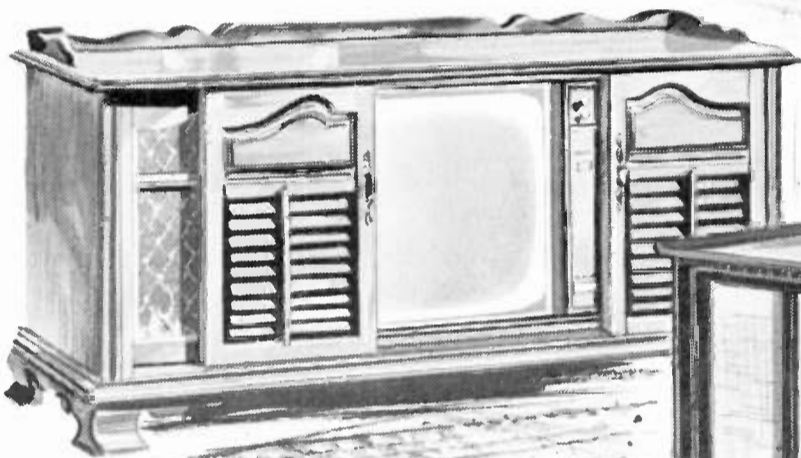
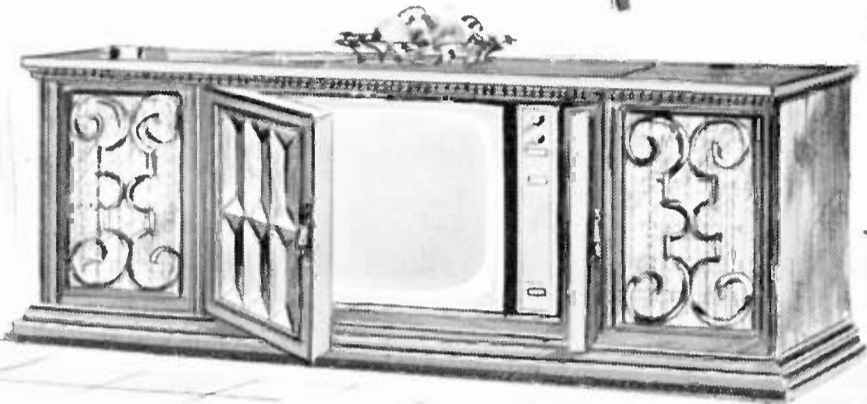
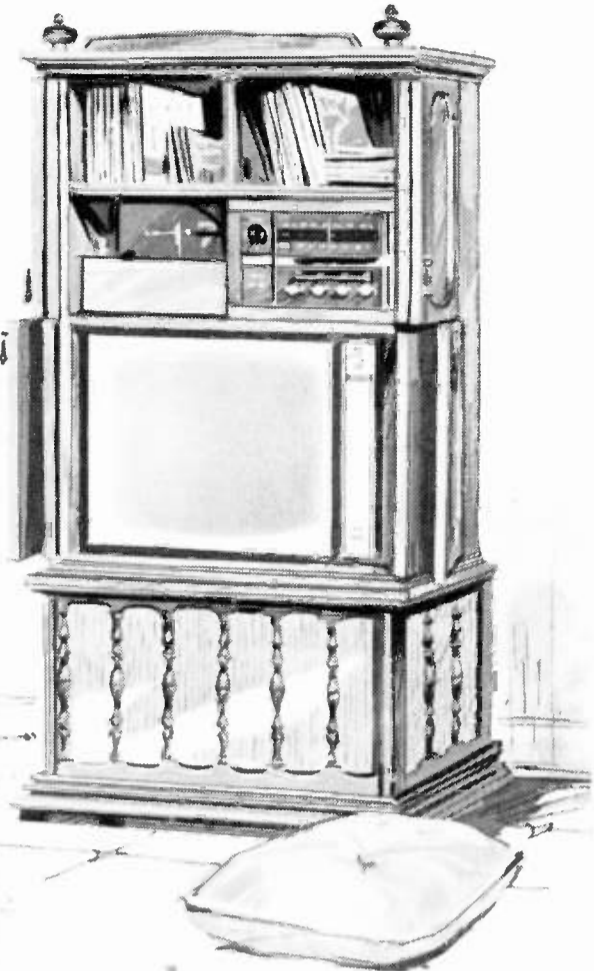
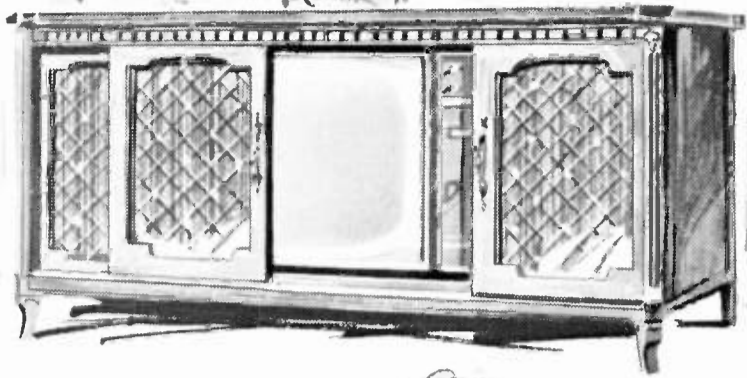
Plus: FM-AM-FM stereo radio...solid state construction...authentic period styling...more door models than ever before...a wide selection of speaker systems, accessories, prices. See the complete line of new RCA Victor Home Entertainment Centers now at your distributor!

*Tube overall diagonal—29.5 square inch picture



™(s)®

The Most Trusted Name in Electronics



WHY DO 6786 DEALERS CALL OLYMPIC THEIR NO.2 LINE

...and their No.1 profitmaker?



"3-At-Once" Color StereoCenter CK5376, with sliding doors, 25" tube (diagonal measure: 295 sq. in.), 25,000 volt picture power.

Because Olympic's the one with the new product features, the exclusive demo ideas, the decorator furniture styling and quality that sell on sight! And since we're not as big as some, we're practically unshoppable. When you switch to Olympic, you close more sales, give your customers better values — and you keep those fuller, fatter profits!



**Exclusive OLYMPIC
SOUND CONTROL CENTER
PLAYS ALL 3 AT ONCE!**

Plays Color TV, Radio and Phonograph in 3 separate rooms at the same time! Plays stereo in 2 rooms at once! Controls 100-watt peak solid state AM/FM/FM Stereo Radio, de luxe Stereo Phonograph and Multisonic TV Sound. Balanced 8-speaker stereo sound system. Exclusive ColorGlide guides accurate color tuning.

Olympic.

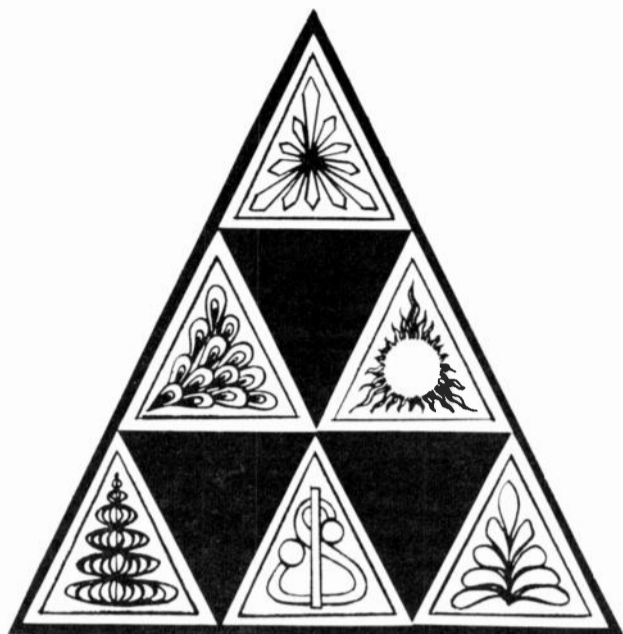


radios • phonographs • television • from the space age laboratories of



LEAR SIEGLER, INC./OLYMPIC RADIO & TELEVISION DIVISION
LONG ISLAND CITY, N. Y. 11101

CHRISTMAS - 1966



RETAILERS AND THE NEW CONSUMER



David L. Yunich, president of Macy's, New York: "There are no more hicks in Hicksville. Let fashion breathe the word . . . and the duck a l'orange simmering in a New York penthouse is simmering in farm house kitchens as well. Hunger can be appeased by a hamburger or by haute cuisine—yet more people are turning to the latter."



Ralph Lazarus, president of Federated Department Stores Inc.: "What is the new consumer like? She is younger, smarter, wiser. She has a better sense of taste, broader cultural horizons. More and more, she rejects the cheap, the gaudy, the ordinary in favor of the unique, the enduring, the personally satisfying. Price, of course, will always be a factor in most shopping decisions. The big change today: price is seldom the first or only consideration."



Stanley J. Goodman, newly elected president of May Department Stores Co. and head of Famous-Barr Co.: "The health of the economy obviously affects all retailers. But in the final analysis, how well we do will depend on how well we know and understand our fascinating and perplexing customer, with her terrifying knowledge of merchandise, her astonishing taste level, and her whim of iron."



Theodore Schlesinger, president of Allied Stores Corp.: "We pursue a better informed consumer today—one with quality awareness and plenty of fashion savvy. Trading-up is simply 'feeling out' new customer demands and intensifying merchandise selectivity. We rarely move away from price lines because we don't want to lose anybody along the way. You sell the new consumer not only by promoting specifics (items and price)—but also by dramatizing your fashion merit and store image."



Stanley Marcus, president of Neiman-Marcus Co.: "People want good goods today. They want to identify their hopes, wants, desires. And the more money people have, the more these dreams become realities. The consumer unquestionably has more money to spend today, but it is a mistake to think that price is a secondary factor."



Richard H. Rich, chairman of Rich's Inc.: "The consumer is upgrading—a merchandising philosophy we constantly preach. But this is a trend which crawls—not runs. And you don't press a button to speed it up. It's a gradual, continuing buildup. Price is less important today in an era where quality and fashion are taking greater hold with each passing day."

continued on next page

THE NEW

Christmas-1966 belongs to the New Consumer. It promises to be status-studded, sophisticated, and swingingly successful at retail.

Christmas-1966 will also belong to the retailers who merchandise, even romance, the New Consumer. The problem, however, is understanding her. Everyone talks about the New Consumer, but who really knows her?

Retailers, themselves, offer a myriad of interpretations:

- ... affluent
- ... more sophisticated
- ... better educated
- ... more leisure time for diversified interests
- ... hunger for fashion and quality
- ... more travelled.

These are the characteristics most frequently bandied about as the nation's retailing fraternity maps its merchandising and promotional plans in preparation for the booming Christmas season—when busy cash registers ring up to 40% of the year's hard goods sales.

But is the New Consumer really that easy to define?

Obviously not, judging from the mass confusion among retailers:

"You can't look for a definition," declared one store president, "because you're talking about a non-conformist, a person looking to be different—with the money to be different. In effect, it's being *avant garde*—which is not way out, but the wave of the future."

One thing, though, is sure. The consumer of 1966, armed with a fatter paycheck in a fast-stepping economy, is through keeping up with the Joneses. She is out to top them.

And the bait she will snap at is quality and fashion, laced with value. Price and price alone is fast evaporating as the No. 1 concern.

That was yesterday's retailing.

What does "quality and fashion" mean to today's consumer?

The specifics:

- ... Flair
- ... Color
- ... Design
- ... Convenience
- ... Status.

David L. Yunich, president of Macy's, New York, sums it up: "We are not just retailers of sweaters or sofas, but hopes, dreams, and desires. And if we are astute merchants, we always must be one dream ahead of the customer."

How does Yunich view today's

shoppers? "More sophisticated in every sense of the word. There are no more hicks in Hicksville. The duck a l'orange simmering in a New York penthouse is simmering in farm house kitchens as well. And the retailer who expects customers to shop at their stores just because their mothers did is whistling in the wind. A new breath of air is needed to satisfy this consumer sophistication—from the way we merchandise to the way we advertise, from the way we lay out our stores to the way we sell."

Practically every retailer talks glowingly of the dynamic Young America market, and rightfully so. But what of the senior citizens? Are they to be overlooked in the frenzied pursuit of the New Consumer, or, as some call her, the "young consumer"?

"Don't talk to me about 'new' consumer or 'old' consumer because I don't know what you're talking about," said the head of one giant department store chain. "I don't believe there is such a thing as a 'young' consumer. To me, if you swing, you're young—whether you're six or 60. This is the customer we want—the customer whose individuality in her clothes is rapidly spreading to her home, the customer who is not afraid of conversation pieces such as Spanish fencing foils or Javanese masks, but who, in fact, craves them."

Within the concept of the New Consumer is still another dimension, the shopper who buys without firm conviction of conscious recognition of her motivations.

Prof. Malcolm P. McNair, one of the nation's foremost retail authorities, points to a theory held by today's market researchers that consumer buying is an expression of subconscious drives and desires. Thus, a consumer's motivation is not obvious to an observer, nor even well understood by the consumer herself.

A man, McNair said, may therefore buy a convertible car not because he enjoys the fresh air but because such a vehicle expresses a subconscious yearning for a mistress.

Another reflection of the shopping habits of the New Consumer is that men's and women's clothing are becoming increasingly interchangeable. But this does not mean, said one marketing executive, that men are becoming more effeminate or women more masculine. Rather, it is simply

a new kind of relationship between young men and women. Eventually, men's and women's clothes may be sold over the same counter—unmistakable evidence, he said, of the vast changes taking place in a society that is moving faster than its self-styled fashion leaders.

Geraldine Stutz, president of Henri Bendel Inc., one of the nation's prestige stores, views fashion as the ornaments of contemporary living—"from what you wear, to the furnishings in your kitchen, to what you eat."

Prof. McNair's thoughts run in a similar vein. The mainsprings of fashion, he said, will become even more complex as expression of individual taste increases.

There will be more cross relations, he said, with other forms of artistic experience—painting, music, drama, sculpture, literature, philosophy, etc. For instance, St. Laurent's inspiration drawn from the paintings of Mondrian is the kind of cross-fertilization that will be repeated, the professor contended.

But what about the dollars-and-cents factor in the consumer's pursuit of quality and fashion?

Ralph Lazarus, president of Federated Department Stores Inc., the nation's largest department store chain, takes the view that price always will be a factor in most shopping decisions. The big change, he said, is that price today is seldom the first or only consideration.

Most merchants agree. The general feeling is that the alert merchant always will be "testing" the next price line, that this is the obvious and soundest approach to retail growth in pursuit of the New Consumer. But this pursuit is by no means confined to retailers who think strictly in terms of the more *affluent* consumer.

Sol Cantor, president of Interstate Department Stores Inc., the nation's second largest discount chain, makes this point in emphasizing that "our customer is not a static person with static desires and an ironclad budget":

"No matter how limited her overall budget," he observed, "she may easily change from steak to beans in order to trade up from a black-and-white television set to a color tv, if this is what the family of the New Consumer hungers for."

—by Dan D. Dorfman

CONSUMER

What is the New Consumer?

A statistical dissection shows she is more affluent, better educated, living longer, spending more, and hungry for suburban living.

And the men who get paid to peer into the crystal balls predict that these characteristics will become even more pronounced in the 1970s.

To the business community, this means no more buyers' market, no more sellers' market—but a consumers' market with New Consumer demands sparking a more dynamic economy.

The Bureau of Census figures tell us that the typical American housewife is marrying between 20 and 21, has 2 or 3 children, and has completed 11.2 years of school.

Her family's income is an average \$6,500 a year, up from \$4,421 in 1956. If she does not live in the suburbs, she is thinking about it and will give the matter even more consideration as family income goes up.

Her husband's life expectancy of 66.6 years has remained stable during the past few years—but not hers. Her life span has increased and she can now expect to live almost 74 years. She is a spendthrift, craves fashion and quality—but insists on value.

Disposable income for the New Consumer last year was \$465.3 billion. It is expected to climb to \$486.9 billion in 1966 and skyrocket to more than \$700 billion by 1975.

Fatter paychecks, of course, are sparking the buying drives of the New Consumer. The figures tell the tale:

Since World War II, there has been a steady reshuffling of buying power. Last year, a quarter of the nation's families earned \$10,000 or more and accounted for about half of the total demand for goods and services. By 1975, this same income, measured in today's dollars, will represent the earning power of two out

of every five families and account for a full two-thirds of all buying capacity.

We are far, though, from being a nation of Rockefellers. Approximately 32% of the nation's families still earn under \$5,000 a year—but this figure is rapidly diminishing from the picture.

Meanwhile, the middle-income group has been growing and will continue to grow impressively. Families in the \$7,000-to-\$10,000 a year bracket have increased from less than 8 million or roughly a fifth of the population 10 years ago, to over 11 million or close to 25%.

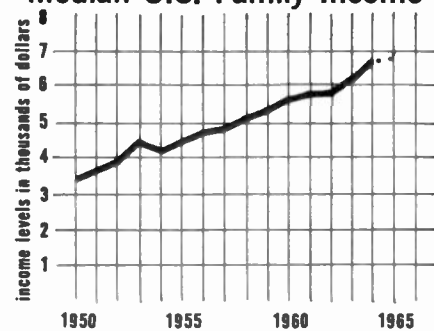
Here is how one analytical research mind in retailing interprets this:

"Poverty, as we know it today, may be virtually eliminated in 15 years," says Alfred Eisenpreis, research vice president of Allied Stores Corp.

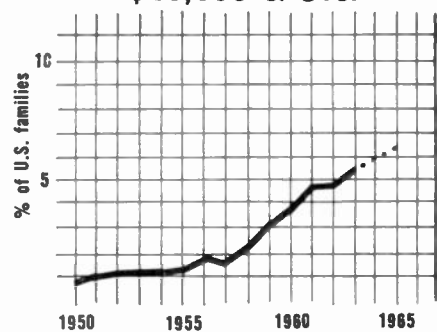
"In 15 years," he predicted, "the average family income will be over \$10,000, with the total output of the economy exceeding \$1.2 trillion dollars."

Blue-sky thinking? "Not on your life," says Eisenpreis, "simply a new dimension to the New Consumer—the power of the purse."

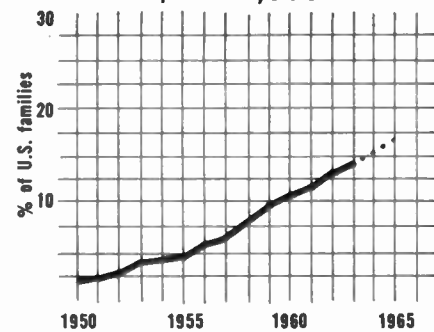
Median U.S. Family Income



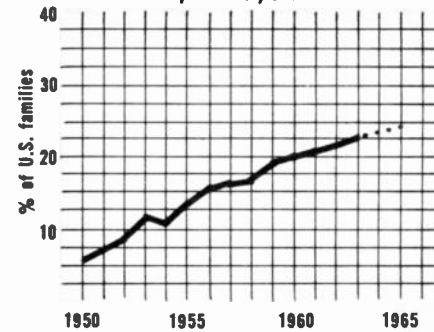
\$15,000 & Over



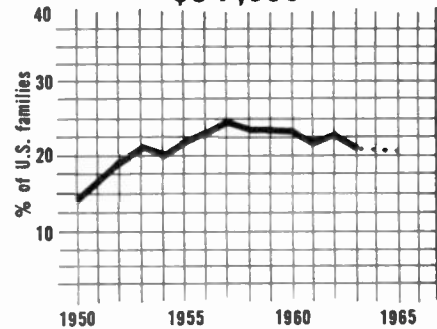
\$10-15,000



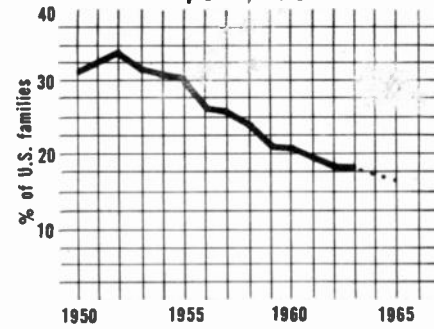
\$7-10,000



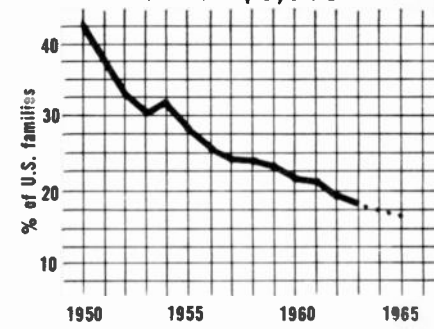
\$5-7,000



\$3-5,000



Under \$3,000



On the following pages: capturing the New Consumer with Flair, Color, Design, Convenience, Status, and Best Sellers →
 . . . in Housewares, by Ed Dubbs; . . . in Major Appliances, by Martin R. Miller; . . . in Consumer Electronics, by Bruce Pfau →
 . . . in Consumer Electronics, by Joan Bacchus →



IN HOUSEWARES

The Housewares Shop and the New Consumer were made for each other, and housewares retailers will be romancing both this fall and Christmas season. The shop has brought to housewares the fashion-flair needed to sell the sophisticated, quality-seeking New Consumer.

New shops are planned and successful shops now in operation will be enlarged and refined. Promotional and discount department stores, especially, will be moving more toward the shop merchandising approach, following the lead of the traditional department stores.

Although most housewares buyers and merchandise managers are reluctant to reveal their future shop merchandising plans, a number of key product areas stand out for further exploration. Moving into new shop areas is becoming largely a trial-and-error venture.

Cordless Corners will be enlarged by a number of stores, many of which were late in setting them up for last year's Christmas season. For the most part, the Cordless Corners will concentrate on under-\$10 products in the gadget-gimmicky classification, ideal for a stocking-stuffing gift approach.

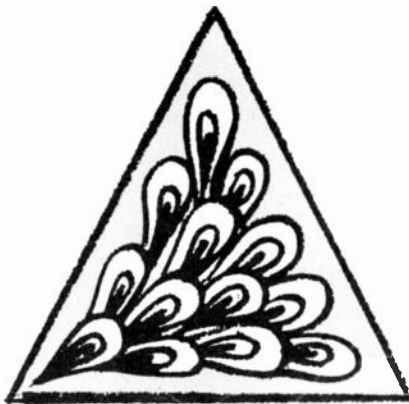
Copper Corners will be glowing in more department stores this fall, thanks to the retail-support program being expanded by the Copper Development Assn. Other product categories for shop experimentation include: Basket, Bar Goods (including some separate shops for bar and other stools), the Winter Comfort Shop (MW, 8 Aug., p.17), the Housewares Beauty Bar for personal-care electrics, and the Men's Gift Boutique for a growing number of housewares products.

Vignettes will branch out. Now closely identified with the Bath Shop, vignettes will be set up for other product categories by some leading department stores. Color-coordinated kitchen accessories (cookware, pantryware, gadgets, storage units) is one good bet.

Another trend might be described as "Christmas in the Round." More retailers will be following the lead of Macy's, New York, in using round table-top displays, placed throughout the housewares department to provide an open, airy feeling. They serve to break up the long, tiered display fixtures.

Retailers also will be featuring their housewares shops in institutional type newspaper ads.

FLAIR



IN ELECTRONICS

The New Consumer implies a need for a New Retailer—a retailer with a flair, a retailer who swings sales with a flourish.

Selling with flair and flourish is far from effete: it is hard-hitting, realistic, and aggressive salesmanship. It is a right-between-the-eyes approach to winning attention and dollars from the New Consumer—today's prime prospect, today's cash customer.

Christmas with the New Consumer will be a season for change. The New Consumer came of age in 1966. He made his impact on the manufacturers by forcing the factories to turn out the best-designed audio-visual equipment in the history of consumer electronics. Now it is time for the retailer to pick up the beat: It will be a high-stepping, high-fashion Christmas, and it will be the retailer with a flair who flourishes.

Flair in selling consumer electronics is featuring the products and designs that appeal to the New Consumer. Design-conscious and dollar-heavy, today's consumer is ready for the different. And, he wants and will pay for—the best.

Flair is flattering the customer by letting him know—and showing him—that you know he wants quality.

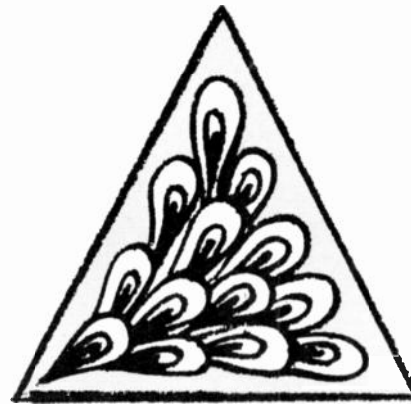
Flair is fighting the urge to sell price. Features are what the New Consumer wants and the retailer must be ready to fill this need. The New Consumer is product-educated; the New Retailer must meet him on a sophisticated and informed level.

Flair is featuring displays that play on the fine-furniture finishes of today's products.

Flair is fitting out a color tv salon that not only helps demonstrate the dramatic impact of color television but also convinces the New Consumer that what he sees is quality and what he buys will be quality.

Flair is finding space for console—and portable—phonos where they may be fully and favorably demonstrated to appeal to both the eye and the ear of the New Consumer.

There is, in fact, nothing new or revolutionary in selling with flair. The news is *emphasis*: flair can no longer be considered an extra—it is the essential key to selling the New Consumer.



IN APPLIANCES

Flair in merchandising major appliances is no longer a "tell you what I'm going to do" barker's spiel. Those who pitch the New Consumer that way are as anachronistic as Edsels.

Also anachronistic: the hard goods retailer who believes that consumers will not buy major appliances during the Christmas selling season. This hard-to-let-go-of retailing theory no longer applies; the figures prove it false.

For example, one out of five dishwashers and 24% of dryers sold at retail during 1964 were sold in November and December. The two-month figure for ranges was 16%; for refrigerators 15.5%; for washers 17%. The figures are "open-to-change" this Christmas.

Why? Because the New Consumer is "open-to-change."

If a buyer is willing to change his taste buds why shouldn't he be willing to change his buying patterns to meet the need?

Admittedly, merchandising flair in most white goods departments lags far behind housewares and tv sections. White goods are still, in the majority of cases, simply lined up in an antiseptic fashion. The consumer is reduced to slaloming through the department looking for the model he wants, while picking up price tags as he meanders through the aisles.

However, here are some of the "happenings" in the industry which can be used for flair-merchandising to the New Consumer at Christmas, or, for that matter, any other time of the year.

The addition of decorator appliances to major manufacturers' lines has helped spruce up many a retail display area and has certainly led to upgrading the image of many stores. There are hints that more department stores are beginning to use major appliances in Christmas windows.

Some of the new developments in appliances have yet to be merchandised with flair at Christmas—with an eye to an appeal for the New Consumer. For example, the New Consumer is susceptible to kitchen settings composed of high-end merchandise, to self-cleaning oven displays, to the possibilities of electronic cooking, to the spotlighting of major appliances with solid-state devices.

In short, the New Consumer is open to the concept of feature-saturated, high-fashion, and, most importantly, bigger-ticket merchandise.

continued on p.26

Green faces scare away customers.

"Our aim is to create a DuMont product that will add luster to an already illustrious name. That means the ultimate in engineering and styling for this line."

C. Russell Feldmann,
Chairman of the Board and President,
National Union Electric Corporation

An automatic color monitor is one of the advances we've made. It puts the green where it belongs. The reds and blues too.

A full function, transistorized, wireless remote control is another.

As for our exclusive two-year color picture tube warranty: it speaks for itself. Very loudly.

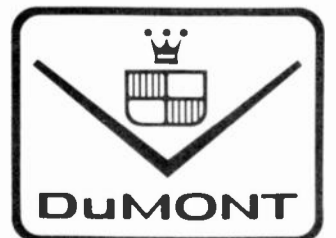
Our policy is one of innovation. Fully tested, fully perfected advancements instead of half-baked gimmicks.

That's one reason your inventory of DuMont merchandise won't become obsolete from season to season. We don't believe in change for the sake of change.

But changes will be made. When DuMont has something to offer to further revolutionize the industry.

DuMont did that first in 1939 with television itself.

DuMont's been re-born you know.



A Subsidiary Of National Union Electric Corporation, 680 Fifth Ave., N. Y. 10019

COLOR



IN HOUSEWARES

Color coordination is moving from the bath and into the kitchen, providing retailers with a profitable fashion touch to promote such products as cookware, pantryware, storage units, and, of course, major appliances.

A marriage in color between housewares and major appliances resulted at the July Housewares Show when a number of housewares manufacturers picked up the kitchen colors being used by major appliance producers (MW, 25 Jul., p.29). Avocado and bronze hues were shown for mixing with the two popular shades being featured on new refrigerators, ranges, ovens, and dishwashers.

Cross-merchandising opportunities await housewares retailers in featuring the new major appliance colors. The color-coordinated kitchen, judging from buyer and hard goods merchandise manager interest, will be featured in window displays, newspaper ads, and even major appliance-housewares vignettes.

Color will play a key role in merchandising housewares this Christmas. Buyers indicate there will be more full-color pages for housewares products in their Christmas catalogs. There also will be more full-color newspaper ads, especially in local Sunday supplements.

Color is coming to electrics, as well as cookware, pantryware, storage units, and, of course, plastic housewares and bath goods. Udico joined the color-coordinated kitchen trend with an avocado can opener, and General Electric is featuring new anodized coffeemakers in coppertone and turquoise shades. Dominion has refined its colorful buffet frypans introduced in January. There will be more full-color ads for electrics, too.

The warm look of wood tones, so prevalent at the July Housewares Show, also will be featured by retailers this fall and Christmas. The woodtone look in plastic housewares, as typified by a Fesco's line of waste baskets, is helping move plastic housewares out of the canary yellow-turquoise rut.

The warm glow of copper, brass, and bronze will be featured by more housewares retailers, in the form of Copper Corners, and in coordinated promotions with electrics, fireplace accessories, cookware, pantryware, and gift housewares.

The housewares Christmas outlook is bright for concentrating on color in merchandising to the New Consumer.



IN ELECTRONICS

The New Consumer wants wood tones; the consumer electronics industry is using wood: on tape recorders, on phonographs, on television sets, on radios.

The New Consumer is calling for colors; the consumer electronics industry has come up with a covey of colors: on tape recorders, phonographs, television sets, radios.

"Decorator colors" is not an empty phrase to today's customer. Bombarded with color ads, tutored by Technicolor, inspired by color television, the New Consumer is color-conscious and decorator-dominated.

Manufacturers realize the consumer is ready for color: One of the most common step-up features in consumer electronics is the finish, the color. For \$10 or \$20 additional, customers can satisfy their mix-and-match color instincts and buy a blue radio or a red portable tv set. For \$100 or \$200 more, customers can satisfy their whims for particular wood finishes on stereo consoles, for particular styles in television cabinets.

The New Consumer is ready for color; the retailer must be ready for the New Consumer.

Make it a colorful Christmas: sell color. Show customers how their new blue radio will look against a blue background or placed on dark wood shelves. The New Consumer is not afraid to play with colors, so use daring, even glaring, displays. Stop the customers in their tracks: a pink background with a red portable tv set, a dark green wall behind a light blue portable phono, yellow-and-orange accent pieces beside a wood-tone tape recorder.

Use the proper lighting to highlight wood finishes on fine-furniture tv sets and stereo consoles. Use the proper displays to give Traditional British or French Provincial cabinets a one-of-a-kind look. Mix-and-match: put Contemporary next to Italian, place oak beside mahogany. Catch the New Consumer's eye; an orderly row of look-alike cabinets will not do the trick.

Select your most distinctive piece and put it in the spotlight. It might be one of the new high-rise consoles (MW, 18 Jul., p.9) or it might be a particularly handsome—and colorful—style of radio. Whatever it is, feature it. The New Consumer needs it.



IN APPLIANCES

Colored appliances no longer stand in retailing's no-man's land—the dark corners of the sales floor.

The Mom & Pop store owner in small towns and the veteran appliance salesman in big city stores are beginning to hear: "Do you have any refrigerators in fire engine red?" The rush by manufacturers to introduce new colors should continue when new lines are presented in the fall.

This is consistent with the New Consumer's preference for color. And not just the old standard hues. For the New Consumer's appetite for bold color is now fully comprehended by the industry.

The current hot color is green. There are some variations under each manufacturer's label. But various shades of copper are still the most popular. Using the refrigerator as a yardstick for other appliances, industry estimates are that about 37% of all refrigerators shipped by manufacturers in 1965 were in color. The figure for 1966 should go well over the 40% mark. That's quite a hike over the 1962 estimate that 18% of all refrigerators were in color.

One of the big factors leading to more and more color in zippy shades has been manufacturer reaction to the decorator appliance trend. For example, Frigidaire, not wishing to go all the way by coming out with a decorator line, introduced some appliance colors (Matador Red, Biscayne Blue) that are striking.

There are many possibilities in using color to create sales excitement that will attract the eye of the discerning New Consumer during the Christmas selling season. One possibility: a fashion group of appliances in color with matching housewares—all set in a shop-like area of the major appliance department.

continued on p.28

New intensified TIME

It's no surprise that TIME works so well in the Frigidaire, General Electric and Whirlpool dishwasher advertising programs.

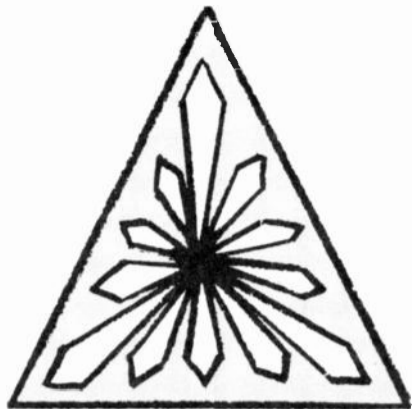
It's the customers in upper-income, college-educated families who supply the big buying power. And TIME reaches more of these families than any other selective magazine.

In fact, over one-half of TIME's 14,500,000 readers are college educated. And over the past four years TIME families bought nearly one-fourth of all dishwashers sold. Last year they bought one-third of them.

This year? Well, get behind the brands that go with TIME and see what it does for your clean-up power.



DESIGN



IN HOUSEWARES

The Design in Housewares Award Program could be billed as the contribution of the National Housewares Manufacturers Assn. to merchandising the New Consumer. The program has helped center industry attention on good product design at a time when the consumer is becoming increasingly design-conscious.

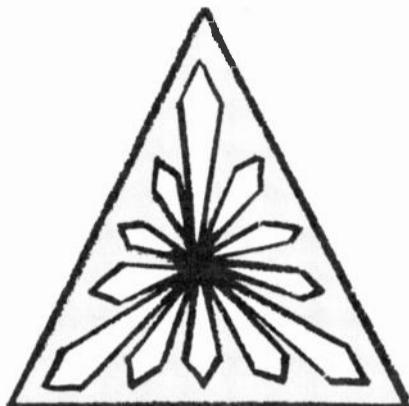
Good design comes in all prices, and this truism is underscored by the Design in Housewares Award Program. Suggested retail prices on the 94-award-winning products range from under \$1 to about \$100. Selections were made from manufacturers' promotional lines as well as from their high-end numbers.

Price takes a back seat to design in the program. Retailers who will be featuring the design winners in store promotions this fall will be stressing the inherent good looks of the products—not their price tags. However, some buyers are considering merchandising the fact that "good design comes at all price levels—from \$1 to \$100" in their promotional plans for the Design Award Program. That will bring in price without resorting to price cutting.

The traditional department stores—those with fashion-conscious soft goods divisions—have indicated wide support for the design programs from the very beginning. Even the so-called discount department stores, however, are beginning to recognize the potential. Most discounters are trying to develop a fashion reputation in their soft goods lines, and support of the Design in Housewares Award Program would serve to help them build a fashion image by promoting fashion in their hard goods stronghold.

This is no one-shot promotion, but a continuing program for the housewares industry to encourage the marketing and the merchandising of good product design. The program also should serve to encourage retailers to develop a well designed retail showcase for showing off the housewares industry's products.

Promoting good design is right for the New Consumer, just as the shop concept is right. As one practical, profit-minded buyer for a large department store said: "Anything that takes the emphasis off price cutting is right." Good design serves this purpose—and more.



IN ELECTRONICS

The New Consumer this Christmas will be concentrating on design in consumer electronics. A gift—whether for a friend or for the family—should be unique. The search for a special present can—and should—end in the consumer electronics department.

Color television sales will be astronomical during the holiday. Full-color programming by the three major networks in the fall will send hundreds of thousands of the country's consumers out shopping for a color tv set. (NBC estimates that approximately 10 million color tv sets will be in use by the end of the year; nearly 1 million of these sets should be sold during the upcoming Christmas season. But the supply of color tv will not meet the demand—and there stands the New Consumer, empty-handed.

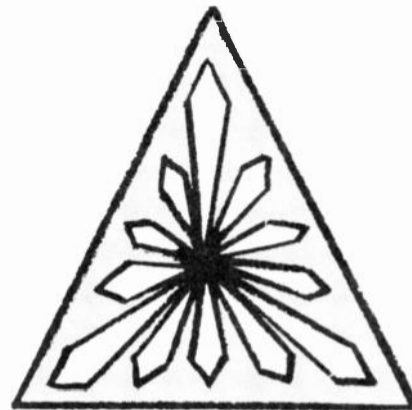
There stands a customer—empty-handed—in the consumer electronics section of the store. But, also standing in the consumer electronics section are the best-designed phonographs, radios, and tape recorders in the industry's history. The message is simple: work at selling more than color tv sets this Christmas. Sell design.

Radios are going through a design revolution. Wood-cabinet table radios with the miniature console-look, super-compact and super-thin radios, "backless" radios with the same look back and front are all products of this revolution.

Tape recorders have lost the machinery-look, and tape cartridge players have moved from the dashboard to the den. The design of these products should—and will—catch the eye of the New Consumer.

Stereo console sales are skyrocketing and design has helped trigger the explosion. High-rise consoles, compact "component" consoles, window-seat-low consoles, end-table designs, pedestal designs were all created with the New Consumer in mind.

Portable television sets are selling by the millions because of design. Compact and convenient, the small-screen sets should be big Christmas sellers—if the New Retailer sells design.



IN APPLIANCES

One might think that the major appliance industry is immune to an injection of design dedication. Not so.

The message is loud and clear. The boxy look is "out" and the move to new design configurations spiced with decorator touches is "in."

In refrigeration, the New Consumer sees side-by-side, French-door models, top- or bottom-mount refrigerator-freezer combinations—all with larger storage capacity. Refrigerators have swing-out and adjustable shelves, pull-out baskets, automatic ice makers.

In air conditioning the New Consumer sees compact units, split models, units with new front-panel design, units that are constructed to cut down operating noise levels.

In ranges, the New Consumer sees self-cleaning ovens, more units using Teflon coatings to ease cleaning, eye-level free-standing models that look built-in, and gas units with automatic pilot lights.

The New Consumer is putting laundry equipment in areas of the home other than the basement. Why? Because of slimmer body design, more decorative control paneling, new colors that are compatible with over-all house decor. Even an item like the incinerator shows signs of emerging from design doldrums. Example: Magic Chef's new incinerator with solid-state ignition system for undercounter use in the kitchen.

A definite part of the changes in major appliances calculated to appeal to the New Consumer is the proliferation of models in each product category. The number of models with or without all the extras can, and sometimes does, confuse retailers and consumers. But the industry knows that the New Consumer likes to pick and choose from a large selection. Part of this predilection is the New Consumer's search for something different.

Kelvinator sensed this and introduced its line of Originals. Three years ago, if someone had said that there would be refrigerators with Toreadors on the door panels, they would have been told they were crazy. Well, design changes for the New Consumer are here in major appliances—and no one says it's crazy any more.

continued on p.30

For \$200 we'll give you a free Christmas present.



We're not Scrooges. But if we're going to give you a full-color, 28x28x60 floor display for nothing, we'd like something in return. Like an Ekco Gift Shop order of \$200 or more (your cost).

You've got nothing to lose. Ekco products move fast. They'll move even faster if you use our display. (It has bottom compartments so you can have everything gift-wrapped and ready before your customers walk in the door.) We'll even throw in some bows and holly and poinsettias just for the spirit of the thing. And we put a detachable Christmas header on top, so you can use it all year round. (Just be sure to use different gift wrapping.)

And since it is Christmas (almost) we're offering a special 50/50 co-op advertising program. You can run up to 4 ads in the next year and we'll give you up to \$25.00 for each.

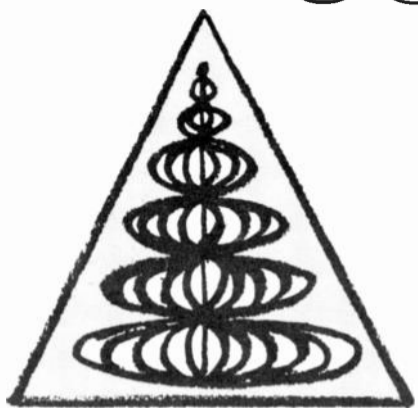
What more could you want for Christmas?

Order from your distributor or see your Ekco salesman before Sept. 30, 1966. Ask him about the other Ekco "Shops."

© EKCO HOUSEWARES COMPANY, FRANKLIN PARK, ILL. 1966

EKCO
HOUSEWARES COMPANY

CONVENIENCE



IN HOUSEWARES

Convenience is the message—the Christmas sales message—for the New Consumer. The housewares industry's sales growth is being built around new products that provide new conveniences and also around adding new conveniences to basic products.

Demonstrating the convenience features on new products is high on the list of retailers' plans for Christmas merchandising. There is convenience in Westinghouse's new steam press valet and in General Electric's new automatic steam cooker, both of which need demonstrating. There is increased convenience in no-scratch, no-stick cookware and in Schick's "beautifying mist" for its salon-type hair dryers.

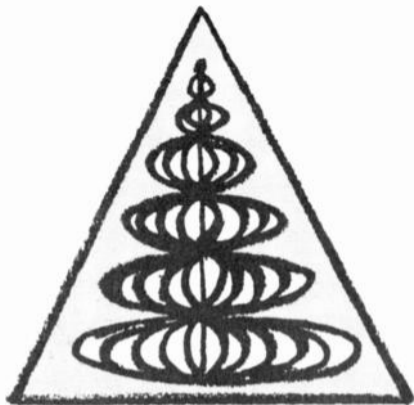
There will be more demonstrators working retail sales floors this fall than ever before. Manufacturers are realizing they are producing products that need demonstrating. They also realize that they need a "sales specialist" on a retailer's sales floor because the competition has one there. Retailer fears that the wider use of television commercials—which bring product demonstrations to millions of homes—might bring a cutback in the number of retail demonstration programs have not materialized.

Convenience is the trade-up message for the New Consumer. It is convenience features, for example, that are selling high-end blenders—pushbutton, built-in timers, eight and 10 speeds. It is convenience features that are pumping renewed sales of steam irons—spray steam, water windows, multivented soleplates, Teflon-coated soleplates.

More ads will be aimed at trade-ups for the fall Christmas season. In product-oriented ads, there will be more descriptive copy aimed at pre-selling the consumer on trade-up convenience features. Here retailers are taking a tip from the mail-order catalogs, which are effectively written for tradeups.

Speed also will be emphasized in promoting convenient housewares products. Speed in meal preparation will be stressed (tv dinners may be "out," but speed is "in"). Speed in fall cleaning and in sprucing up the home for the holiday season also will be stressed.

The convenience-seeking New Consumer has no time to waste.



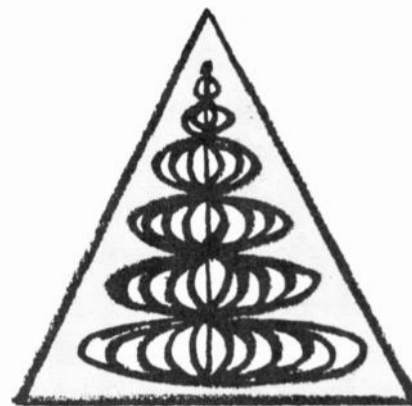
IN APPLIANCES

The major appliance industry is on a convenience kick. And that's just great for the retailer who wants to sell majors at Christmas and, at the same time, wants to fish some greenbacks from the New Consumer's pocketbook.

Convenience may cost a few dollars more at retail, but the New Consumer is more than willing to pay the extra to receive a little extra. A willingness to pay more is a characteristic of the New Consumer. Sometimes it is hard for retailers to visualize in August how and what to sell customers in November and December—especially major appliances. But wide-awake retailers are already asking themselves, "What 'conveniences' do I have to sell my customers?"

Providing convenience to the New Consumer means making it easy for him or her to be free for other activities. He doesn't want to worry about not having enough ice cubes for cocktail guests (sell a refrigerator with automatic ice maker). She doesn't want to chop and slop the frost away on her refrigerator (sell her a no-frost unit). She doesn't want to stand over a hot stove stirring a sauce (sell her a range with an automatic stirrer). She doesn't want to be bothered with piles of dirty dishes during the Holiday season (sell her a new dishwasher). She doesn't want to worry whether her washer and dryer can handle her "delicates" (sell her a new multi-speed, all-purpose washer and matching dryer). She doesn't want to suffer cleaning the oven (sell her a self-cleaning range). She doesn't want to make 10 trips to the supermarket each week (sell her a large-capacity refrigerator-freezer combination).

That's not all that can be sold on a "convenience" pitch. The New Consumer will certainly remember the sweltering heat of the summer—if retailers remind her of it during the fall. Installing or servicing an air conditioner in a cooler time of the year has appeal to the New Consumer, who likes to have his "conveniences" at the ready.



IN ELECTRONICS

The new color tv sets are often as easy to tune as a radio. A touch-and-tune radio has made even manual tuning of a radio an unnecessary chore. Tape cartridges have taken the hassle out of using a tape player. Automatic rewind and easier operation on standard tape recorders is a boon to today's buyers. Cueing devices and turntables that rise to fingertip height have made phonographs easier to operate. Portability has moved tv sets outdoors, into bedrooms, into the den, into the kitchen.

The common denominator in all these new features—these *selling* features—is convenience.

Convenience is synonymous with consumer electronics. Flip a switch, and today's consumer can watch a musical variety show, listen to up-to-the-minute news, or hear a symphony orchestra. The New Consumer takes convenience for granted. Now he wants more than a tuner or a turntable; he wants products that do more, and do it more easily than last year's model.

Sell convenience. Today's retailer must know his products as never before. What is solid-state? And why? What is electronic tuning? And why? What is the difference in weight between different portable phonos? And why?

The New Consumer is going to ask these questions, and hundreds of others, this Christmas. It will be the educated and sophisticated retailer that makes the sales.

Sell convenience. Suggest to the consumer the many uses of a portable battery-operated tape recorder. Tell the customer the many places that a portable tv set can be used. Point out to the customer the various types of broadcasts he can get on an AM-FM radio. Remind the customer that, with battery-operated tv sets, radios, phonographs, or tape recorders, he is no longer tied to the electric wall outlet. Explain to the customer the ease of operation of the new cartridge tape players.

It will be the imaginative retailer who makes the sales.

Sell convenience this Christmas.

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impartial verdict



The appliance, consumer electronics, housewares market has its own kangaroo court—comprised of hardened distributors and retailers.

Its verdict sounds the death-knell for some products. Life for others. And tampering with the jury is no crime... it's an art.

Over the past fifty years, Merchandising Week has swayed more tough jurors in favor of the defendant than we'd care to mention. How do we do it?

They can't resist the old pay-off: Each Monday Merchandising Week is there.

With the late news. The hot, new merchandising ideas. The smart promotions. In-depth stories evaluate the current market for them. Isolate the significant trends. Interpret the changing scene. Editors dig. Search out the essence of retail problems. Present their analysis in deep, gutsy, interpretative writing. The kind that informs. Stimulates. Convinces. Gets to them. Sets the mood in which persuasion works best.

The rest is simple. The defendant tells his story. 144,500 strong, they listen.

It's a matter of conviction (theirs, not his).

MERCHANDISING WEEK

*edited for the appliance,
consumer electronics
and housewares industries*

A McGraw-Hill Publication

STATUS



IN ELECTRONICS

The New Consumer wants to be the first kid on his block to have a color television set. He buys status. Status is an important, although intangible, element in making consumer electronics sales. The savvy retailer will play on this quirk of the New Consumer and make it pay.

Color television owes at least some—perhaps much—of its sales success to the consumer's status-seeking instincts. Keeping-up-with-the-Jones may be a joke, but the punch line is that color tv sets, stereo consoles, and tape recorders are paraded by the proverbial Joneses as often as that ultimate status symbol, the automobile. The retailer can cash in on this fact.

The Christmas selling season is a particularly prime period for satisfying the customer's appetite for status. At Christmas, the customer is shopping for a gift. He naturally wants the best, he naturally wants a quality product. So, sell status. Selling status is selling up.

An AM-FM radio is "better" than an AM-only radio. A stereo tape recorder is "better" than a monaural tape recorder. A quality wood phonograph is "better" than a vinyl-clad phonograph. A full-feature color tv console is "better" than the leader model. Obvious points—but make them obvious to the Christmas shopper. He is susceptible to status.

Because the customer expects to show his new color console or his new stereo system to the Jones, he wants a hand-rubbed, oiled-walnut finish on the longest and the lowest cabinet in the store. He wants the most overpowering power in the amplifier. He wants the brightest color picture on the market. He wants the most features, the most knobs, and the most controls.

Because the customer is status-conscious, he not only is willing to pay the price for a quality product, but he is even a little suspicious of a price being too low. If the product is inexpensive, is it good?

Implicit in that question is the reason that price selling has become—or should have become—*passee*. The New Consumer can pay, he wants to pay, and he will pay. He will pay if the New Retailer sells with flair, sells color, sells design, sells convenience, and sells status.



IN APPLIANCES

The new Consumer craves sweet status. It gives him added go power. The appliance industry has discovered the craving and is pumping out products and features that offer dextrose for the new prestige seekers. Significantly for appliance retailers, status can be sold all year 'round.

The method for selling status may vary, but one element is essential—merchandising the appeal of the unique. The "be the first on your block to own one," is relevant for the New Consumer.

For example, the kitchen and its individual appliances may yet take the place of the new car as the family status symbol. Men still use the automobile as a status symbol. But women, who are insisting on equality, are making kitchens a status sanctuary. Hostesses now say, "Come see my new kitchen," or "Wait till you see my new refrigerator." And what is a smiling guest likely to see in milady's kitchen? A side-by-side refrigerator freezer combination, a self-cleaning oven range, a range with an automatic stirring device, a new dishwasher, a gas range with solid-state pilot light, a matching set of laundry equipment that blends with the total decor in the home. The list goes on and on.

The question arises: how to sell the status of major appliances during or before the Christmas season? How to garner some of the many dollars that consumers spend for tv and housewares? The appeal to the New Consumers' proclivity for status is a natural for seasonal selling and retailers *have* been selling major appliances at Christmas (see figures on p. 24).

One promotion idea: stress the fact that many guests and members of the family romp through homes during Christmas. Because of this, the customer should brighten his kitchen for the holidays with a new appliance or a complete remodeling job.



IN HOUSEWARES

Flair, color, design, and convenience add up to selling status to the new consumer. Status appeals are everywhere—in the home, in furnishings, in travel, in credit cards, in leisure living, in home entertaining, in executive positions, and in gourmet dining.

Travel will be merchandised more heavily than ever by housewares retailers this fall and Christmas season.

Retailers will be looking to Spain and elsewhere for building "Import-Fair" promotions. Retailers will be promoting the father who travels for the male gift market. Retailers will be playing up winter vacations for go-along housewares.

Home entertaining will be glamorized as retailers romance the hostess. The informal buffet dinner has replaced the cocktail party in the status ratings.

Emphasis will be on the executive and the executive-gift business, much of which housewares retailers have forfeited in the past to special mail-order gift services and to specialty stores. More department stores will be following the lead of Hudson's, the Detroit department store, in offering a special "executive gift service," including a selection of housewares products in the \$10, \$15, \$20, \$25, and higher price categories.

Among housewares distributors, Graybar Electric has been making sales inroads in the executive gift field.

MERCHANDISING WEEK suggests an "amaze your family and friends" tongue-in-check promotion, perhaps featuring a carnival barker.

How to amaze: With your chef-like carving skills (slicing knife) . . . With your blender cooking magic . . . With your hair dryer with "beautifying mist" . . . With a pocket-sized steam presser . . . With a non-stick coating that won't scratch . . . With speed and style in brewing coffee . . . Tongue-in-check helps keep the status subtle.

continued on p.34

—that's

the customer's buck we're kidding with...

**Who loses when customers discover
that Round-Tube Color TV is out of date?**

Everybody. When that hopping-mad customer comes back to complain about being sold an old-fashioned Color TV, he's mad at the dealer...the manufacturer...the entire industry—all of us!

Can you blame him? Why is it that so many manufacturers are still pushing outdated round-tube sets? Could it be that all this scrambling for sales records is making the industry lose sight of some basic dealer and consumer considerations?

Motorola feels the customer deserves a fair shake for his buck...feels it's unfair for the industry to continue to promote old-fashioned Round-Tube Color TV as being up-to-date.

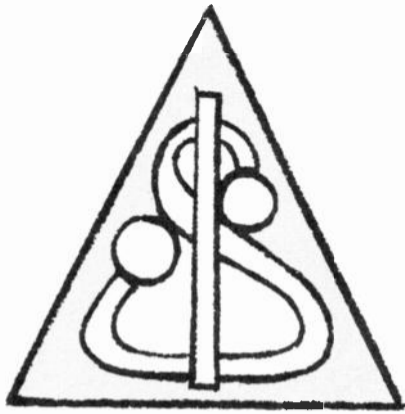
Let's face facts. Round-Tube Color is on its way out. Don't try to hide its obvious disadvantages and pass it off as "modern" Color TV. Let's stop kidding with the customer's buck.



MOTOROLA

Moving ahead through excellence in electronics

BEST SELLERS



IN HOUSEWARES

Retailers will be putting the big Christmas money behind personal-care electric housewares, the glamor product category for merchandising to the New Consumer. Personal-care electrics are loaded with consumer appeals: health, youth, beauty, good grooming, convenience, and status.

Two exciting new products to promote make the personal-care product category more inviting than ever before—Westinghouse's Steam/Press Valet and Schick's Beautifying Mist salon hair dryer. Both already have been tagged as hot gift items for the Christmas selling season. The Steam/Press Valet shapes up as a perfect male gift item, and the Schick hair dryer is sure to brighten the sales comeback of the hot item of Christmases past.

Other product potential further brightens the personal-care sales outlook:

The automatic toothbrush has turned into a strong gift item; the product is sure to soar to new sales heights this fall.

General Electric's cordless clothes brush will be receiving its first Christmas gift sales test, and, if properly demonstrated, could turn into another winner.

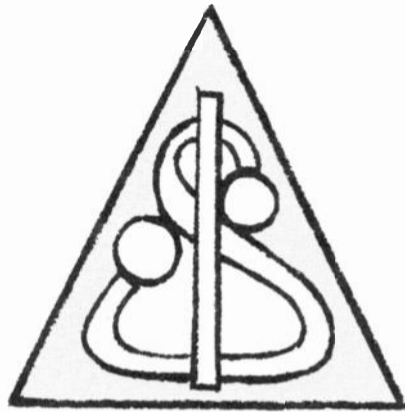
Electric shavers are expected to soar to new sales heights with special emphasis on ladies' shavers. Manufacturers also will be stepping up their promotions aimed at the Young America market.

Massagers hold new sales potential thanks to the change of emphasis away from aches and pains to reducing tension and providing relaxation.

New manicure sets, shoe polishers.

MERCHANDISING WEEK suggests the time is right for department stores and independent retailers to set up Beauty Clinics in their housewares operations, much in the same manner as Floor Care Clinics. The time is right for bringing in well-known hairdressers, much in the same manner as bringing in chefs for food preparation promotions. The time is also ripe for manufacturers to expand their Beauty Tip booklets, much in the same manner as they upgraded their cookbooks for blenders.

The time is right, in essence, for manufacturers and retailers to pay more attention to personal care.



IN ELECTRONICS

Color television is big. A big-seller and a big-ticket item. And this Christmas should be the biggest color tv bonanza ever.

Some simple arithmetic tells the story. According to MERCHANDISING WEEK's statistical department, 18.2% of all the color tv sets sold in 1964—the year before the color boom really began—were sold in the month of December. Undoubtedly, the percentage for last December was even higher; and the percentage of color tv sets sold next December should climb higher still. But working with the conservative 18.2% figure, it is clear that at least 900,000 color tv sets will be sold this December, this Christmas. This is assuming that the 5 million sales mark will be reached—as predicted by most manufacturers—this year.

As many as 1 million color tv sets—at an average retail price well over \$500—may be sold this Christmas. Add to this the swollen sales figures of other consumer electronics: at the end of the 29th week of this year, distributor sales of portable radios were up 11.1% over the same period last year, portable phonograph sales were up 7.6%, and console phonograph sales had climbed 23.5%, according to the Electronic Industries Assn. The sum total indicates that Christmas—1966 will break all sales records.

The manufacturers are betting that demand for color tv sets by the end of the year will exceed production by better than 2 million units. Ted Flynn, vice president of Packard Bell, estimates this year's sales at 5 million, but adds that this will be 2 million sets below consumer demand. George Fezell, vice president at Magnavox, agrees. Although his estimate for the year's sales stands at 5.3 million, he also thinks color tv production will fall 2 million sets below demand.



IN APPLIANCES

Dishwashers are a la mode for the New Consumer—particularly at Christmas. The appliance industry hot product, which really moves at the end of the year (23.9% of retail sales are made in November and December), has all the correct New Consumer ingredients—flair, color, design, convenience, and status.

New dishwashers have a more "sculptured" look, have more dish space and room for utensils and pots and pans, are engineered to remove the most stubborn stains, have been designed to ease loading, come in decorator colors in portable, free-standing, and built-in models. A breakdown of dishwasher sales by color shows that currently 25% of portables are of some hue, while 67% of the built-ins are in color, according to the National Electrical Manufacturers Assn. (NEMA).

Industry forecasts for dishwasher sales glow. NEMA projection figures sometimes tend to be conservative, yet the industry trade association is predicting that in 1967 manufacturer shipments of built-ins alone will pass sales of all types of dishwashers in 1964, when sales went over the million mark for the first time (1,150,000).

Here is NEMA's forecast for the next five years:

	built-in	portable	total
1966	928,000	509,000	1,437,000
1967	1,055,000	544,000	1,599,000
1968	1,125,000	568,000	1,693,000
1969	1,200,000	597,000	1,797,000
1970	1,250,000	630,000	1,880,000

Helping to nudge the New Consumer into retail outlets this fall will be the all-industry dishwasher promotion spearheaded by NEMA and Edison Electric Institute. The theme of the promotion is "Be a Healthwise Mother—Get Dishes Really Clean with an Electric Dishwasher."

Back-up material for the promotion includes: dealer promotion kits, newspaper supplement kits, and a new consumer booklet titled "Choosing And Using Your Automatic Dishwasher." The booklet will be available this fall for 10 cents a copy from: Sumner Rider & Associates, 355 Lexington Avenue, New York, N.Y. 10017.

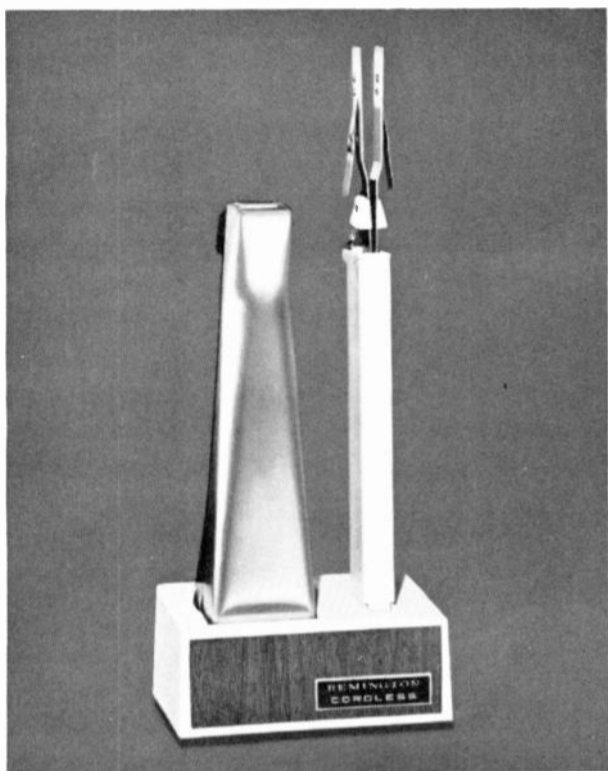
Want the edge in the electric knife market?

REMINGTON has it!



The deeper, sharper, faster cutting REMINGTON edge!

The electric knife line that means business has the blade that means business! It's new! Blade has more cutting area...more and deeper serrations! New piercing point cuts all the way to the tip—gets closer to the bone! Cuts twice as fast—runs twice as long without recharging, due to new sharper, easier cutting, hollow-ground blades that move through foods with less cutting resistance.

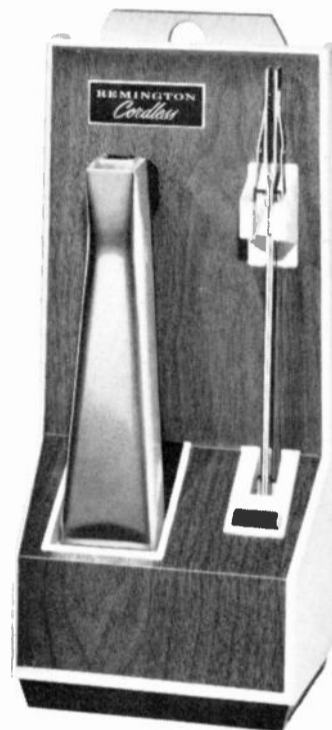


REMINGTON Custom Cordless

Gives you the edge in features! Same sharp performance. Same beautiful brushed-chrome handle. Plus exclusive protective sheath for loading, removing or storing blade. Rechargeable! Compact charging-storage stand. Model CK-2.

REMINGTON Deluxe Cord

Gives you the edge in cord models! Brushed-chrome elegance. Wood grain storage case. Long-reach 10-foot cord. 115 volt, A.C. Model RK-3.



REMINGTON Deluxe Cordless

Gives you the edge in styling! Exclusive slim, brushed-chrome handle—elegant enough to go formal. Recharges in its own storage console complete with hardwood cutting board and reminder light. Model CK-1A.



REMINGTON GIVES YOU THE EDGE IN ADVERTISING!

**LIFE Magazine! Network TV! Spot TV!
Railway Express Agency truck posters!**

REMINGTON
BRIDGEPORT, CONNECTICUT
SPERRY RAND CORPORATION

□□□□ "Add color to your kitchen with striking cookware and storage items," advises J. C. Penney, promoting solid copper cookware and coppertone pantryware in its newly issued fall-winter catalog. Penney's glamorizes the tin-lined copper cookware as coming "from an ancient village in Portugal." It shows the copper cookware in full color, coordinating it with pantryware and self-adhesive decorative wall coverings. Besides coppertones, pantryware is shown in stainless steel, a blue-cornflower-on-white motif, and woodtones. Penney's prices a 3-piece copper skillet set

with brass handles and brass rack at \$19.88. Individual units start at \$5.66.

□□□□ "Let Teflon cookware take over," says Penney's in allowing Teflon-coated cookware to dominate the cookware assortment in its fall-winter catalog. Montgomery Ward, too, has enlarged its Teflon-coated assortment, using the theme: "At Ward's it's Teflon plus: and the 'plus' is fine cookware." Both catalog houses have put more emphasis on complete sets than they did in their catalogs last year.

Penney's shows a 12-piece Regal stainless steel, Teflon-coated set with bronzetone covers at \$35.77. The leader set is a 9-piece Teflon-coated aluminum grouping priced at \$10.49. A 14-piece Teflon-coated aluminum set is priced at \$19.98. Penney's counts nylon kitchen tools into its sets.

Ward's shows a 10-piece Teflon-coated aluminum cookware set with black anodized covers at \$19.95. The company also features a 10-piece Teflon-coated set with an exterior of stainless steel and an inner aluminum lining. Covers come in anodized bronzetone. A 2-piece Teflon-coated tool set is included free. Ward's plays up double coatings—for extra durability.

□□□□ A catalog cutback on stainless steel cookware turns up in Ward's fall-winter book. Stainless steel cookware, bakeware, and accessories are featured on slightly more than a full page, compared to a double, lead-off spread in last year's catalog. Ward's prices a 10-piece tri-ply stainless steel set at \$27.95. Penney's shows two stainless steel sets: a 9-piece tri-ply set at \$23.88 and a 9-piece copper-bottom set at \$21.77.

□□□□ Pressure cookers receive bigger play in both Penney's and Ward's fall-winter catalogs, compared to a year ago. Both devote the top of a page to the product. Penney's pushes the theme, "Food Cooks Faster;" Ward's stresses "Save Time, Save Money." Penney's prices a 4-qt. stainless steel unit at \$16.77. Ward's prices a similar one at \$16.75.

Arvin announces

"The Unbreakables"

Your Choice of Three

New Step-Up Portable Break-Resistant Phonographs

Arvin Hi-Fi Solid State Automatic Radio/ Phonograph Combination

Pick an Arvin sales winner! This new compact portable plays all record speeds and brings in sparkling AM broadcasts. New Arvin Solid State AC powered amplifier assures instant play, cool operation and long set life. Phonograph has 4-speed changer, 9" turntable with protective rubber mat, dual sapphire needles and shuts itself off completely after last record. Powerful AM radio features "Copper-etched" circuitry, long range rod antenna and Velvet Voice 3" x 5" oval speaker for rich, full tone. Scuff resistant molded case is space-age styled in decorator colors. 45 RPM spindle included.

Model 57P56, Olive and Light Green Sugg. retail \$64.95

New
1967
Model



Arvin Hi-Fi Solid State Automatic Battery or AC Portable Phonograph

This fast-moving compact beauty can go anywhere because it operates on 6 low cost "D" cell batteries or regular AC current. The 4-speed changer plays all record sizes and speeds automatically and shuts off after last record. Outstanding features include: balanced turntable with rubber mat for extra record protection, lightweight tubular tone arm for accurate tracking and big 3" x 5" Velvet Voice oval speaker for tone clarity. The handsome molded cabinet is scuff-resistant. 45 RPM spindle included.

Model 57P49, Grey and Silver Sugg. retail \$59.95

New
1967
Model



Arvin Solid State Automatic Portable Phonograph

Outstanding value in this smartly styled 4-speed monaural phonograph. Its new all electric transistorized Solid State amplifier provides instant play, cool operation and long life. The 4-speed changer equipped with tubular tone arm and Sapphire needles plays all record sizes and speeds and shuts off automatically after the last record. The rubber-matted turntable protects records and Arvin's oval 3" x 5" Velvet Voice speaker reproduces sound clearly. Space-age styled molded cabinet is scuff and break resistant. 45 RPM spindle included.

Model 57P18, Beige and Brown Sugg. retail \$42.95

New
1967
Model



Arvin Value begins with Quality in Home Entertainment

For complete information, write, wire or call ARVIN INDUSTRIES, INC., Consumer Products Division, Department E-9, Columbus, Indiana. Visit these permanent show spaces: Chicago, Merchandise Mart—1477; New York 230 Fifth Ave.—612; San Francisco, Merchandise Mart; Hollywood, 1025 N. Highland Ave.; Arvin Sales Dept., Columbus, Indiana.

As Nationally Advertised In: Life, Look, Newsweek, Sports Illustrated, Sunset, Time



RADIOS

TELEVISION

PHONOGRAPHS

TAPE RECORDERS

1252

In Japan, they love Suzy Parker and other housewives who can sew

With Suzy Parker telling the U.S. television-viewing housewives, "If I can sew, you can sew," and with Bess Myerson and others in there pitching patterns and home sewing, the retail sewing machine business is booming along at a record pace in this country.

A new image is being built for sewing machines, thanks largely to the stepped-up advertising for printed, cutout patterns. Home sewing is fun—it is leisure living. Home sewing is a creative outlet for the American housewife. And it is easy.

Even Suzy Parker can sew today, thanks to deluxe features on sewing machines. And the deluxe features also are helping to sell better, more expensive machines—at a better retail markup. The trend also is encouraging U.S. producers to re-enter the domestic sewing machine business at the high end. White Sewing Machine has announced plans to begin producing high-end machines in this country again, joining Singer as a second sewing machine company doing at least some production in the U.S.

U.S. sales will top 2 million units this year for the first time, according to the prediction of Kenkichi Ito, Japan's sewing machine industry representative in the U.S. Japan supplied about 62% of the sewing machines sold in the U.S. last year, when sales were estimated to total about 1.86 million units.

Imports of Japanese-made sewing machines totaled 589,155 during the first six months of the year, a 6.5% increase over the corresponding period last year. The 589,155 units were valued at \$17.8 billion, a 9.4% increase over 1965.

Credit for sales boom, according to Mr. Ito, goes to: "New developments in sewing machines, which have made home sewing faster and easier; the ability of pattern companies to produce and promote well-styled

fashions quickly; the growing demand for creativity and originality in clothing; the adaptation of mass-marketing methods to what was long considered a specialty business; and the increase in sewing machine features without an increase in prices."

"Demand for sewing machines with such built-in conveniences as automatic buttonholers, automatic embroidery stitching, and overcasting has been reflected in sales of zigzag sewing machines that incorporate one or more of these new features." The features, Mr. Ito said, also have enabled retailers to improve their profits on sewing machines because of consumer desire for these trade-up conveniences.

The size of the market for sewing machines is big and getting even bigger, Mr. Ito said. "In 1965, American women bought approximately 1.86 million new sewing machines, almost 9% more than the year before. This figure was higher than U.S. purchases of dishwashers, freezers, or food waste disposal units." The 9% growth rate, Mr. Ito added, is higher than the "growth rate in sales of refrigerators, room air conditioners, or food freezers."

Six out of 10 women sew, Mr. Ito pointed out. He said that 62% of the American women over 15 years of age—or 42 million out of 68 million—sew some or all of their own clothes.

Is permanent press a bugaboo for home sewing in the future? Mr. Ito was asked. It was noted that permanent press qualities cannot be added to piece goods, and that permanent press clothing cannot be altered at present without losing its permanent press qualities.

Mr. Ito indicated that the Japanese sewing machine makers have not looked into the possible problem. They probably have been too busy turning out sewing machines.

—Ed Dubbs

The battle over Navy Pier: a suit may determine the outcome

"Something is bound to be resolved. It has got to be," commented one housewares buyer, echoing other industry opinion on the feud between the Independent Housewares Show and a planned new—and third—show, the Navy Pier Housewares Show.

A sticky situation exists as the result of the feud (MW, 1 Aug., p.26), which threatens to further weaken the effectiveness of the Independent Housewares Show—for 15 years the "second" housewares show, running simultaneously with the National Housewares Manufacturers Assn. (NHMA) semi-annual exhibit.

As the situation stands now, there would be three shows in January: the NHMA exhibit at McCormick Place; the Independent Housewares Show, which would move to Chicago's International Amphitheater; and the new Navy Pier Housewares Show at Navy Pier. Of the three

places, Navy Pier is generally considered the most convenient location; the Amphitheater, near the out-of-the-way Stockyards, is regarded as the worst.

No immediate settlement is seen for the dispute—at least not before the completion of a Circuit Court suit filed last week in Chicago by Jules Karel and Lester Olshansky, the remaining officers of the Independent Housewares Show.

In the suit, the Independent Housewares Show has asked the Court to rule that it has a valid lease for the use of Navy Pier for January. Ray Passis, dissident, one-third owner of the Independent Show, claims to have the rights to Navy Pier in January when he will operate his new Housewares Show. The Independent Show also seeks \$3 million in damages in the suit, naming both the Port of the City of Chicago (which owns Navy Pier) and Mr. Passis.

□□□□ Retailers will play up the sportsman in merchandising housewares products this fall, judging from growing retailer and manufacturer interest in products and promotions tailored for the sports-minded. Latest example of a product with sports appeal is the Sportsman Golf Clock from Pearce-Simpson Inc., of Miami. The clock features genuine regulation golf balls that form the dial; the face is finished in lush "putting green" felt. A large version will retail at \$59.95, a smaller version at \$29.95. Earlier, Sessions introduced the football-shaped clock, which started the novelty sportsman trend in the clock business. Shaver manufacturers, too, are promoting the sportsman. One example is Norelco's use of a football book as a premium with the purchase of any of its shavers.

□□□□ Wear-Ever is seeking a return to profitability through its consolidation of manufacturing and marketing operations in Chillicothe, Ohio. Wear-Ever, a subsidiary of Alcoa, will close down its headquarters in New Kensington, Pa. "By consolidating small utensil manufacturing and administrative and market functions in one location, we will be able to achieve economies otherwise impossible, and respond more effectively to the demand of customers in order to restore the Wear-Ever operation to a profitable level," said J. S. Hamilton, Wear-Ever vice president and general manager. Hamilton also spoke of the need for Wear-Ever to "react more quickly to changes in market conditions" as a reason for the move. Wear-Ever was late getting into the Teflon-coated cookware bonanza. Wear-Ever has been using the Chillicothe plant for cookware production.

□□□□ A sprinkler with a built-in automatic timer will be introduced this fall by Melnor Industries. Called the Water Timer, the oscillating sprinkler permits the user to dial the exact amount of water to be distributed; it also shuts off automatically.

□□□□ Where Teflon will turn up next is anyone's guess these days. But for now, Son-Chief Electric is using the non-stick coating on the crumb tray of a toaster. Earlier, Troy toyed with the idea of using Teflon on the cutting wheel of a can opener. And Puritron is using it for the first time on a range hood.

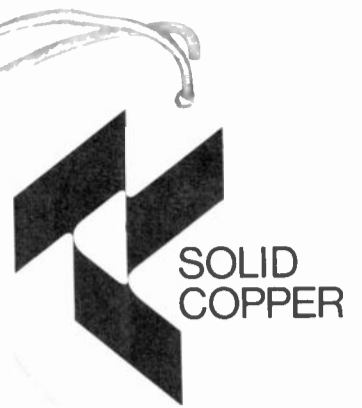
□□□□ A home facial beauty appliance is being marketed by Health Products Inc. of Chicago. The Saunda, at \$29.50 retail, includes an introductory beauty preparation kit. The unit gives a complete home facial in 10 to 20 minutes.

□□□□ Key moves . . . TORO names John C. Norton vp for general sales . . . UNION CARBIDE appoints James F. Warnell as president of its consumer products division, which includes Eveready batteries . . . GENERAL ELECTRIC names David F. Jennings to the newly created position of mgr of new product line planning. Four changes in GE's advertising and sales promotion operation are: Donald L. Rice is named advertising specialist; Gordon Jelliffe, exhibits and public relations specialist; Donald D. Reed, merchandising specialist, and Ralph D. Melli Jr., art specialist.



Adam, Meldrum & Anderson, of Buffalo, uses a window to back the Copper Development Assn. program; this store has been one of the most active in supporting it

Copper Corners
aglow with
warmth and beauty:



A pilot promotional program

While a world copper shortage is causing concern and headaches, a program to put increased retail support behind copper, brass, and bronze products is facing a supply-and-demand problem of a different sort: Too many retailers want "in" on a still-limited test program.

"Retailer interest has been almost too good," explains Donald L. Baker, consumer products market development manager for the Copper Development Assn., which has been running a pilot program to support retailer efforts toward setting up Copper Corners: the retail shop that is "aglow with warmth and beauty."

The CDA program will be expanded—hopefully, by next fall—but for now, it remains a pilot program with a limited budget. The CDA expects to work again this fall with about 25 leading department stores in promoting U.S.-made products of solid copper, solid brass, and solid bronze. Baker hopes the program can at least be doubled next year.

"We are limiting the program," explains Baker, "to those key stores around the country that present a fashion image. We also are trying to refine our program before we expand it. There are many programs of this nature available, but we want to promote the best image. We delineate every dollar we spend, and want to be sure we're right before going further."

The program must be doing something right to have lined up such an impressive list of retailers, which includes: John Wanamaker, in Philadelphia; Stewart's, Baltimore; Rich's, Atlanta; Robinson's, Los Angeles; Gimbel-Schuster, Milwaukee; B. Altman & Co., New York City; Jordan Marsh, Boston; McCurdy's, Rochester; Halle Bros., Cleveland; John A. Brown Co., Oklahoma City; and Adam, Meldrum & Anderson, Buffalo. The program is offered to stores on an exclusive basis in their marketing areas.

The success of the CDA program lies in its merchandising approach and in its close working relationship with participating retailers. Although much of the program is concerned with housewares—especially gift housewares, fireplace accessories, and bathroom accessories—the program also crisscrosses giftware, decorative accessories and lamp and lighting fixture departments.

In addition to a complete line of promotional tools, the association has compiled a Buyer's Guide, which it describes as "a comprehensive listing of sources for merchandise manufactured in the U.S.A. of solid copper, solid brass, and solid bronze." It lists manufacturers of more than

270 products in the following product categories: housewares, electric housewares, decorative accessories, dining and serving products, and home building products. [The guide is available to retailers from the CDA, 405 Lexington Ave., New York, N.Y. 10017]

A program for product prototypes also has been set up by the CDA to encourage manufacturer design of products using copper, brass, and bronze.

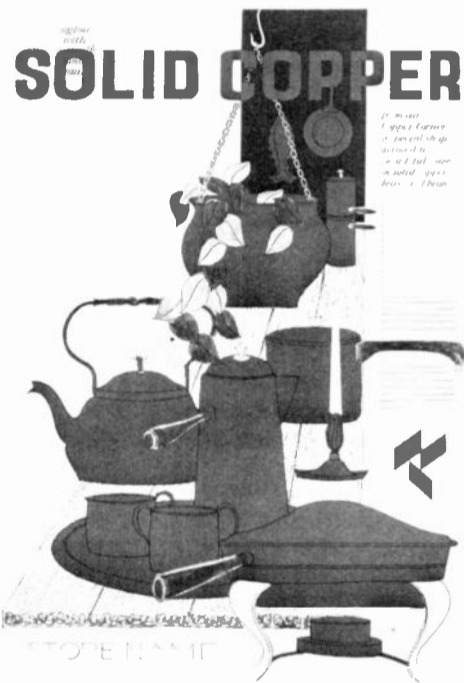
Among new product prototypes now under consideration, in sketch form, are: a high-styled door mat that incorporates a heating unit to melt snow and ice; a collapsible room divider that contains a heating unit; a bathroom heater that folds up against a wall, warms towels, or dries lingerie; a unit for heating and sterilizing cookware; and a shower head that is adjustable to different heights.

The current prototypes, designed by Witte & Leong Assoc., of Princeton, N.J., include: copper skillets lined with a Teflon coating; a brass-trimmed, four-slice toaster that opens up and lies flat to function as a grille (shown); a copper and brass rectangular ice bucket trimmed with wood (shown); sleek copper or brass salt and pepper shakers; a copper and stainless-steel carving knife with a bold, stark design; and a stackable canister set in copper or brass (shown). [Other product prototypes are also pictured on the facing page.]

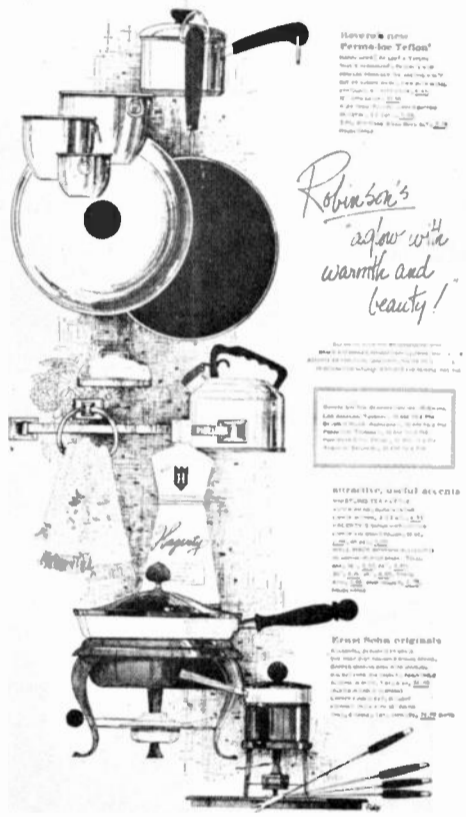
CDA's new fall promotional plans were launched at the July Housewares Show; the 60-member association entertained key retailers and suppliers at McCormick Place. New themes and settings for store window and interior displays of consumer products were featured. A sample of a new window display idea for copper cookware and serving accessories is pictured at the bottom left. A tie-in ad suggestion is also shown.

The program, which is now in its third year, will introduce yet another new twist at the manufacturing level this fall. The CDA has been supplying U.S. manufacturers of copper, brass, and bronze products with circular tags and gummed labels. The string tags (like the one shown at top center) come in three versions: **SOLID COPPER**, **SOLID BRASS**, **SOLID BRONZE**; they are designed to provide an easy consumer identification of the particular metal in the product to which they are attached—which will range from chafing dishes, lamps, and fireplace accessories to clocks, sconces, and candle holders. More than 3 million of the tags have already been distributed by the association.

SOLID COPPER



This CDA suggested newspaper ad layout for solid copper cookware is part of its promotional package furnished retailers



Robinson's Los Angeles, glamorizes copper-bottom cookware and serving accessories, and also ties in a copper cleaner



CDA idea for copper display: use an old-fashioned hearth setting for added warmth



A copper-brass prototype: this warming cocktail set



Ice bucket blends wood with copper and brass



Copper window display glows at Altman's, New York City

is flying high



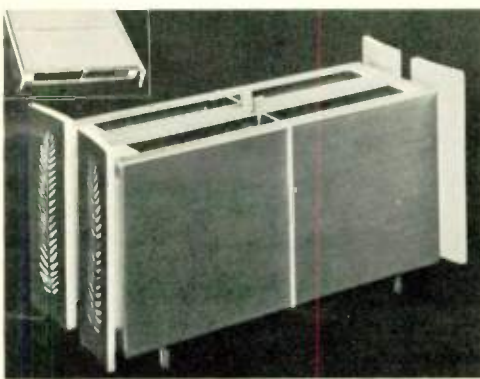
Enameled copper salad serving set



Copper design styles up an air purifier



Copper canister set brightens kitchens



Copper toaster doubles as grill (inset)



Your customer gets a free leaf bag with purchase of a new Lawn Boy during Aug.-Sept.

Our top salesman has your fall sales in the bag . . . Lawn Boy's extra-large leaf bag, that is! A free leaf bag to every customer who buys a new Quick and Quiet Lawn Boy during August and September. So, get ready to bag your limit during Lawn Boy's big fall promotion. And Lawn Boy's free leaf bag promotion is just number one in a big bag of tricks for 1967. It's your kick-off for the biggest sales year ever. Put our top salesman to work for you . . . stock Lawn Boy in 1967.



OUTBOARD MARINE CORPORATION GALESBURG ILLINOIS

□□□□ Promoting the "name" product designer could be one trend that results from the housewares industry's increased awareness of the growing importance of product design. Although a number of manufacturers—particularly Mirro with its Brooks Stevens-designed products—have featured "name" designers through the years, the trend could pick up momentum under current marketing conditions. Now Georges Briard, who has designed a melamine dinnerware line for Allied Chemical, has stepped forward to offer his services—and his name—to housewares and home furnishings manufacturers. Georges Briard Designs Inc. will offer exclusivity to franchised manufacturers.

□□□□ Two new variable-speed power tools and two new two-speed drills are being added by Black & Decker. Double-insulated, one-piece nylon housings are featured on the two variable-speed units: a ¼-inch drill at \$26.99 suggested retail and a ⅜-inch model at \$31.99. The variable-speed units use a new design concept: a clamshell aluminum die-casting doubles as the gear case, permitting the one-piece nylon motor housing and switch handle. The new two-speed drills are designed for applications in high and low drilling speed ranges. The ¼-inch model lists at \$16.99 and the ⅜-inch model at \$21.99. Black & Decker also is introducing two new belt sanders for the home workshop which will carry suggested retail prices of \$49.99 and \$59.99.

□□□□ Shetland knives will peel and pare as well as slice. Shetland is introducing two variations on its slicing knife: an electric peeler at \$9.95 list and an electric paring knife at \$12.95. The peeler features a knife blade shaped like a potato peeler; the paring knife features a serrated stainless steel blade for all-purpose cutting and paring, including cutting through frozen food packages.

Shetland also is planning a Christmas package made up of its open-handle slicing knife and the separate electric peeler. Deliveries are scheduled to begin in September or October.

□□□□ A new dental irrigation product is being marketed by Iodent Co., of Detroit. Similar to the initial Water-Pik and the Troy Dent-O-Pick, which was introduced in July, the new unit will retail under \$30. Meanwhile, Alexander's, the New York area promotional department store chain, broke the Water-Pik at \$22 in New York City last week. The product had been retailing—profitably—at \$39.50 when first introduced, but later was cut to the \$29 level before Alexander's hit at \$22.

□□□□ Manufacturer aids: Dynamic Instrument Corp., of Plainview, N.J., is using blister packaging on its home battery chargers. Fasco Industries, of Rochester, is offering a new 4-color catalog sheet on its portable intercom.

G.E.'s Executive 108 is 9' long, 18¾" low, 18¾" deep. It has an AM/FM/FM Stereo tuner and stereo phonograph. It'll hold a color TV or a tape deck. It's a window-seat, room divider or splits in half to fit any room.



Arlan's new merchandising *continued*

Eisenberg made it clear, though, that this experience had not dampened the company's enthusiasm. "We are well pleased with the present results," he said, "and are looking forward to good volume growth."

At the moment, it is a 100% national-brand operation in majors and consumer electronics at Arlan's—and this is the way it will stay for some time. Eventually, however, when these departments are operating in about 30 to 40 units, the company plans to examine the private-label route.

Virtually every retailer is on an upgrading kick too some degree—and Arlan's is no exception.

Eisenberg noted that the bottom price lines had been played out in a number of merchandise lines and singled out the Teflon story as a case in point. "We're in the process," he said, "of upgrading our housewares—both in price and style. The customers demand it," he added. "They want better goods—they want style."

In small electronics, the news at Arlan's is fatter stocks. Eisenberg pointed to small radios and floor care items—lightweight vacs, waxers, and polishers—as products that have been heavily expanded because of excellent sales activity.

"Gifty housewares," as Eisenberg characterized them, have also undergone expansion to meet increasing volume. Dinnerware and flatware, in particular, are featured in greater variety.

The intense retail rivalry for the

consumer reflects itself, particularly among discounters, in heavy price advertising. Arlan's, as might be expected, is in the thick of this fight—but with a recent innovation in its ad policy.

An institutional campaign is currently being tested in eight markets, and, if successful, will be expanded to other areas. Housewares will be prominently displayed in these advertisements.

"We're trying to find out if the consumer is getting tired of advertisements which scream a price message," Eisenberg said. "By the end of the year, we should have a pretty good idea and this will determine our direction in 1967."

On the financial front, Eisenberg is looking for sales of about \$245 million to \$250 million in the current fiscal year, compared to a volume of \$206.8 million in 1965. Another 11 stores will be opened this year, boosting the 1966 output to 17 new units. Plans call for about 15 new stores in 1967.

Arlan's is also acquisition-minded. The sprawling chain recently explored the possibility of acquiring King's Department Stores—but nothing happened. Arlan's has denied it is on the selling block—a fact reiterated by Eisenberg. He noted that Arlan's might acquire small chains in the \$25 million category.

Any hobbies?" Eisenberg was asked. "No," replied the father of four—"just work. Travelling to 62 stores is enough. . ."

—Dan D. Dorfman

KEY MOVES

RCA—Andrew F. Inglis will head a newly created department that consolidates engineering and merchandising activities for major products. He will direct the Engineering and Merchandising Department from Camden, N.J. headquarters. Wendell C. Morrison becomes director of product engineering.

Sylvania—Charles L. Hope is appointed credit mgr of the Entertainment Products Division.

Maytag—Two home economists are named: Edith Countryman is assigned to the company's product testing laboratory; Judi Reynolds will work in the research and development division.

DuMont Television Sales Corp.—Michael J. Ranalli is appointed marketing mgr.

Craig Panorama—Burt Deverich resigns as vp and mgr of the general products division. His future plans have not been announced.

Fairchild Semiconductor—Carl H. Stefens will manage Marketing Operations, a new department to coordinate customer service, headquarters, and licensee sales. He was formerly marketing mgr of the South Portland, Me. facility.

Packard Bell—Russell A. Keslinke and Roland H. Martin are appointed regional sales mgrs. Both will handle regional distributor relations of the company's Home Products Division.

Amana—Melvin W. Rowe is named regional sales mgr for a newly created sales region covering Texas and New Mexico.

Carrier—Three promotions are announced: Duncan J. Tutt, room air conditioner sales mgr since 1962, is named to the new position of vp and sales mgr of Carrier-Houston Corp., a subsidiary operating as a distributor in Houston, Tex. Richard G. O'Neil succeeds Tutt. James McLaughlin will be the new sales training mgr.

Motorola—Keith C. Smith is appointed mgr of procurement for the consumer products division. He was formerly with Marathon Electric Mfg. Corp.

Symphonic—Stanley Mazur is named director of engineering. He has been mgr of television engineering at Symphonic since 1965.

Philco—James M. Hufnagel, home laundry sales mgr for Philco from 1949 to 1957, returns to the corporation as sales planning mgr, home laundry. He operated his own marketing and sales consultant firm in the interim.

Kelvinator—The promotion of two executive engineers is announced. Owen D. Martin moves from chief engineer of the household refrigeration section to executive engineer in charge of refrigeration. Gerald L. Wardell will succeed him. Wardell was formerly mgr of engineering cost analysis.



RCA takes its color tube touch to Britain and Western Europe

At a time when color tv tubes are at a premium in the U.S., RCA is already looking ahead to the day when demand for color tv tubes in Europe will start to take off. Last week, RCA announced the formation of a new company that will build a color tv tube plant in Britain. The plant, to be in operation by mid-1967, will produce 19- and 25-inch color tubes.

At a London press conference last week, Robert W. Sarnoff, president of RCA, said, "These plans reflect our conviction that color television will soon become a major growth area on this side of the Atlantic, as it already is in the United States." Sarnoff estimated that sales of color tv sets in the United Kingdom and Western Europe would rise from about 300,000 in 1968 to nearly 2 million in 1972 and 3.5 million by 1975. "We believe these growth estimates are conservative," he added.

The new company, owned two-thirds by RCA and one-third by Radio Rentals Ltd. (one of Britain's biggest tv rental and distribution firms), initially will be capitalized at \$2.8 million. But the two parent companies expect the investment will eventually rise to between \$14 million and \$28 million.

RCA joins a growing list of U.S. companies that are hoping to get a slice of the color tv market that will be opening up in Europe over the next few years. Britain is scheduled

to begin color telecasts next year, as are some other European nations. And the line is forming for what will probably turn to be a hot and competitive battle.

Sylvania already is there with a stake in Thorn Electrical Industries Ltd., a set maker. And, reports McGraw-Hill World News in London, International Telephone & Telegraph has holdings in a German color tv set company. General Electric has also recently bought a German tv set manufacturer.

RCA Colour Tubes Ltd., the newly formed company, will join Thorn and Mullard Ltd. (part of the giant Dutch-based Philips group) as the first entries into British color tube manufacturing. But RCA has its eye on a market for its tubes that extends beyond Britain. RCA has stated that it intends to export to the Western European market—but not to the U.S.—from the British plant.

"RCA is considering additional ventures beyond this new British enterprise," said Sarnoff. "We have already initiated studies in other countries for additional manufacturing and marketing operations."

The fight for a color tv system for Europe (MW, 1 Aug., p.8) will not affect RCA's plans. The tubes will operate equally well with the color tv system to be used in the United Kingdom as well as with any system that has been proposed for use in Europe.

Spiegel, Aldens fall catalogs: more products in the pages

Both Spiegel and Aldens have added products under their catalog listings for major appliances and audio-visual electronics. Neither showed dramatic price changes over their spring-summer catalogs. Here is a review of both categories.

Compact refrigerators—*Spiegel's* lead-off model is a 2-cu.-ft. unit at \$89.98; the top unit is a 5.2-cu.-ft. model at \$149.98. These two units have matching freezers at matching prices. *Aldens'* 4.6-cu.-ft. unit is \$99.95; a 2.3-cu.-ft. model is \$79.95; matching freezers for the two units are available.

Standard refrigerators—*Spiegel's* four models: from \$149.98 for a 9.9-cu.-ft. unit to \$299.98 for a 14-cu.-ft. unit. *Aldens'* A 10.7-cu.-ft. one-door, \$147.95; a 14-cu.-ft. no-frost unit, \$249.95.

Chest freezers—*Spiegel's* model, a 14.9-cu.-ft. unit, is \$119.98.

Upright freezers—*Spiegel's* entry, a 10.7-cu.-ft. unit, is \$169.98. *Aldens'* a 10-cu.-ft. unit, \$159.95.

Dishwashers—*Spiegel's* GE line: from \$149.98 to \$249.98.

Washers and dryers—*Spiegel's* six models: from \$159.98 to \$259.95 for a five-cycle washer. Six matching dryers: \$119.98 to \$209.95. (Gas is \$20 more.) *Aldens'* two units: \$169.95 and \$209.88. Matching dryers: \$129.95 (gas, \$154.95) and \$169.88 (gas, \$189.88).

Eye-level ranges—*Aldens* has a 30-inch gas unit at \$249.95.

Color tv—*Spiegel's* five models: from \$269.95 for a portable to \$559.95 for a 25-inch console; with remote control, \$659.95. A lowboy combo is \$599.95. *Aldens'* five models are topped by the 25-incher for \$20 less. Three color units are consoles.

B&w tv—Thirteen *Spiegel* portables: from \$77.95 to \$159.95 for a 19-inch Jet Set. Other models: from \$149.95 to \$189.95. *Aldens'* 10 portables: from \$79.95 to \$168.88 for the Jet Set. Consoles: from \$179.95 to \$219. A combo is \$299; a Delmonico combo, \$369.95.

Stereo consoles—*Spiegel's* starts at \$94.95 and closes at \$319.95 for an AM-FM with tape recorder. *Aldens'* five models: from \$84 to \$269 for a multiplex model.

Portable phonos—*Spiegel's* 13 models: from \$14.75 to \$149.88. *Aldens'* 13 models: \$17.88 to \$89.95.

Radios—*Spiegel's* 10 portables: from \$5.88 to \$94.88 for a five-band GE. Table models: \$9.95, \$19.95. Clock-radios: \$11.48 to \$54.95. *Aldens'* 12 portables: from \$7.87 to \$99 for the five-band GE. Table models: from \$8.95 to \$48. Seven clock-radios: from \$14.95 to \$39.88.

Tape recorders—*Spiegel's* seven monaurals: from \$15.95 to \$127.88. Six stereos: \$139.95 to \$399.88. *Aldens'* eight portables: \$16.88 to \$149.95. Four stereos: from \$138.88 to \$299.95. A Norelco cartridge tape Carry-corder, which plays the Norelco cassette, is \$89.50.

INDUSTRY TRENDS

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

	date	1966	1965	% change
FLOOR CARE PRODUCTS				
Floor Polishers	June	94,378	83,579	+ 12.92
	6 Months	577,758	581,686	- .68
Vacuum Cleaners	June	402,756	367,916	+ 9.46
	6 Months	2,730,444	2,394,138	+ 14.04
HOME LAUNDRY				
Dryers, clothes, elec.	June	102,058	73,603	+ 38.66
	6 Months	641,800	484,522	+ 32.46
Dryers, clothes, gas	June	42,703	35,379	+ 20.70
	6 Months	299,577	244,618	+ 22.46
Washers, auto & semi-auto.	June	358,948	331,672	+ 8.22
	6 Months	1,928,556	1,742,222	+ 10.69
wringer & spinner	June	54,927	57,066	- 3.75
	6 Months	266,390	294,873	- 9.66
OTHER MAJOR APPLIANCES				
Air Conditioners, room	June	369,300	335,900	+ 9.94
	6 Months	2,059,300	2,198,300	- 6.32
Dehumidifiers	June	33,500	38,300	- 12.54
	6 Months	167,700	156,300	+ 7.29
Dishwashers, portable	June	25,300	19,600	+ 29.08
	6 Months	209,600	172,700	+ 21.36
under-counter, etc.	June	85,100	71,000	+ 19.85
	6 Months	503,300	386,100	+ 30.35
Disposers, food waste	May	131,900	101,000	+ 30.59
	5 Months	593,300	512,500	+ 15.76
Freezers, chest	June	50,500	42,100	+ 19.95
	6 Months	235,500	204,400	+ 15.21
upright	June	60,400	65,100	- 7.22
	6 Months	315,400	320,900	- 1.72

Ranges, electric	June	159,300†	176,300	- 9.65
	6 Months	1,059,400	1,010,700	+ 4.81
Ranges, gas	June*	202,400	201,400	+ .49
	6 Months	1,138,900	1,082,700	+ 5.19
Refrigerators	June	453,300	458,200	- 1.07
	6 Months	2,505,800	2,336,600	+ 7.24
Water Heaters, elec. (storage)	June	86,600	95,900	- 9.70
	6 Months	529,100	536,600	- 1.40
Water Heaters, gas (storage)	June	212,130	205,020	+ 3.46
	6 Months	1,294,190	1,284,800	+ .73
CONSUMER ELECTRONICS				
Phonos, port.-table, distrib. sales	July 29	88,996	78,109	+ 13.94
	30 Weeks	1,415,200	1,513,957	- 6.52
monthly distributor sales	May	146,377	138,662	+ 5.56
	5 Months	975,503	1,036,681	- 5.91
Phonos, console, distrib. sales	July 29	36,954	38,448	- 3.89
	30 Weeks	903,056	739,643	+ 22.09
monthly distributor sales	May	69,267	51,152	+ 35.41
	5 Months	659,351	499,617	+ 31.97
Radio (ex auto), distrib. sales	July 29	332,483	322,471	+ 3.10
	30 Weeks	6,941,644	6,272,819	+ 10.66
monthly distributor sales	May	729,425	705,901	+ 3.33
	5 Months	4,803,892	4,092,191	+ 17.39
B&w Television, distrib. sales	July 29	167,246	237,617	- 29.62
	30 Weeks	3,933,159	4,045,842	- 2.79
monthly distributor sales	May	424,200	425,092	- .21
	5 Months	2,882,797	2,853,812	+ 1.01
Color Television, distrib. sales	July 29	97,835	78,663	+ 24.37
	30 Weeks	2,114,149	1,061,649	+ 99.14
monthly distributor sales	May	249,877	73,876	+238.23
	5 Months	1,488,346	666,313	+123.37

†Electric Range June total includes: 100,400 free-standing ranges, 58,900 built-ins.
*Gas Range May total includes: 122,800 free-standing ranges, 21,000 high-oven models, 18,500 set-ins, and 19,900 built-ins.
Sources: EIA, VCMA, AHLMA, NEMA, GAMA.



and it moves.

And does it move! It's the only self-contained multi-component unit on the market with Porta-Fi (the exclusive optional extra speaker system that plugs into any wall outlet in the house. There are no wires to follow you around. Just sound). Don't you think the Executive 108 will be the biggest moving home entertainment idea since tiddley-winks?

GENERAL ELECTRIC
Audio Products Department, Decatur, Illinois

We're giving away \$50,000 to get people into your store. They may buy a 25¢ battery. Or a color TV.

Boola, boola.

Emerson is kicking off the fall season with a \$50,000 Run For The Money Sweepstakes. Sweepstakes that tie in with where the action is and where the crowds huddle... football.

First prize, 100 yards of \$50 bills... \$30,000! And 1,005 other prizes.

We'll be passing the word through full color ads in Sunday Supplements. And with dealer imprinted direct mail.

All ads sport entry blanks. And all entries must be turned in to participating Emerson dealers. (There'll be free TV football schedules for everyone who comes in.)

So participate. It could mean a lot of store traffic. And a lot of potential sales.

25¢ battery sales or color console sales... that's up to you.

They'll be coming in thinking about winners, so show the line. What better

way for a Monday morning quarterback to see the game than on Emerson color TV.

The man from Emerson will be dropping in with more information and in-store promotional pieces.

Show him team spirit.

