MERCHANDISING VEEK

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Selling a new market: the tape cartridge goes house hunting _ _ p.14

A prediction that became a proposal: changes ahead for walkie-talkies p.8

AHAM's first report on sales: a look at the numbers \Box \Box p.11

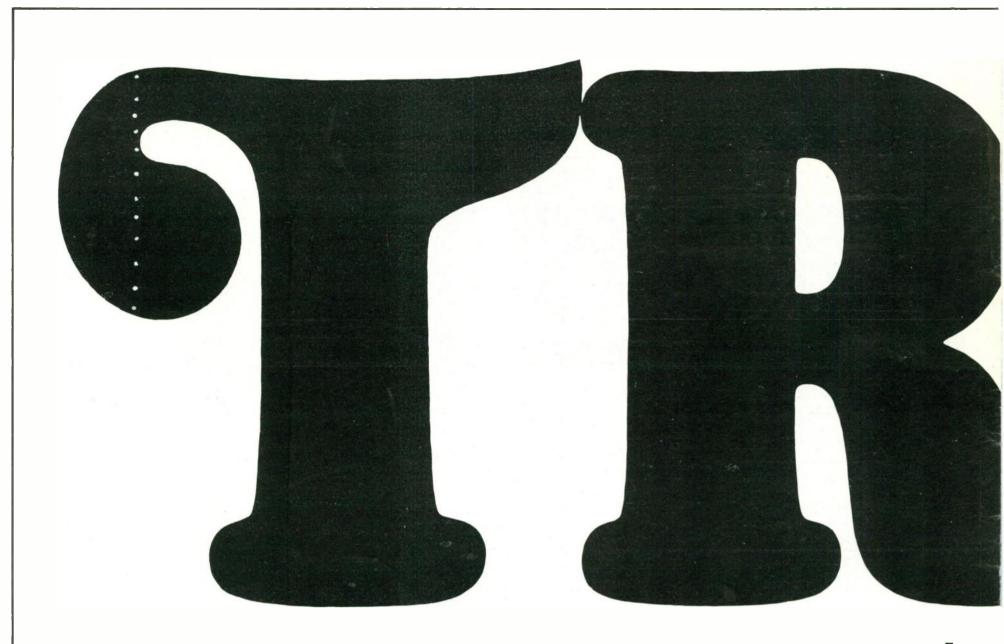
Pzazz: the house that Wexler built at Macy's p.24



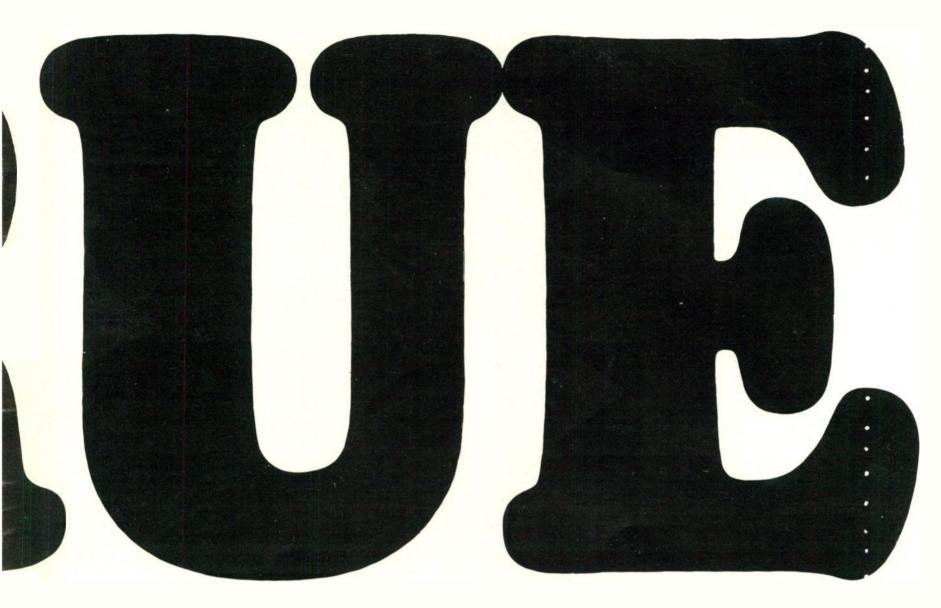


18 ways to make more money on home tape cartridge players

see the Arvin. ad on page 9



MERCHANDISING WEEK DOESN'T



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JUST THE RETAILERS WHO COUNT!

The men who read Merchandising Week sell almost all of the consumer electronics, appliance, and houseware products purchased in this country.

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That's why we say, when you have something to say to the men selling your product —Merchandising Week is the place to say it. Just call your Merchandising Week representative for the low rates that deliver our readers—all 144,500 of them (at last count!).

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Powerful new 13,000 volt[†] Minikin chassis provides exceptional

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Sensitive RCA tuners
provide excellent
portable TV reception
even in many
difficult signal areas.

RCA Solid Copper Circuits assure greater dependability.

Pan-O-Ply picture tube gives sharp, clear, detailed pictures. Tinted glass improves contrast.

RCA Victor calls it The Nimble. You'll call it a nimble seller. See your RCA Victor distributor today.



The Most Trusted Name in Electronics

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Hear the solid sound of quality! ONGOY ONG

Biggest selling idea in appliance merchandising . . . backed by the biggest network TV promotion in Norge history. See your Norge distributor <u>now!</u>



2 reasons why the competition isn't up to "Standard"



8



Available immediately from both warehouses

STANDARD
...electronic years ahead!

Standard Radio Corporation, 23-08 Jackson Ave., Long Island City, 11101, 1300 West Olympic Blvd., Los Angeles, 90015.

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□□□□ A recommendation to authorize pay tv on a national basis is expected to be submitted to the FCC before too long, despite objections in Congress. The recommendation will come from a three-Commissioner committee composed of James J. Wadsworth, Kenneth A. Cox, and Robert E. Lee. They had planned to submit their recommendation to the full Commission earlier, but delayed action after an opposition outburst from Chairman Harley Staggers (D-W. Va.) of the House Commerce Committee. To satisfy Staggers, the FCC may decide to hold a public hearing before approving pay television.

AT PRESSTIME

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It started with the Compact Cassette. Norelco introduced the Compact Cassette in the United States – it's the tape you don't have to tangle with. It's about the size of a cigarette pack. And it's just as easy to store and handle. The tape is pre-threaded inside the Cassette so you never have to touch it. Just snap the Cassette into the recorder and it's ready to play.

Norelco left the good things in, locked the bother out. The Norelco Compact Cassette both records and plays back. (Most cartridges can only play back.)

Unlike other cartridges, it has fast forward and rewind for easy indexing and program selection. It has full stereo compatibility. And unsurpassed sound re-

About the only thing the Norelco Compact Cassette doesn't give you is the headache of tape handling. The lugging, the loading, the threading, the tangling-they've all been locked out of the Norelco Compact Cassette.

Norelco made a unified sound system. Norelco has the most complete Cassette line in the business. And the Norelco Compact Cassette is completely interchangeable with every machine in this line.

That's why we call our line the 'Norelco Sound System.' There's the famous portable Carry-Corder® '150'. The monaural '350' and the stereo '450'-both designed in beautiful teakwood. And they're the only AC Cassette models on the market.

If you used to stock and sell tape recorders, but decided it wasn't worth the fuss and bother, take a look at the re-inventions in the new 'Norelco Sound System.' You just might get re-interested.

North American Philips Company, Inc., High Fidelity Products Department, 100 East 42nd Street, New York, N. Y. 10017

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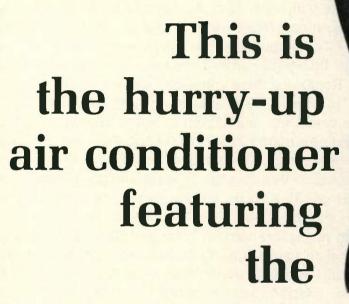
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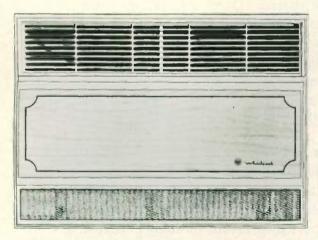
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New Jewel Box series chases hot air fast!

cool

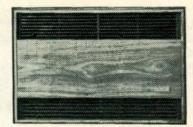
COOLER

SUPER COOL setting gives customers "right now" action. Simply pushing the SUPER COOL "Panic Button" gets rid of heat build-up in a house that has been closed all day and brings the temperature down quickly. Then switch to NORMAL COOL to hold the comfort level selected. The new NIGHT COOL setting is "sleeping time" quiet. Jewel Box styling blends with any decor... soft white woodgrain finish is accented with gold. Both the quality and the value stand out... beautifully! Re-

stand out... beautifully! Remember... it's easier to sell Whirlpool than sell against it!



Sell maximum cooling with minimum amperage in Model ARJ-120-2 (shown above) which delivers 12,000 BTU at 12 amps. . . . or in Model ARJ-P80-2, rated at 8,000 BTU and $7\frac{1}{2}$ amps.



Want to turn up the volume on air conditioners?

Hear the solid sound of quality!

Biggest selling idea in appliance merchandising ... backed by the biggest network TV promotion in Norge history. See your Norge distributor now!



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□ □ □ □ The Corporation for Public Television proposed by the Carnegie Commission to lend a boost to educational tv also is getting a full hearing before the Senate Communications Subcommittee. But unlike truth-in-lending, this plan is expected to breeze through Congress this year.

The measure would create the Corporation and give it a \$9-million operating budget for fiscal 1968. No decision will be made in this bill, sponsored by Sen. Warren G. Magnuson (D-Wash.), about future financing. The Carnegie Commission is sticking with its proposal for a tv set excise, but this seems to lack support in Congress.

□ □ □ A recommendation to authorize pay tv on a national basis is expected to be submitted to the FCC before too long, despite objections in Congress. The recommendation will come from a three-Commissioner committee composed of James J. Wadsworth, Kenneth A. Cox, and Robert E. Lee. They had planned to submit their recommendation to the full Commission earlier, but delayed action after an opposition outburst from Chairman Harley Staggers (D-W. Va.) of the House Commerce Committee. To satisfy Staggers, the FCC may decide to hold a public hearing before approving pay television.





For complete information, write, wire or call ARVIN INDUSTRIES, INC. Consumer Products Division, Department E-9. Columbus, Ind.

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In 1967, every radio dealer needs it. In 1967, every GE radio has it.

GE is a better buy this year than ever. This is a make-or-break year for consumer electronics. Money is tight—so tight that you can't afford to make one single buying mistake. And buying smart isn't enough—you've got to be able to sell smart, too. So go with the winner, the no-mistake radio line, General Electric radios. Year after year, GE radios turn over faster than any other kind.

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*Audits and Surveys Company, Inc. running 12 months sales, 1966.
**Radio must be defective within terms of the warranty and must be returned in the original carton or carton from replacement radio and must be properly tagaed.

GENERAL ELECTRIC

'Info-Tag' consumer assistance: report cards for manufacturers

Taking a clue from a plan already in operation in Great Britain, U.S. Congressman Benjamin Rosenthal, (D-N.Y.), has proposed a means of consumer protection through which the public would get an education, while home goods manufacturers would get the grades.

The grades would be a measure of product performance, safety, content, durability, and care characteristics, which would be disclosed on a type of report card—called an "Info-Tag"—attached to the item in question. The ratings in each category would be based on the accumulated results of various tests, processed by a proposed National Consumer Information Foundation.

Participation in the labeling program would be entirely voluntary for manufacturers, as it is in the system's prototype—Great Britain's "Teltag." Rosenthal suggests that, in addition to "Info-Tag's" obvious consumer benefits, it would act as an incentive for manufacturers to produce superior goods in order to win favorable ratings. Also, the bill's proponents contend, the plan could be of great assistance in establishing standards for an industry that has had considerable difficulty in setting them for itself.

Although manufacturers are somewhat hesitant to comment on the plan, at least until the bill has its House hearing, they are generally unsure of its desirability and, as is the case with much of the consumer protection legislation, its necessity.

The problem is "performance." Manufacturers do not like the bill's provision for performance ratings, fearing—despite Rosenthal's insistence to the contrary—that this would mean actual comparative value judgments. They question whether the commission will have enough manufacturing and retailing knowledge to make such evaluations.

As one manufacturer explained it, an automatic washer may be perfectly adequate for an elderly couple with few specialized needs and, in this case, would merit a favorable performance rating. The same washer, however, would have to be rated poorly if considered for a family with many young children, and unusually heavy laundry requirements. In either case, he suggested, the rating would be misleading without a great deal of clarification.

The bill will probably fail to win approval this year, as a lack of strong Administration support is expected to steer consumer protectionists in other directions. Yet, the support that "Info-Tag" has acquired, as well as the passage of similar proposals in other countries, have advanced what some see as a consumer-protectionist movement which is more oriented toward informing than regulating.

AHAM figures debut: a hint of blossoming sales this spring

The first set of industry figures released by the Assn. of Home Appliance Manufacturers (AHAM) reveals that over-all business in the major appliance industry seems on the upswing, and that manufacturer sales in some categories—air conditioners and portable dishwashers—are booming. The first-quarter results from AHAM are the first since it was formed out of the consumer products division of the National Electrical Manufacturers Assn. (NEMA), AHAM decided to furnish sales figures of manufacturers—

not distributors, as had been the case with NEMA.

The brightest spot or indicator of a sales renaissance is the refrigerator category. Here, sales rebounded in March and helped to cut losses in the first two months of the year. Even though sales in this bellwether category are down for the first three months of 1967, it must be remembered that, at this time last year, sales were booming and industry leaders were predicting the first 5-million-unit year in a decade.

AHAM report: manufacturer shipments of appliance	AHAM	A report: manufacture	r shipments o	f appliances
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PRODUCT	DATE	1967	1966	CHÂNGE
Room Air Conditioners	MARCH	589,900	401,900	+ 46.78
	3 MONTHS	1,336,400	952,500	+ 40.30
Dehumidifiers	MARCH	18,000	21,300	- 15.49
	3 MONTHS	N. A.	67,100	N. A.
Portable Dishwashers	MARCH	51,800	31,600	+ 63.92
	3 MONTHS	135,300	92,900	+ 45.64
Built-In Dishwashers	MARCH	79,400	83,000	- 4.34
	3 MONTHS	212,100	231,600	- 8.42
Freezers, Total	MARCH	98,100	98,500	41
	3 MONTHS	247,900	253,800	- 2.33
Ranges, Electronic, Total	MARCH	159,650	179,600	- 11.14
	3 MONTHS	449,400	539,200	- 16.16
Free-Standing	MARCH	118,500	120,700	- 1.82
	3 MONTHS	335,000	355,100	- 5.66
Built-In	MARCH	41,100	58,900	- 30.22
	3 MONTHS	114,400	184,100	- 37.86
Refrigerators	MARCH	421,300	394,800	+ 6.71
	3 MONTHS	1,082,300	1,170,200	- 7.51
Washers, Automatic & Semi-Automatic	MARCH	353,300	344,700	+ 2.49
	3 MONTHS	928,200	959,000	- 3.22
Washers, Wringer & Spinner	MARCH	45,000	53,000	- 15.10
	3 MONTHS	112,500	120,800	- 6.88
Dryers, Clothes, Electric	MARCH	126,000	119,500	+ 5.43
	3 MONTHS	419,700	375,200	+ 11.86
Dryers, Clothes, Gas	MARCH	60,400	60,700	50
	3 MONTHS	189,300	184,900	+ 2.37

☐ ☐ ☐ ☐ ☐ The average retail price for color tv during the two weeks ended Mar. 4 was \$568, according to Daniel Starch and Staff, consultants in business research. Color accounted for 64% of unit sales and 87% of retail dollars during the two-week period. Black-and-white tv, with an average price of \$158, added up to 36% of sales and only 13% of the dollar total. Starch reports that 49 color models racked up 43% of all color sales, while 11 b&w models accounted for 17% of all b&w sales. The Starch data is based on a weighted sample of 2,183 retail outlets.

□□□□ RCA took new high ground during the first quarter of this year. In the face of a general softening of the market, its factory sales of color receivers were up 57% in dollar volume over the 1966 first-quarter total. First-quarter net earnings rose 8% to \$34.4 million, compared with \$31.9 million during the first quarter of 1966. And sales increased by 16% to a record first-quarter high of \$683 million, compared with \$586 million for the same period last year.

Robert W. Sarnoff, president, and Elmer Engstrom, chairman of the executive committee, issued the following statement:

"In a quarter marked by a general softening in the consumer durable goods market, color television ran counter to the trend in that industry sales of color sets for the first quarter were ahead of the comparable 1966 period in units sold. Total industry sales for 1967 will be substantially above last year's record 4.7 million units."

The statement said a slowing of the growth rate in color sales toward the end of the quarter and the impending change-over to production of its 1968 line "led to furloughs for some production-line employees at certain of the company's plants manufacturing color sets and components. "Even so," it went on, "RCA's total employment continues at a substantially higher level than the same period last year."

□□□□ How to finance noncommercial television was one of the principal problems discussed by the Senate Commerce Committee at hearings on a bill to create a Corporation for Public Television. Fred W. Friendly, consultant to the Ford Foundation and former president of the CBS news division, recommended that news and public affairs programs be financed with private funds from a non-profit system of satellites, which would secure income from the relay of commercial programming.

Friendly said he would oppose any long-range plan that relied on general Treasury Department appropriations. Earlier this year, the Carnegie Report recommended that educational television be supported in large part by funds from an excise tax on tv receivers; to be administered by the Treasury Department.

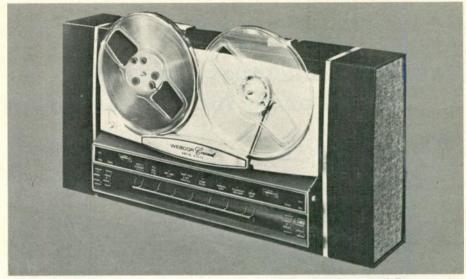
□□□□NEMA's second air conditioner supplement to its first 1967 Certification Directory has been published, adding certified data for 34 new window models and 25 through-the-wall models. Directory I and its two supplements will remain effective until May 15, after which they will be replaced by the National Electrical Manufacturers Assn.'s Directory II. Copies of the new supplement are available from the NEMA Air Conditioner Certification Program, 155 East 44th Street, New York, New York 10017.

APPLIANCE-TV NEWS

□ □ □ Penney's has challenged truth-in-lending laws in Massachusetts, charging that the provision dealing with disclosure of simple annual interest rates on credit purchases is misleading and unconstitutional. The department store chain contends that its interest rates are usually lower than those prescribed by the Massachusetts law, which has been in effect since Nov. 1, but that the customer is confused by statements on her installment contract that indicate otherwise. Penney's, which has six stores in the state, has filed a complaint with a Superior Court, charging the provision violates both the Massachusetts and federal constitutions. □ □ □ NARDA is requesting that all appliance and radio-tv manufacturers send available training material in any form to the National Appliance & Radio-TV Dealers Assn. Jules Steinberg, executive vice president, explained that NARDA is going to set up an Industry Education Library to make training material available to its members. "We want the material so we can spot the holes in it and cover what's been left out," Steinberg stated. Two gaps he pointed to were in the areas of general business management and service program management. Steinberg noted that in his educational symposiums during the last six weeks, he has received excellent cooperation from distributors and manufacturers. He attributed this to the industry's growing awareness of the importance of educating dealers. ☐ ☐ ☐ Gibson has left GAMA. The company, which markets Easy dryers, has withdrawn from the Gas Appliance Manufacturers Assn., although the parent company, Hupp Corp., has retained its membership. □ □ □ Aiwa is offering an AM-FM table radio free with every order of five AM-FM, full-feature clock-radios. The clock-radio (model AR-133W) lists at \$39.95; the regular table unit (model AR-133) is \$29.95. Both have solid-state circuitry. The company's offer will be effective until May 15. □ □ □ A Westinghouse dealer-incentive trip to Las Vegas is being offered during April and May to boost sales of home laundry equipment. The dealer with the highest percentage of laundry sales over quota in his district or independent distributorship will receive the 4-day, all-expenses-paid trip for two. □ □ □ □ Brand Name Retailer-of-the-Year winner in the appliance-tv store Class I (annual sales of \$500,000 or more) is Lechmere Sales Co., Cambridge, Mass. Runnersup are: Jack Boring's Appliance-TV & Stereo, Kansas City, Mo.; Certified TV & Appliance, Norfolk, Va.; Polk Bros., Melrose Park, Ill.; and Silo, Philadelphia. Winner in Class II (annual sales of less than \$500,000) is Puff's Appliance Center, Petoskey, Mich. Runners-up are: Hess Engle's Home Supply Co., Portsmouth, Ohio; Routzahn & Sons Inc., Frederick, Maryland. □ □ □ Quiet Kool sales were hot in March—25% hotter than sales registered in any other peak month by the air conditioner division of the Emerson Radio and Television Co. The March record is partially attributed to brisk

sales for the new Fresh Aire high-capacity model; an air

pollution filter is featured on this model.



A Webcor solid-state tape recorder with the new Touch-Tab Control Bar

Webcor puts keyboard controls on its new tape recorders

Webcor tape recorders are featuring a new Touch-Tab Control Bar that provides up-front fingertip control of all electronic functions.

The Touch-Tab Control Bar is available on eight models in the company's solid-state 2700 tape recorder series. According to Webcor, it eliminates complicated arrays of levers, knobs, and dials and makes all controls easily accessible in both horizontal and vertical playing positions.

At the top of the line is a 3-speed monaural and stereo recorder—model 2731—which has two detachable wing-type speaker systems. Each includes one 6-inch woofer and one 3½-inch tweeter. Other features include synchro-track (sound-with-sound), eight input-output jacks, a push-button

counter, variable monitor level controls, and two microphones. The suggested list price for model 2731 is \$359.95.

A middle-of-the-line unit — model 2722 (shown) — offers three speeds, monaural and stereo sound systems, and two 5-inch detachable speakers. Features include two microphones, two VU meters, eight input-output jacks, 15w of peak power, and an automatic shutoff. It carries a suggested list price of \$244.95.

The series price leader—model 2700—features two speeds, a modulated lamp record indicator, two jacks, and an edit lever; it plays 3-inch, 5-inch, and 7-inch reels. List is \$94.95. All models have thermoplastic, reinforced Fiberglas cases.

Refrigerator import breakdowns: where the action is coming from

Refrigerator imports to the U.S. have maintained such a steady pattern of substantial growth that totals for January and February of 1967 just barely missed reaching the level set for the entire first quarter of 1966. Imports for the first two months of this year were up 64.6% over last year, bringing a subsequent 75.6% increase in dollar volume. Imports for February alone rose 61.6% in volume, and 67% in dollar value.

For the first time, import figures according to country are available. Italy is well in the lead, with its 9,232 units accounting for more than 50% of February's total. Although the

figures include commercial refrigeration units as well as household models, Italy's average price of \$47.39, on total dollar volume of \$437,508, indicates a heavy concentration of compact refrigerators in shipments to the U. S. General Electric's compacts—and its Hotpoint division's new small-capacity models—are among those being manufactured in Italy.

With the second quarter—usually the heaviest period for refrigerator imports—under way, Italy, the United Kingdom, and Sweden seem to be the exporters to watch. These three countries account for 76.9% of February's U. S. imports. The total import breakdown:

Total refrigerator imports to the U. S.:

	1967		1966			
	Units	Dollars	Avg. price	Units	Dollars	Avg. price
February	17,516	\$ 986,217	\$56.30	10,874	\$ 590,675	\$54.31
2 Months	30,925	1,881,922	60.85	18,787	1,071,818	57.05
Where the	refrigerate	or imports ca	me from:			
Country		No. of units		ar value	Average	price
Italy		9,232	\$43	7,508	\$ 47.3	9
United King	gdom	2,104	14	4,606	68.7	2
Sweden		2,037	20	3,225	99.7	6
Japan		1,800		5,077	30.5	9
West Germ	any	1,461	10	6,309	72.7	6
Belgium		741	2.	3,311	31.4	5
Denmark		124	13	3,603	109.7	0
Australia		12		903	75.2	5
Canada		5		1,675	335.0	-

■ Capstan-Drive, Dual track, Monaural ■ Dual purpose VU meter indicates recording level and battery power condition Push-buttons for fast forward, forward, rewind, stop, and record - Handy cartridge release lever (cartridge lifts up for easy removal) Auxiliary input jack for recording direct from radios, phonographs, or TV

Output jack for earphone or external speaker May be converted to standard household AC operation with AC-603 converter (optional extra) Dynamic mike w/On-Off Switch.



The new AIWA **Cassette-Type Tape Recorder**

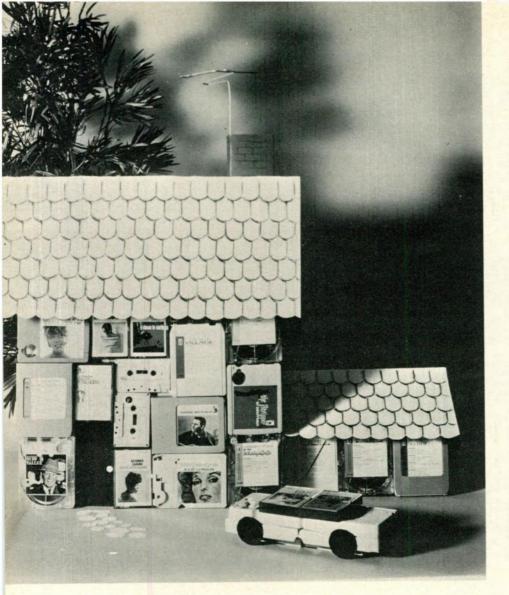
You won't see it advertised in Newsweek, Esquire or Playboy

Why cut into your profit to advertise a love-at-first sight item like this when it sells itself right off your shelf? Here's the latest, greatest, most exciting tape recorder on the market—with a 60 minute memory on a cigarette-pack size cartridge. Loads in less than a second. Weighs only 3 pounds. What's competition got to compare with it? Line 'em up side by side on your counter. You'll see. Your customers will see, too. And choose AIWA every time. That's why we don't have to pre-sell our cassette tape recorder for you. Remember, AIWA Is Where the Action is.



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Out of the auto and into the home: The tape cartridge goes house hunting

They know that everyone who has bought a player for his car is a potential customer for a home player. They know that most electronics manufacturers already have, or are about to introduce, a cartridge player in one form or another. But they hesitate.

Retailers hesitate to stock the new product because they've heard too much about all the problems. And inventory to the problem of pilferage, they've heard it all. And they are not sure just what is available in which configuration, or who their cartridge customers are. They've heard of instances when the new product has been a trouble maker (especially for those who jumped to the pie-in-the-sky sales forecasts industry spokesmen were making last year). But they know of retailers for whom both home and automobile players have been a source of pleasure and profit. Why? Is it a market for everyone? And how can any retailer make it a profitable market for himself?

The answer is, no, it is not a market for everyone. As new products from a new industry, both tape cartridges and tape cartridge players require special sales help, special sales training, and special merchandising.

Says J. A. Rubinstein of Calectron, in San Francisco: "Cartridge players are a special market for only some retailers. You have to be interested enough in this new market to grow with it, instead of treating it like an afterthought. But if music and appliance-tv stores don't accept it now, other outlets will, and they'll become the cartridge centers of the future.'

The other outlets Rubinstein is talking about are: automotive dealers, automotive parts dealer, gas stations, photographic shops, and—a new breed of store—the tape cartridge installation

The appliance-tv retailer who forfeits his market to those outlets is missing many sales. He is missing the sale of the automobile player which is currently the heart of the cartridge market (and, if he's worried about installation, he can probably make a deal with the gas station down the street, or hire a man to do it in his own store); he is missing the potential homeplayer sale (because the automotive player customer is the home player customer); he is missing the installation fee for the automotive player; and he is missing the many cartridge sales to a consumer who is just beginning to build his cartridge library.

But, most of all, the retailer who does not stock cartridges or cartridge players is missing the traffic-building value of this new product, with its own set of consumers-many of whom may never have been inside his appliance-tv outlet before.

Who is the cartridge consumer? "Time" magazine cooperated with Lear Jet Corp. to conduct a study designed to answer that question. One thousand questionnaires were sent to purchasers of Lear Jet 8-track cartridge players, and 59% responded. Here is what "time" learned from those responses:

Of the Lear customers, 75% were male heads of households; 44% were under 34 years of age, and 69% were under 44 years of age; 60% were married; 33% had attended college, and 58% had graduated from high school or attended college; 69% were in business, and 11% were professionals; 23% were executives; and the median income of the respondents was \$11,928.

It is an affluent young market. For Borg-Warner it is an even younger market than it is for Lear. From questions on its warranty cards, Borg-Warner learned these facts: 40% of its customers for 8-track automobile cartridge players are 18 to 25 years old; are between 26 and 35; 27% 36-45; and 8% are 50 and over. The company also found that 92% are men buying for themselves.

How can any retailer overcome the barriers between him and this affluent young market? In the following pages, Merchandising Week will examine those barriers and those problems and offer some keys to this growing new home-bound industry.

The lay of the land: what's available in 4and 8-track

It's still a split-level market. Neither 4-track nor 8-track has yet come out on top. Although 8-track has taken a slight lead in the growth area, 4track is still ahead in the numbers wing. And then, of course, there is the cassette (see box at right).

But, while many distributors, like J. A. Rubinstein of Calectron, in San Francisco, agree that "you can pretty much make your own market what you want it to be—all it takes is a strong merchandiser to push one or the other system," appliance-tv outlets may find that the choice has been taken out of their hands.

The track story

Virtually all the big electronics firms — from Admiral to Zenith have adopted, or will by this summer adopt, the 8-track system. While some are splitting their ticket to include the cassette as well, none is committed to 4-track. To date, 4-track primarily is an automobile after-market product, although such companies as Muntz Stereo-Pak, Automatic Radio, and Viking do make 4-track players which can be used in the home.

Car or home, there are many 4track players on the market. Craig Panorama estimates that there are close to 1 million owners of 4-track car stereo. Earl Muntz, president of the biggest 4-. track producer of them all, pegs the home market at 8% to 10% of the total 4-track market.

Anyway you figure it, the route to the home market seems to go via the automobile, and thus it seems that there is a sizable market for 4-track home players, or perhaps compatible 4-track/8-track home players. Record industry spokesmen, who tend to liken the present battle of the tracks to the sparring between 331/3 and 45 rpm record speeds, point out that once the record player that could handle both was produced, both speeds survived.

Room for music

The record companies are playing both sides of the track. Until a few months ago, Capitol, Columbia, and RCA took a united stand in favor of 8-track, but now RCA is left to fight the 8-track battle alone. The other two companies have elected to release their catalogs on both configurations.

Some in the industry fear that the Columbia-Capitol move is a signal for a war of the prices. So far, 4-track has the edge: while 8-track pre-recorded cartridges range from \$5.98 to \$7.98 for an album-length tape, 4-track falls in the \$3.98 to \$5.98 range. What, ask some observers, will happen when the same Columbia album is offered on 8-track for \$7.98 and on 4-track for \$5.98? What will probably happen is: price adjustments.

The entranceway

What is the size of the cartridge industry today? For a roomful of reasons, no one has the answer. Says one industry spokesman, "When they ask me for figures, I just give them my telephone number."

Any present picture of the cartridge industry must take several facts into account. While 4-track has been around for nearly four years-espe-

As automobile tape cartridges hit the roads and race along the highways, from their starting point in California, to the East Coast, where they are still relative strangers, retailers all over the country are faced with a choice: should they let the cars and cartridges roll by and lose sight of this growing market? Or, should they put out the welcome mat and invite the new industry into their stores - and into their customers' homes?

they are confused. From the headache of duplication or even triplication of

by Amei Wallach

cover expressly photographed

for Merchandising Week by The Robert M. Denelsbeck Studio cially in California, where "Madman Muntz" gave it a running start—8-track is still a newcomer to the field.

For 8-track, it all started in the fall of 1965, when Ford, Motorola, and RCA Victor first introduced players and prerecorded cartridges. Motorola made the 8-track players for Ford; RCA Victor supplied the music. Since then, all the other automobile companies—including Volkswagen and Volvo—have joined the 8-track fold.

But, except for Ford, 8-track cartridges for automobiles were not introduced until the fall of 1966, and even then, early production problems and phlegmatic dealer support held back shipments and sales. In the home field, those electronics companies who showed 8-track wares at the Music Show last summer found that shipments were held back while engineers and marketing men ironed out production and quality control bugs.

But all that seems to be past. Improved product and volume production could make this the year in which 8-track cartridges begin to roll. In fact, in Motorola's annual report, Oscar Kusisto, vice president of the automotive products division, predicts that tape player sales volume will equal or exceed Motorola car radio volume in the forseeable future.

A study in numbers

Numbers in this industry are still in the "guesstimate" stage. But a canvas of all camps reveals these figures:

I. C. Stemp, director of the industrial department of Carter Berlind & Weill, investment brokers: "The end of 1967 may see a total auto and home market of 1½ million 4-track and 900,000 8-track installations — a 90% and 600% increase respectively over the systems in existence today. Most new 4-track systems will be for autos, and ¼ of new 8-track installations will go to homes, bringing home installations to 350,000 units by the end of 1967."

Donald V. Hall, general manager of Ampex Stereo Tapes: "The entire stereo tape market will rise from approximately \$45 million in 1966 to more than \$100 million in 1967, with cartridge tapes accounting for approximately 65% of 1967 industry sales."

Earl Muntz, president of Muntz Stereo-Pak, the big 4-track producer: "There are about 1.2 million 4-track players on the market. We'll put out another 400,000 in 1967, and the industry as a whole will market 800,000, with 8% to 10% for the home."

J. K. Sauter, executive vice president of RCA Sales Corp.: "We were behind in production in 1966, and no one knows how strong we could bave been. But on the basis of our sales, I'd say at least 100,000 home 8-track players got out industry-wide. We think we'll do 50% better next year, and, as new companies in the field open new markets, industry sales should increase well over 50% in 1967."

Oris Beucler, Capitol's manager of product planning: "For the industry, 8-track cartridge sales from July 1966 to June 1967 should be \$20 million."

Irwin J. Tarr, division vice president at RCA Victor: "Stereo-8 is approaching 1 million units a year."

William T. Hack, president of Audio Devices, a tape and blank-cartridge manufacturer: "At present we think 8-track is as big as 4-track or bigger, but one of the things that's been holding back the industry is the availability of machines."

Other systems, other rooms

And don't forget MGM's 2-track PlayTape, for the kiddie and teen markets. At \$19.95 (and heavily discounted) it is an attractive low-end item, although no real threat to 4-track, 8-track, or cassette.

Finding a place for the cassette

When tape talk turns to the Philips cassette, the question is no longer "what's winning," but "where does it fit in"—no longer "what system will take the market," but "just what will the role of the cassette be?"

At the moment—because Mercury Records is the only record company distributing its library on cassette, because General Recorded Tape (GRT) is the only independent duplicator preparing to market its catalog on cassette, and because Mercury and Norelco (both members of the Philips family) are the only equipment manufacturers selling a stereo recorder for the home, the cassette tends to be sold as a voice recorder, rather than as a music machine.

As a voice recorder its position is formidable. So far, 53 companies—including Admiral, Aiwa, Concord, GE, Magnavox, Panasonic, Revere-Wollensak, Standard, Sony, and VM—are committed to the cassette, most of them with a monaural portable recorder. Craig Panorama and at least two major electronics companies are slated to introduce portables this summer. And RCA may well make a third.

Says RCA's J. K. Sauter, "We had the portable cassette under observation for some time—it has the best opportunity to replace the middle-priced voice-only tape recorders, which claim the bulk sales."

But RCA would relegate the cassette to a voice-only position. For RCA, as for many other home electronics companies, 8-track is still the best bet for music.

The reason for this stand: very little prerecorded music has been available on cassette. But Ampex will soon be duplicating cassettes, Liberty Records is setting up a plant to duplicate and automatically load cassettes, and Audio Devices will soon be selling blank cassettes. Still, none of the "big three" record companies—RCA, Capitol, and Columbia—which together claim close to 50% of the entire record business, have



A Norelco stereo cassette player for the home

committed themselves yet.

GE is trying to remedy that situation by offering to take over manufacturing and distribution chores for the record labels. But so far any bites are tentative. Says a Capitol spokesman: Sure, GE has approached us, and it looks interesting. But we need to see more cassette home players first." Columbia echoes: "When they make the market, we'll make the cassettes."

To help make that market, GE, Panasonic, and VM will probably begin offering home cassette recorders this summer. By EIA Show time, there may be others.

With this encouragement, Wybo Semmelink, assistant vice president for Norelco, predicts, "By the end of 1967, all major record labels will be on cassette."

The bulk of the market, however, is still for the voice-only portable. Industry experts predict that 1 million cassette recorders will be in use by the end of the year. And 80% of those will be portables.

The best route: from automobile to home

"Basically, right now, the market is in the car—the home market will come when people have more tapes and want to put them into the house." That's the opinion of Morton J. Locker, of Hamburg Brothers, in Pittsburgh, Pa. And Locker has experience to back up his opinion: about 50% of his business is with car dealers.

Neither his opinion nor his experience is unique. You hear it again and again: "About 60% of our distribution is in auto stores," says Oris Beucler of Capitol, "but, when there's more home equipment, more radio-tv and photographic equipment stores will carry it, too."

And again: "Over 50% of our outlets are automotive," says James L. Levitus, of Muntz, "but lately it's been filtering into the music business." Borg-Warner, which carries a Borg-Warner-designed, Motorola-made 8-track player, began by concentrating on car dealers and record shops, but is moving into department stores and chains.

There's no question about it. At this point in cartridge history, it's the auto-

mobile player that sells the home consumer. Yes, there may be a home-only market for the cartridge now, but the real sales argument is: "If you've invested in all those tapes for your automobile player, why not buy one for the home?"

So, the real key to the future of the home player market is the state of the automobile market. And, at present, the real activity there does not seem to lie with the big car manufacturers.

"Auto companies are pushing the players, sure, but there's a lot of leakage between manufacturer and the sale," says Rubinstein of Calectron. "Dealers are afraid that, if they give too good a pitch for the player, they'll lose the whole car sale."

Since only a few aggressive new-car dealers are pushing the product, new-car installation figures are misleadingly low. Many dealers prefer not to stock any car in their line that carries a factory-installed player. It's much easier to call the independent cartridge player distributor down the street for instant delivery of a hang-on unit.

So, companies like Muntz in 4-track, and Borg-Warner, Automatic Radio, and the newly sold Lear Jet Corp. in 8-track do a big percentage of the automobile player business.

Are the automobile companies satisfied with 8-track? So far, they've all given the system another vote of confidence for their 1968 lines. But rumors persist that changes are in the cards after that—a lot could happen before 1969, or 1970, line introductions.

Cartridge player installations in 1967 automobiles through March, 1967

Ford Motor Co. To	tal 60,911
	factory installed
Ford	14,650
Fairlane	1,768
Mustang	8,571
Falcon	223
Ranchero	124
Thunderbird	12,867
Lincoln-Mercury	Div.
Cougar	4,224
Comet	496
Mercury	5,817
Continental	12.171

factory installed (incl. Chevrolet, Pontiac, Oldsmobile)

General Motors Total

American Motors Total 1,755 factory installed 1,401 dealer installed 354

(incl. Ambassador, Rebel, Marlin)

Chrysler (figures not available)

*"or less"





Lining up the cars and installing the players at Wally's tape center in N.Y.C.

Flaws in the landscape: the problems

Any retailer who has taken even the most cursory peek at the shape of the tape cartridge industry is aware of the many cracks in the foundation. Sure there are problems—it's a new product.

And, of course, most retailers have heard them all. They've heard about the high initial defective rate for both players and cartridges; they wonder about quality; they've watched the inconclusive battle of the standards; they're worried about the possibility of duplication or even triplication of inventory. They know that a prerecorded cartridge is a potential impulse item, but they fear that any would-be pilferer can easily carry one (or two or three) off in his suit pocket-unless the cartridges are safely locked behind counters or glass cases, or "pilfer-proof" fixtures, and, in the process, are safely locked away from impulse purchases. And they've heard about bootlegging. And they wonder whether its worth the bother to stock cartridges plus players—even though they haven't carried records for years.

And, while they sit and worry, and put off stocking players or cartridges, they hear of still another automotive parts dealer or specialty store that has become the cartridge center in their market and they wonder if the whole thing is already beginning to get out

of their hands.



are monitored from a central counter take the place of cartridges



Cartridges behind closed doors cut down A wire-rack, self service display at a on pilferage-and sales

But endless as the problems seemand in some cases they have been distorted to the point where they resemble nothing so much as folklorethere are many solutions, and, as those retailers who have tried and discovered, there are ways to build this industry into a profitable one and this product into a successful plus for any

Returns and the question of quality

Neither 8-track nor 4-track-or, for that matter, the cassette—is of top audiophile quality. But all of them are far, far better today than they ever were even six months ago. It is easier -because of the narrow track width and the greater precision necessary for 8-track—to achieve a better quality on 4-track than on 8. And, in the early stages, the differences were sometimes all too apparent. But, with the help of the Electronic Industries Assn. (EIA), 8-track manufacturers have established standards governing track placement and width. As a result, there is probably little difference between 8-track and 4-track quality, although quality can vary considerably from manufacturer to manufacturer. However, some manufacturers, like Robert Craig, president of Craig Panorama, which currently sell 4-track players only, but soon will be marketing an 8-track, a compatible, and a cassette player as well, insists, "At present, 4-track music quality is far superior."

Early 8-track players were subject to heavy returns while manufacturers ironed out the many bugs born in the crash programs that got the players out on the market in record time. According to Motorola's Kusisto, it took nine months to develop the players for Ford cars, instead of the two and a half years necessary. But for players, too, the problems seem to have diminished substantially-and some 8track players are far more sophisticated than their 4-track counterparts (and more expensive, too).

Figures are somewhat easier to come by for defective cartridges than they



Open displays at Liberty Music Shops Browser cards and posters at Wally's



major chain in San Francisco

are for the players themselves. Currently, many distributors figure the rate of returns for defective cartridges is about 21/2 %. But, as distributors like Michael Daniel, president of Western Tape Distributors in San Francisco point out, "There is still so much merchandise in the pipelines that we don't have an accurate figure yet. Countrywide, it would probably be closer to

Some have experienced even higher returns. "Our ratio is more like 10%," says Amos Heilicher, of J. L. Marsh in Minneapolis. "But we suspect that many of the returns come because a customer gets tired of one album and wants to exchange it for another."

To combat that danger, manufacturers who give returns (RCA offers a 100% one-year warranty; other companies give as much or less, often depending on the mount of pressure a retailer can bring to bear) stipulate that the replacement guarantee covers only a new cartridge of the same title.

"The way we're eventually going to stop these false returns," says James Tiedjens, president of Midwestern Tape Distributors in Wisconsin, "is by enforcing the policy of same-title-only exchanges.'

While the rate of return for defective players is probably close to that for cartridges (5%-7%), many manufacturers and distributors suspect that some cartridge returns are due to defective players.

So, RCA offers dealers a test cartridge to help them determine whether the player or the cartridge is at fault. And many distributors encourage dealers to stock equipment to test a cartridge when it is brought back.

Another return preventative is the head-cleaning cartridge, a cartridge with a mild abrasive to clean collected residue off the player head. Most distributors suggest that retailers sell the head-cleaning cartridges as a kind of cartridge version of the phonograph's diamond needle.

As the defective rate for both player and cartridges drops, the level of sophistication rises. Probably the most technically advanced player on the market is an 8-track unit manufactured by Universal Tapedex Corp., and marketed by Capitol Records. The player incorporates many of the new features that other manufacturers will be introducing at and after the EIA show this year: a fast-forward speed (at up to 15ips), automatic track selection, and automatic ejection of the cartridge to disengage it from the head.

Not all manufacturers see the Universal Tapedex fast-forward as the answer, however. Says Kusisto of Motorola, the company that supplies players for twelve electronics labels and seven automotive brands, "Four times as fast as playing speed is not fast-forward. We won't introduce a player with fast-forward until we have one that's 10 times as fast."

But Motorola does have completed designs on the next step for 8-track (one that some 4- and 8-track manufacturers have already taken): the 8track cartridge player that records, as well. "But," says Kusisto, "we'll have to see substantial interest before we introduce it." Also in the Motorola development bag: a new cartridge which can be played in a vertical position. (Orrtronics claims to have such a cartridge already.) Not only would such a cartridge be a plus for manufacturers who want to design a cartridge player into their tv-phono consoles, but it will soon be necessary in the

car, too. "By 1969," says Kusisto, "the car instrument panel will virtually disappear, so we'll have to find a new place to put the cartridge player-

probably in the armrest." Will Motorola manufacture blank cartridges?

"Not," says Kusisto, "unless we have

The state of the standards

The battle among 4-track, 8-track, and the cassette is far from solved—and may never be. At present, the Midwest and the East tend to be 8-track country, and the West Coast-where the whole thing started—remains the stronghold of 4-track, although, even there, 8-track is gaining.

Price complicates the problem. Eighttrack players tend to be priced at over \$100; 4-track is available for as low as \$39.95. But as 8-track manufacturers begin to broaden their lines, some lower-end 8-track players are entering the marketplace.

Which system should the appliancetv retailer stock? That's partially up to his market, partially up to the manufacturers who supply him, and partially up to whether or not he wants to carry prerecorded music.

"The small dealer should stick to the cassette," suggests G. Berkowitz, of Panasonic. "That way he won't have to stock the music.'

Pilferage and how to fixture

There is money to be made in prerecorded cartridges. And any retailer should think several times before he decides not to stock them. The cartridge customer is beginning to build a library from scratch, and the most conservative estimates put his purchases in the first year at 10 to 15 albums-at a 33% retail margin.

But once a retailer has decided to stock cartridges, he faces two major problems: which configurations should he stock (probably all of them), and what should he do about pilferage.

What most retailers do is hide the cartridges behind counters or locked glass cases, or fasten them into "pilferproof" display racks. As a result, "We're losing all the glamor of our business," says Tiedjens of Midwestern Tape. But many retailers refuse to take the cartridges without the "pilferproof" racks.

Other answers are open wire racks, blister packs (which can add as much as 10¢ to the cost of each cartridge). or browser cards. But the real answer seems to lie in Liberty Music Shop's way of doing things. In its Manhattan store, cartridges are kept on open shelves well within eye range of the many sales personnel who man the central cartridge counter that dominates the main floor of the high-end electronics shop.

As Irwin Tarr of RCA says, "If you expect to sell tapes behind bars-forget it. Pilfer-proof fixtures can be sales-proof, too." Tarr's experience is that turnover rates are 10 times better when customers can browse.

Bootlegging, another problem

About 5% to 10% of the 8-track business and a whopping 30%-40% of the 4-track business is currently being lost to bootleggers. They copy material on 4-track which is only available on 8, or tape a hit record on its release date. or mix and match materials from several albums, or even run a while-youwait business by selling a \$6.95 album, which they tape from their own library, at \$4.95—if the customer will wait a half hour.

The state laws now in existence are somewhat vague where bootlegging is concerned, so manufacturers are agitating to make it a federal offense.

A hole where advertising should be

The biggest row that the cartridge industry has to hoe is getting the message across to the consumer. And so far the whole area of con-

sumer advertising is little more than a fallow field.

"National advertising is one of the major weaknesses of the whole system," says Oscar Kusisto of Motorola. So Kusisto is cooperating with RCA Victor to promote more advertising for the second quarter of 1967. At the moment, RCA Victor-and to a lesser extent RCA Sales Corp.—is the only company with a substantial national advertising program. Other companies, like Lear Jet and Automatic Radio, have done some advertising in national consumer magazines, too, but other than that, it is unexplored country. And, if anyone has used tv to push the new product, it has been on the local level

But other companies are starting to take action, too. Beginning May 15. Borg-Warner will sponsor Alex Dryer's "Man on the Go" show, which plays during driving time on 290 radio stations.

While the cassette story is told with some frequency in national ads, the cassette is usually portrayed as a voice-only recorder—as in the ad below. But Norelco has announced a record \$1.5 million 1967 ad budget to push both the cassette and reel-to-reel tape.











- (a) RCA Victor goes for the national market with ads pushing "travelin" music."
- (b) Famous people like Arthur Fiedler in this ad sell Stereo-8 in one RCA serie of national ads.
- (c) Wollensak sells its portable cassette player for "on the job, at school, in study or lecture"-not for music.
- (d) RCA Victor once again his time selling Stereo-8 as "a pleasure."
- (e) Cartridge players play second fiddle to tape recorders in most RCA Sales Corp. ads. But here, RCA sells Stereo-8 to retailers.

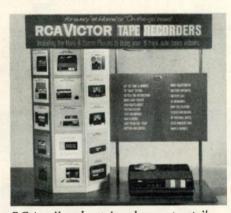
Closing the sale: retail merchandising

As a new industry with a new product to sell, the tape cartridge business rates a spanking new industry organization, a many-pronged new distribu-tion network, and new merchandising tools and techniques.

The new industry organization is the American Tape Cartridge Assn., headquartered at 527 Madison Ave., New York City. Formed a year ago last March by 30 wholesalers, the as-



A retail display explains cartridges



RCA talks about its player at retail



Liberty makes a fuss over cartridges



Muntz tells the world about cartridges



Inside a Muntz StereodPak outlet

sociation has now swelled to over 100 members, including manufacturers, with its first convention set for Aug. 26 in San Francisco. The purpose of the organization: to help set industry engineering standards, to educate consumers, to promote publicity and ad-

vertising, and to gather statistics.

An older organization, EIA, is also helping set standards and gather data.

Distributors for the new industry are often a breed of wholesaler new to the electronics industry. They range from automotive parts distributors to record wholesalers, from photo distributors to tape houses, and to the tape divisions of such electronics distributors as Calectron, the RCA and Whirlpool distributor in San Francisco.

And there is another type of wholesaler, as new as the industry: the tape cartridge and cartridge player specialist, who may handle reel tapes as well, but who entered the business because of potential profits to be made in this heretofore unexploited market. One unique example of this new breed is a national network formed by three independent distributors — Western Tape Distributors, Midwestern Tape Distributors, and Eastern Tape Distributors —who originally came out of the rec-ord business. While each of the companies is king in its own territory, they cooperate to stock national chains.

Tape cartridge and player outlets are as varied as the industry.

Muntz Tape City is the Los Angeles factory outlet for the giant 4-track player and cartridge manufacturer who services 15,000 other outlets nationwide. Listening booths, instant installation, and service are the keys to the Muntz operation, which has a large clientele among teenagers because of the relatively inexpensive players and cartridges it sells.

Wally's Stereo Tape City is an automotive parts garage turned tape center. which uses its narrow, limited space to do a booming cartridge and player business. During the week, the center is stuffed with cars lined up for quick 4-track or 8-track player installation. On Saturdays it becomes a Tape-otheque, as teenagers gather to dance, and stay to buy cartridges.

Some appliance-tv stores sell players. According to Jules Steinberg, executive secretary of the National Appliance & Radio-TV Dealers Assn. (NARDA), of the 72% of NARDA members who carry consumer electronics, 15% sell tape cartridge players. Some hide the players away among other better known goods, some build a cartridge corner, and some, like Liberty Music Shops, proclaim their merchandise in a front window, set up a cartridge counter front and center, and man it with informed sales personnel.

Department stores and chains are in the act, too. At Macy's, Herald Square, a full page ad in the "New York Times" last November heralded the opening of Macy's new cartridge and cassette shop. At Macy's in San Francisco, cartridge tapes led to a prerecorded reel tape business.

Platt Music Company, which runs leased appliance and tv departments for the May Co. chain in southern California, carries cartridges, too. "I think everyone should be in cartridges players aren't so important yet, since player sales are in the automobile," says Herman Platt, company head.

Wherever those sales are now, they can be on any retailer's sales floor tomorrow-if the whole industry promotes and merchandises this new product. As merchandisers were saying at the National Assn. of Record Merchandisers' convention in Los Angeles last month, "We've been assailed with dramatic forecasts for this industrynow its up to us to make them happen."



☐ ☐ The Lumia Convertible from Westinghouse is a combination 3-inch portable radio and high-intensity desk lamp. The radio and high-intensity desk base of the lamp. When in this position, the radio operates on house current and is amplified by a 5-inch speaker located in the base. A push-button control operates the lamp independently of the radio.

The radio can be used as a portable unit simply by lifting it from the slot; it is then powered by a standard 9v battery. The lamp is joined to the base by a telescoping swivel arm that can extend from six to 15 inches. The complete unit carries a suggested list of about \$29.95. (Westinghouse Electric Corp., 3 Gateway Center, Pittsburgh, Pa. 15230)



☐ ☐ A new solid-state tape recorder from Panasonic features a 2way record and playback system that provides continuous operation in both forward and reverse. Called the Bandleader RQ-501S (shown) the recorder also has a Sure-Power system and an Easy-Matic 3-position control. The Sure-Power system automatically shifts the

unit to battery power if a failure occurs in the regular AC power source. The Easy-Matic control provides recording with automatic compensation for overloading, true-fidelity recording, and a sound-monitoring public address system.

Other features include two speeds (3¾ ips and 1½ ips), a 3½-inch speaker VU battery-level indicator, 3-position digital tape counter, and a remote-control microphone with stand. The Bandleader lists at \$125, complete with six D-size batteries and accessories.

Panasonic also introduced three other new tape recorders: the Recorder RQ-102S, a solid-state portable with both the Sure-Power and Easy-Matic features and 2-speed capstan drive, at \$59.95; the Reminder SQ-103S, a solid-state portable with 2-speed capstan drive, at \$49.95; and the System Maker RS-7660S, a tape deck with 3-speed capstan drive mounted in a walnut cabinet, at \$149.95. (Matsushita Electric Corp. of America, Pan-Am Building, 200 Park Ave., New York, N. Y. 10017)

Will solid state technology stump your TV technicians?

Not if you take advantage of all the training help made possible by Motorola's greatly expanded field-service staff. Read what it can mean to you.

No question about it. A technological revolution is now underway in the home entertainment business. Radios are solid state. Stereos are solid state, and now TV is rapidly going solid state. And, the trend is bound to continue as customers seek other products with advanced space-age reliability. But, if your men understand tube technology—they can learn transistor technology quickly.

That's why Motorola has introduced the new "Professional Technician Program." Our training staff of technical representatives has been greatly expanded to handle the program. These men will work with Motorola Distributor Service Representatives . . . and in some cases with your own men in your own shop to help them learn the new technology.

With the help of P.T.P., Motorola distributors have strengthened their own service training programs, too. Some have training facilities set up in their own places of business so you can send your technicians in for "refresher courses."

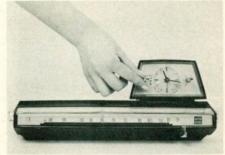
Many hold periodic training meetings for large groups. Motorola Regional Service Managers are often in attendance at these meetings to provide detailed information about design and service features.

Just talk with the service manager from your Motorola Distributor's. He is well prepared to help you with training for solid state circuitry. Motorola is the television industry's largest producer of solid state components and a leader in solid state technology.



being shown by Phillips; both are in American-style satin-walnut cabinets. One, designated the Pacific, has a stereo amplifier, an AM-FM-SW-FM stereo tuner, a phonograph, six concert speakers, magic-eye push-button tuning, and AFC circuitry. The unit measures 16 inches by 26 inches by 67½ inches. The Pacific carries a suggested list price of \$349.95.

The other new unit is called the Regent (shown); it features a more powerful stereo amplifier, an AM-FM-SW-FM stereo tuner, phonograph, six concert speakers, magic-eye push-button tuning, and AFC. The unit measures 16 inches by 26 inches by 68 inches; suggested list is \$389.95. (Phillips Audio Inc., Importers and Wholesale Distributors of Kuba Stereo Consoles, 29-28 41st Ave., Long Island City, N. Y.)



☐ ☐ A slim-line AM-FM clock-radio is being shown by Norelco.

The new unit has a slim-line base that contains a solid-state radio with flush-mounted speaker; the radio has automatic frequency control on the FM band. Perched above the radio, the clock has a constantly illuminated face and a 60-minute slumber switch. The entire unit is housed in a high-impact polystyrene cabinet that is available in alabaster and pecan. It carries a suggested retail price of \$69.95. (The North American Philips Co., 100 42nd Street, New York, New York 10017)





Sentry's cartridge tape music center

Cartridge tapes: how to lock in your sales profits

Pilfer-proof point-of-purchase cartridge tape display cases are being offered by the following three companies:

Sentry is offering its cartridge tape music center (shown above) to retailers who purchase 4- or 8-track stereo tape cartridges, or any combination of the two. It has a Plexiglas cover with a hidden lock in back, holds 95 cartridges, and occupies less than 23 inches of counter space.

Richard Price, sales manager for Sentry, says that "many retailers have . . . lost profit opportunities only because a pilfer-proof point-of-purchase display has not been available." (Sentry Industries Inc., 511 So. 4th Ave., Mt. Vernon, N. Y.)

Ampex has a stereo tape cartridge merchandiser — model BD-400—made of walnut-grained Masonite. It is a free-standing unit that has a lower shelf with an optional pilfer-proof grid and a top section with Plexigas doors that can be locked with jewelry case lock fixtures. The merchandising unit measures 48 inches long by 29 inches deep and holds over 400 tape cartridges. It sells for \$145 with the pilfer-proof grid, and for \$125 without it. (Ampex Stereo Tapes, 2201 Lunt Avenue, Elk Grove Village, Illinois 60007.)

Associated Record Corp. offers a stereo tape center (shown below) with its automatic stock replacement program. Associated stocks the case, makes periodic inventory checks, deletes obsolete titles from the display, and replaces them with current titles. The unit is a walnut pilfer-proof display case with a glass front. Dubbed model 400-STC, it holds 400 cartridges. Another stereo tape center—model 200STC—holds 200 cartridges. (Associated Record Corp., 1721 North Olden Ave., Trenton, N. J. 08638)



Associated Records' stereo tape center

DEALERS KEEP TELLING US WHAT WE CAN DO WITH OUR

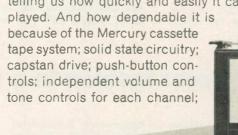


TR 8700 PORTABLE STEREO CASSETTE TAPE RECORDER

They tell us we can play it in any position. Standing up. Laying down. On its side. And especially while being carried.

Then they tell us how we can get sensational big-set sound with the wing speakers attached or separated. Or played through an external sound system.

And as if that wasn't enough, they keep telling us how quickly and easily it can be



two VU meters; input and output connections. And the ability to be played on batteries or through any AC outlet.

Together with dual dynamic microphones and four free pre-recorded cassettes (worth \$23.80), they tell us it's the most stereo tape recorder for the price—only \$159.95.

We hate to blow our own horn, but they're right. And we knew it all along.

So now if you don't mind, we'd like to tell you what you can do with our TR 8700. Stick it right up front. You'll sell a bunch. At least that's what dealers keep telling us.





TR 8000 Cordless Cassette Tape Recorder—solid state circuitry; capstan drive; shoulder strap; microphone with remote start/stop; patch cord; blank cassette; cassette library rack. Retail price \$79.95.



C-60 & C-90 Blank Compact Cassettes—60 and 90-minute Compact cassettes can be used with TR 8700 and TR 8000 Mercury recorders plus all other cassette-type units. Retail price C-60 \$2.65: C-90 \$3.75.



MERCURY

MERCURY RECORD CORPORATION . HOME ENTERTAINMENT DIVISION . CHICAGO 60601

Discounters look at the distributor: his place amid drop shipments

The squeeze-out of hard goods distributors by discounters appears to be easing slightly—particularly in the hardware-housewares categories.

Nevertheless, where distributors are being used, discount management tends to look upon them with suspicion: they are to be used sparingly and watched closely.

Where distributors remain squeezed out altogether—with chains buying almost 100% on direct-sell—the distributor remains a "cancer" to be avoided at all cost.

The role of the distributor in serving mass merchandisers was considered a chief issue by many panelists participating in the recent discount seminar sponsored by the Mass Merchandising Research Foundation Inc. (MW, 17 Apr., p.27). The topic was not on the agenda, but few participants failed to express an opinion in regard to jobbers, especially when discussing their buying operations.

One view of jobbers was offered by Sheldon Woolf, president of National Hardgoods Distributors—a firm that has a distributor-like name, but is actually a leased-department operator. National Hardgoods was recently named as "merchandising consultant" to the Spartan-Atlantic Mills complex, which means it is buying for and running departments in some 100 discount stores.

"I don't feel a discounter can afford to rely on local sources," Woolf said. "A local jobber or service vendor is a cancer . . . costs of goods are always out of line. A direct drop-shipping program means operating efficiency. You buy at the best price and keep continuity."

Another view of jobbers is that those who remain—who have not gone out of business or become leased-department operators—have repented, abandoned their old ways, and can be used effectively to supplement a discounter's drop-shipment operation. Most discounters who adopt this point of view find the jobbers most valuable for product categories such as housewares, hardwares, electric housewares, sporting goods, and toys—all of which are composed of many smaller-ticket items.

"Most jobbers will work very closely with us," Jack Kipperman, vice president and director of merchandising at Barker's, has found. He cited working with jobbers—on a supplemental basis—as one of his key points in outlining an efficient and profitable discount operation.

"The jobbers remaining today are stronger than ever," claimed Dick Schott, executive vice president of Merchants Buying Syndicate. (One discounter in the audience chimed in that he did not know any jobbers who remain today.)

Schott added that many of the remaining jobbers have learned to service the discount industry—whereas, in earlier days, most jobbers were not conditioned or set up to accommodate the discounters.

The correct approach to jobbers, according to Ray Kaufman, general merchandise manager of Hartfield-Zodys: "Let the jobbers say what they please, and then we do what we please."

One problem with putting more buying on a local basis, according to several discounters, is the lack of qualified personnel—department managers as well as store managers—at the retail level. A number of discounters said they attempt to give the store managers as much leeway as possible in tailoring their product assortments to local marketing conditions; but, "if you delegate too much authority, you can be in trouble."

Nevertheless, as one discount source pointed out, the problem of lack of personnel on the store level opens up an opportunity for a sharp distributor to move in and perform a real service—provided he is one of the "new breed" of distributors who know how to work closely with discounters.

In the meantime, discount management clearly is looking to electronic data processing to bring to it the controls—and the cost savings—needed to effectively service far-flung stores on a drop-ship basis. If EDP happens to prove less magical than the discount industry has anticipated, the future role of the distributor might well be enhanced.

Discounters look at inventories: assortments need to be pared

The warning for a cutback in product assortments has been sounded by leading mass merchandising chains.

"Particularly in housewares, we have too many items; but we do not know what to discontinue," explained William Levi, senior vice president and general merchandise manager for J. M. Fields.

The word is out: improve turnover. It has dropped off throughout much of the mass merchandising industry; and a further paring of product assortments—with the elimination of deadwood—is high on the list of remedies.

Levi hinted that it will be only a matter of time, thanks to electronic data processing, when Fields will know what items it can eliminate from housewares assortments, as well as other product categories.

Getting the basics into shape appears to be one of the main goals of discounters today; and the fulfillment of this goal is closely tied up with EDP and better controls, as well as establishing—perhaps for the first time—what the basics actually are.

"Some buyers get so involved in looking for the hot-shot deals that they lose sight of the profitable business of basics," maintains Jack Kipperman, of Barker's.

Working with less inventory holds another promise of increased profits for discounters. And less inventory will be accomplished not only through paring product assortments, but through faster re-ordering.

A number of discount executives reportedly want to cut down on the size of their re-orders; but one problem—even with increased speed in reordering—remains: the cost of freight. Too often, freight rates are dictating the size of re-orders.

According to Dick Schott, of Merchants Buying Syndicate, the major problems facing discounters today are quite different from those of only five years ago—when discounters were talking about issues such as fair-trade and loss leaders.

"Today's problems are more complex," Schott said, citing electronic data processing, basic inventories, product assortments, personnel, and profitable advertising as areas that most often require a considerable amount of expertise in their handling.

The days when "all you had to do was advertise national brands at discount prices and you were in business" are over, Kipperman pointed out. Discounters—now, perhaps, "promotional department stores"—are being forced to remodel their stores, hire additional sales personnel, extend credit, and even offer free delivery in some product categories, he said.

"The days of the captive shoppers are over," Kipperman observed, implying that a discounter needs more than low prices to attract customers.

New customer services being offered by discounters add, of course, to their overhead—explaining, to a large extent, why discount management is so anxious to bring their product inventories into line.

There is little doubt that discounters are concentrating on getting down to the basic problems of realizing improved profit.

Discounters look at gift housewares: fashion in a wheel-and-deal world

Does the housewares buyer for a discount chain lack the personal taste to buy "gifty" products for an increasingly sophisticated consumer?

Some discount management executives believe so: that discounters have struck out in gift housewares and giftware categories because they have assigned them to the housewares buyers, who lacks the taste necessary to put together a sales-winning product assortment.

The search for more profits is luring the discount industry into the gift housewares and giftware areas, which the industry long has forfeited to department and specialty stores. These categories have proved to be a profit plum, offering markups of 40% or better—which explains why so many housewares departments in department stores are becoming so "gifty."

The main discounter argument against giftware, in the past, was that of poor turnover—long a magic word in discountland. But turnover in general has slowed down at many a major discount chain, causing executives to put

more emphasis on improving markups and bringing markdowns into line.

In moving more heavily into gift housewares and giftware, the discount industry appears to be heading toward a further product breakdown: gift housewares seem likely to leave the housewares department. Rather than encouraging the housewares buyer to try to fancy up his department, the industry seems bent on assigning all gift business to a separate buyer and department.

While the gift housewares—largely gourmet cookware and better serving accessories—appear to be of prime interest to discounters going after additional gift business, the upgrading tendency is by no means limited to gift housewares per se. Home accessories of all types—but particularly the bath and closet area—are prime targets for profit.

Many discount chains already have upgraded their bath and closet shops, and are now concentrating on bringing a touch of fashion—and some extra profits—to their giftware and gift

housewares departments.

An example: Barker's. This 18-store division of Franklin Stores Corp., with headquarters in West Haven, Conn., is but one of the discount chains seeking to upgrade giftware operations.

"We have gone into better giftware," explained Jack Kipperman, by broadening product assortments and "re-fixturing all our stores."

Almart, a division of Allied Stores Corp., also is cited by discount executives as running a very effective giftware operation in all of its stores. Kipperman suggested that other discount merchandisers take a look at Almart's gift departments—implying that his chain already had done so.

Dick Schott, of Merchants Buying Syndicate, a resident buying office serving more than 4,000 discount outlets, calls on mass merchandisers to emphasize giftware more heavily, as

Schott feels that the giftware department should be separated from housewares—and with a separate buyer. He thinks too many housewares buyers

buy gift housewares according to their own taste, suggesting that the buyer's taste is often inferior to that of the consumer.

Consumers are changing discounters: of this there is little doubt. So testifies Eli Rabkin, buyer of hardware, paints, and automotive accessories for Shoppers' Faire, an eastern-based discount chain.

"The discounter introduced women to hard goods," expained Rabkin; and now the discount buyer—even for such once-manly areas as hardware and paints—must work on satisfying her needs.

"The luxuries of yesterday are the basic stocks of today," Rabkin emphasized. The discounter now needs to add "exciting items" to the standard assortment of basic and promotional items. The exciting items, he added, should be "quality items at a fair price.

"It is up to the buyer," Rabkin said,
"to anticipate the woman's need and to
have a stimulating and exciting assortment and promotions to implement
the program."

—Ed Dubbs

It's for families who want a set that's light enough to really get around. Yet large enough so the whole family can really get around it.

Of course, you could say that calling any Sony a giant is a gross exaggeration. That there are plenty of portables your customers could buy that could truly be called giants

But if they believe a set is portable just because someone's stuck a handle on it, they could get stuck with a portable they just can't handle.

It's a cinch to handle our giant. Whether you're selling it. Or lifting it. (It weighs ten pounds.)

But when it comes to sound and picture quality, it's head and shoulders above a lot of big sets. Thanks to new epitaxial transistors. And an overgrown speaker.

Maybe we're making a big thing out of a little portable. But this is not stretching the truth: We expect it to be one of your biggest movers.

THE SONY® GROSSLY EXAGGERATED 9-51 UW TV

OUR SONY, THE GIANT.

Sony Corporation of America, 47-47 Van Dam Street, L. I. C., N.Y.



Your next Kitchen Aid sale may begin right here.

If you're a KitchenAid dishwasher dealer, you've got more than your own salesmen selling for you.

You've got our consumer ads in these 19 national magazines, too.

More ads than we've ever run before. In all kinds of magazines like Life, Better Homes and Gardens, Good Housekeeping, House Beautiful, House & Garden, Sunset, Southern Living, and a whole slew of building and remodeling guides.

Plus a beefed-up program of strong retail promotion activities. And national TV participations.

You see, we work hard to make your selling easier. And more profitable.

Your distributor can give you more new selling aids and ideas. Plus information on the line of dependable KitchenAid built-ins, portables, convertible-portables and dishwashersinks. Or write KitchenAid Dishwashers, Dept. 7DP-4, The Hobart Manufacturing Company, Troy, Ohio 45373.

Kitchen Aid Dishwashers

By the makers of Hobart commercial dishwashers and food waste disposers.

HOUSEWARES NEWS

S&H campaigns to stamp out housewares' 'ugly brown box'

Use all six sides of every package to do a selling job. This is the advice offered by the S&H manager of packaging services to housewares manufacturers who want to get more stamp company business.

Addressing the April meeting of the New York Housewares Club, Sperry & Hutchinson Co.'s Tom Kenyon called for better promotional packaging—that screams "Buy me"—particularly for its new self-selection stores.

"Too many packages make no attempt to get the customer to change her mind," he said, adding that S&H is able to switch the stamp saver three out of ten times she goes into a self-selection redemption store. Remember—your package is a silent salesman, just as in a supermarket. Tell the customer what's inside.

Packaging should sell itself—but much housewares packaging is not geared to do so. Some examples Kenyon offered: so-called "gift packaging" ("the plain old-fashioned gift box"); most dinnerware packaging ("nothing worse than china packaging"); shower curtains that are packed in boxes instead of plastic bags with stiffeners ("once the box is broken, she won't pick it up"); the lack of packaging for bath-mat sets ("S&H moved 2½ million bath sets last year, but too much of this merchandise gets shopworn

and unsalable"); and the "monstrous problem" with throw rugs. His big complaint about cookware packaging: "You're all copying Corning."

S&H's biggest packaging problems, Kenyon said, are packages that are pilferage prone, oversized cartons, and cartons lacking proper identification.

"Same-size packages," he noted, also cause a problem: they invite customers to switch a higher-priced item into a lower-priced package.

S&H is most concerned with its instock position, and is relying more heavily on computers to program it into a never-out-of-stock situation.

"We carry only 1,781 different items, compared with more than 70,000 that bigger retailers handle. We have programmed computers to re-order factory-packaged items whenever a store needs ½ or more to bring it back to the minimum of the maximum [instock position]," he said. Every store carries an 8-week supply of inventory, every warehouse a 6-week supply.

Forecasting increased use of computers in the S&H operation, Kenyon noted that S&H is about to start using optical scanning or reading in its sales records, which will allow its computers to "create" new orders, cut back on inventories, and still permit the company to give better service.

-Joan Bergmann

The blister pack's challenger: it slides on and snaps closed

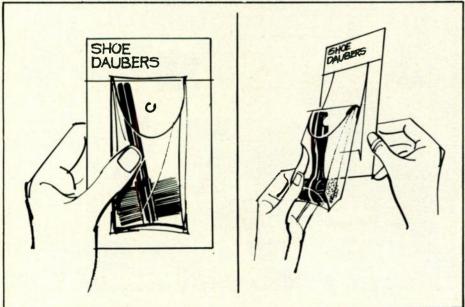
Gant Brushes is out to beat a wrap—the blister pack wrap.

At a time when packaging emphasis is being put on disposables and "ripoffs," Gant has come up with the Gans-Pak: a soft-vinyl, reusable bag that can easily be slipped off its blister card. The card is to be thrown away, but the snapclose, clear vinyl bag has been designed for re-use as a storage or travel bag.

The brush firm, which sees the Gans-Pak as "the logical successor to the blister pack," is currently using it on its own lines of shoe-care brushes, hair brushes, whisk brooms, brooms, and dust mops.

Said to add little or no extra cost to the product's selling price, the Gans-Pak is already proving itself to be as effective a merchandiser as the blister pack. In recent supermarket side-by-side tests conducted in New England and on the West Coast, company spokesmen reported that products in the vinyl bags outsold those in blister packs by four to one.

Gant also is making the packaging technique available to other firms on a royalty basis. Several hardware and housewares manufacturers are said to be interested in the package.



The Gans-Pak idea; slip the vinyl bag off the card and use it for storage

DDD Look for more women calling on retailers as more manufacturers and sales reps start adding women to their staffs. Burt Sloane, popular New York City rep for Salton, Sessions, and other lines, has put two women on his staff to service branch stores. He is extremely happy with the move, which was made at the urging of Lou Salton. The women do not write orders, but take inventories at the branch stores and "chit-chat" with the salespeople there.

National Presto also has added a woman to its sales organization in the New York City area, and Waring Products has had a saleswoman calling on accounts in northern New Jersey for about eight months. Waring's attractive young saleswoman is Mary Ann Pezzullo; her boss, Marc Levey, a former assistant buyer at Macy's New York, could not be happier.

Sloane believes that women, who are often available on a part-time basis, provide the ideal answer in servicing branch stores—an important area that can no longer be overlooked in dealing with department stores and other chains. "They are especially valuable to a rep in handling 'detail work'," another trade source commented.

styled in walnut grain and accented with chrome. The unit—model WT611 Broil-O-Matic—lists at \$15.95. Rival also is shipping a new clamp-on Shred-O-Mat manual shredder at \$8.98 suggested retail.

□ □ □ □ Moulinex shows an automated silent butler: the 4-battery-powered Crumber. Retail price on the item has been set at \$6.95, and delivery is expected to begin in about six weeks.

Add another facial sauna to the growing market, as Hydro-Massage introduces its Sauna Beauty model SBFE into cosmetics departments. The facial device—which comes with its own facial cream—is promotionally priced at \$15.95 list. Goldblatt's, in Chicago, has already sold the item at \$9.95—well below the list price.

For the woman who does not mind the mentholated odor of Vicks Vapo-Rub in her facial, Hydro-Massage also has a Fogger Vaporizer. Priced at \$15.95, the vaporizer uses the Vicks product in its steam, but can also double as a facial sauna.

Teflon-coated, chrome-plated steel cookware beginning next week. The eight pieces in the line use the same process that Everedy first introduced for bakeware last year. The Ever-Clad group includes a 5-qt. Dutch oven, which retails at \$7.95; a 3-qt. covered saucepan, at \$6.25; and a 7½-inch covered skillet, at \$3.45.

□□□□□Super-sized, super-priced Melamine dinnerware is being marketed by Plastic Potters Inc. The Dallas-based firm hopes to bring "elegance" to plastic dinnerware by offering bold patterns and new shapes that are larger than standard dinnerware pieces. The dinner plate, for example, is ½-inch larger than the standard size. Going initially into gift departments on a one-store-per-city basis, the dinnerware is priced at \$25 for a 20-piece service for four; it is also available in open stock. The six patterns in the line are being manufactured for Plastic Potters by Plastic Manufacturing (Texasware).



A redwood table and bench set becomes the focal point of a display, thanks to a Tiffany-like lamp and tabletop accessories inside the Summerville cottage.

Macy's New York launches a jazzed-up Summerville U.S.A. promotion today around "the house Herb Wexler built."

The house—which is now a summer cottage—sits smack in the middle of Macy's Summerville, located in its Housewares Lower Level at the Herald Square store. The wood-shingled cottage features window boxes filled with oversized paper flowers. Inside the cottage, the walls have been papered in a summery print of watermelon and other fruits.

Macy's calls its Picnic Pzazz.

The cottage is actually converted from the house-like boutique that Macy's originally constructed for the Housewares U.S.A. promotion it conducted in February. At that time, the cottage was dubbed the Piazza Pzazz.

And, even after Summerville U.S.A. ends its run, the cottage will remain—to be converted for a role in the new promotional approach for the fall merchandising program to be conducted by the metropolitan retailer.

Macy's Herbert I. Wexler, vice president and hard goods administrator, feels that the everchanging house is good for at least a couple of years of use in store promotions.

For the present, however, Wexler is not tipping his hand on the actual details of how the house will be spruced up for the fall promotional season.



The cottage sets the summer mood at Macy's



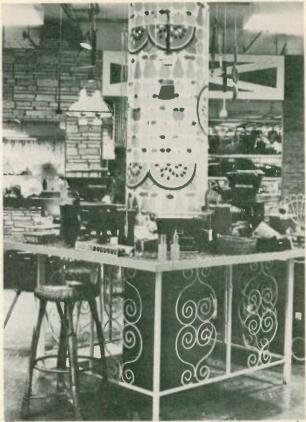
The Picnic Pzazz comes alive with color but, at the same time, retains an over-all atmosphere of relaxation, at least compared to the campy, vampy, mod, and mad Piazza Pzazz that preceded it. The new summertime cottage is a carefree blending of nostalgia and leisure living.

The merchandise, too, is a blending: big-ticket and little-ticket, new items and old standbys, strictly seasonal goods and basic gift housewares. This year, the emphasis of Summerville is on the high end, especially in the bigger-ticket seasonal items such as barbecues and summer furniture.

The first newspaper ads are scheduled to break this week in the weekday editions of the New York Times. As in the past, the initial ads will be chiefly institutional in concept, playing up the total Summerville U.S.A. scene.

These first advertisements will be followed by product-oriented ads. Macy's has already mailed a 64-page catalog to its charge account customers.

The Summerville U.S.A. theme is actually playing a return engagement at Macy's; last year, Summerville focused on a miniature village, com-



A column papered with a summery print serves as the centerpiece for this hibachi display, which also includes accessories such as bar goods and woodenware.

plete with street signs: barbecues were on Patio Place and Charcoal Circle, lounging furniture on Rattan Road. Emphasis was on product coordination and upgrading.

In addition to the cottage setting this year, the Summerville promotion also is taking a new shape of increased scope. The promotion has been extended to include the entire home furnishings division, rather than having the limitation of being principally a housewares event, as was the case last year.

More is happening at Macy's than merely the Summerville U.S.A. promotion.

With the opening of its new Closet Shop, Macy's—under Wexler's guidance—is about half finished with its program to remodel the entire Housewares Lower Level; the remodeling program is being conducted on an area-by-area schedule.

Macy's remodeling program—as first detailed in these pages (MW, 10 Jan. 66, pp.20-21)—has been aimed primarily at the elimination of bulky fixtures and at giving the Lower Level at the Herald Square store an "open, airy feeling," with the introduction of new displays and new shops.

"We felt we have been over-fixtured," Wexler explained. "It looked as though we were selling fixtures rather than merchandise."

-Ed Dubbs



An invitation to an outdoor barbecue is invitingly staged against the summery backdrop of a brick wall, along with "grass" floor, ferns, and straw.



Tap beer and steamed clams create the picnic-clambake atmosphere in this display corner of Summerville, which is devoted to merchandising picnic goods.

Switch Hitter.



It Turns Spring Prospects Into Playing Customers.

Right off the bat this $5^{1/2}$ lb. tape recorder has to make a big hit with your customers.

It gives them a swell double-play combo.

First, it plays off durable "D" flashlight batteries.

Which means a guy can take it out and play (or record) anyplace.

But it also has a plug. So he can take it home and play it from an outlet. (Great for saving wear and tear on the batteries).

But switch-hitting isn't the only reason you'll want this solid-state beauty on your team.

There's the quality of the musical Model 6590).

playback. Wait till you hear it. Many far costlier models are a feeble cry compared to the Cavalier.

And there's Automatic Level Control. Which automatically records loud voices close to the mike at the same volume level as weak voices clear across the room.

Furthermore, the Cavalier itself will automatically start at the sound of your voice. (Just add our remarkable Voca-Trol Voice Actuator, Model 6590).



There's also the Capstan Drive, 2 speeds (3³/₄ and 1⁷/₈ IPS), 3¹/₄" reel, remote control mike, and all the rest. (Accessories, that is).

And we back 'em all with Channel Master's famous 120 day free replacement guarantee. Than which there is none stronger.

Sound good? Then give your Channel Master distributor a buzz.

Just don't be surprised if you get a pitch on our other terrific recorders, too.

Even if they aren't switch hitters.

CHANNEL MASTER

Channel Master makes a complete line of tape recorders.















of hard-finished Teflon to pump needed sales life into their products. A number of leading cookware manufacturers previewed new fall lines at the National Premium Show, in New York City, last week, and hard-finished coatings were more prevalent than ever. Producers reported a revival of consumer enthusiasm for Teflon-coated cookware as a result of recent promotional emphasis on "Teflon coatings that don't have to be babied." In color, bronze tones appear to be making gains at the same time producers are adding to their avocado lines.

□ □ □ □ West Bend accessorizes its Country Inn line with the introduction of a Tilt 'n' Tote canister set and a bread box in avocado shades. The 4-piece, plastic canister set comes in its own wall-type storage unit and features removable white lids and changeable name tags. The canisters can be either tilted out of the unit or taken out entirely for cooking and cleaning purposes. Both are being manufactured by West Bend's Thermo-Serv division and will be ready for delivery in 60 to 90 days. The canister set will retail at around \$13, and the bread box at around \$11.

Mc Call's West Bend plants for spring profits Springtime in gift country: West Bend Wisconsin, where Craftsmen still care West Bend's exciting Gift Country color spread in the May issue of McCall's offers a sparkling selection of ideas for the spring gift season. And to over 8,000,000 women readers! West Beno Made in WEST BEND, Wisconsin The West Bend Company, Dept. 184, West Bend, Wisconsin. Also available in Canada. © The West Bend Company, 1967 ...where Craftsmen still care

□□□□ Avocado and Poppy in graduated shadings are the color choices for Tempo, Club Aluminum's heavy-gauge aluminum cookware with triple-coated, hard-finished Teflon coatings. Club has adapted the design features of its award-winning Coronet cookware group to the new line, adding positive-grip handles and flame guards. The Tempo line is expected to be ready for June delivery.

□ □ □ □ Regal picks up the Eternalum process, which is currently used by Revere on a line of top-of-range cookware and by General Electric on some of its percolators. Regal will adapt the multi-hued enameling process, in tortoise shell tones, to a 4-qt. "thermo-bucket," a 4-10-cup electric perc, and a 40cup party perc. The ice bucket will retail for \$17.95; the 10cup perc, for \$24.95; and the party perc, for \$39.95. The company is aiming for a June delivery date on these items.

□□□□ Regal uses scratch Teflon in chocolate brown for two new groups of cookware under the Regal and Princess names. The Regal line -expected to be ready for delivery around May 1—comes with either bronze-anodized- or polished-aluminum covers. A 9piece set with the bronzed covers will retail at about \$27. The Princess line will carry covers in both Autumn Haze-anodized and polished aluminum. Delivery on the Princess line is slated to begin in about six weeks.

□□□□ Wagner's Magnalite adds a 2-qt. casserole, at about \$8 retail, to its line of cookware. The design is adapted from Wagner's bean pot.

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□ □ Vanity fair—a Vanity Carousel, Vanity Susan, and Vanity Tray—are Rubbermaid's initial entries into the vanity accessories field (MW, 17 Apr., p.30).

The Carousel, a storage center and organizer, comes in antique white with changeable gold fabric inlay and adjustable mirror; it carries a retail price of \$9.95. Both the Vanity Susan and Vanity Tray come with a plain or anitque mirror or changeable fabric inlay. The susan carries a suggested retail price of \$4.95; the tray retails at \$7.95.

As an introductory feature, Rubbermaid is offering a free display rack with the purchase of a complete set of four Vanity Susan and Vanity Tray combinations. A Vanity Carousel dispay unit is also being offered to retailers at a cost of \$2. (Rubbermaid Inc., Wooster, Ohio)

□ □ A modern look in bath fixtures is being shown at Martin S. Garment Co. in a group of gold-plated and satin-pewter finished fixtures with a marbelized plasic backplate. The fixtures have the look of Scandinavian design and should go well with some of the more contemporary towel and curtain designs. The backplate comes in black, white, jade green, pink, and blue. Prices range from \$3 for the towel hook to \$8 for the towel bar. (Martin S. Garment Co., 230 Fifth Ave., New York City)



□ □ A step in time: Ingraham's "Commercial" has moved out of the office and institutional setting and into the "with it" home where op, pop, and art nouveau rule the decorating roost. With a diameter of 14½ inches, the clock has black numerals and hands and a red sweep second hand. The case is bronze, but can be repainted to taste in more adventurous enamel. The clock's suggested retail price is \$11.98. (Ingraham Co., Redston Hill Rd., Bristol, Conn.)

MANUFACTURER PROMOTIONS

Schick Electric is cashing in on the wig and hairpiece craze with its current "Flip Your Wig" promotion. Customers who purchase any Schick Beauty Salon with Beautifying Mist or Capri Consolette hair dryer will receive a custom-matched, human-hair Cleopatra wiglet when she sends in a lock of her hair, the back cover of the instruction booklet, and a check for \$9.95. This represents a savings of up to \$30 on the cost of a wiglet. The promotional offer continues through June 17.

Westinghouse goes patriotic for one of its spring promotions. Dealers are offering customers a deluxe 3-ft.-by-5-ft. American flag for \$2.95 with the purchase of a Westinghouse Super Vac

Cleaner. By sending in a special certificate along with the guarantee, purchasers will receive—in addition to the flag—a 6-ft. aluminum pole, a deluxe holder for mounting, an eagle pole ornament and manila halyard, and a flag etiquette booklet and instruction sheet.

In another program, Westinghouse lets dealers choose one of three electric housewares promotions for which the customer sends in a refund certificate with warranty card. This program—part of the company's Spring Spectacular Big Bonus Promotion—offers refunds on three groups of appliances: Group A—a Deluxe Steam and Dry Iron, an electric slicing knife, and a Long-life frypan; Group B—a Steam 'N Dry iron, a can opener and

knife sharpener, and a solid-state blender; Group C—a tap-water Spray Steam 'N Dry iron and a 4slice toaster. The refunds are \$1, \$2, and \$3 for each group respectively.

Union Carbide will use prime-time network television, beginning May 12, for its spring and summer advertising campaign for Eveready batteries.

Memor is expanding its national advertising with a series of full-page new product ads scheduled to break in "Life" magazine on May 5 and continue until June 16. The ads will focus on Melnor's compact traveling sprinkler, Time-A-Matic oscillating sprinkler, deluxe adjustable lawn edger, and deluxe stainless steel pruner.

THE MOST EXCITING BREAKTHROUGH IN TAPE RECORDED HISTORY!

Over 500,000 sold in first six months on the market!



Meet The Music Machine

(Suggested list price, with tone control, \$29.95)

Just push in a tape cartridge and out comes the music you want. For as long as you want. Without rewinding.

\$1.49 gives your customers four complete pop hits, on one cartridge. Or they can get 8 selections for \$2.98, on the Long Play cartridge.



and Son of Music Machine

(Suggested list price, \$19.95)

All the portability of a transistor radio. All the play-whatever-you-like selectivity of a phonograph. All in one machine!

The MGM PlayTape 2.
It plays anywhere. Indoors, outdoors, right-side up or upside down. Completely portable.
And completely automatic.



SPECIAL PREPACK
AVAILABLE! 12 Music Machines
with 144 cartridges on unique
counter display! For the name of
your nearest distributor, please
contact by mail only:
Irv Stimler
MGM Records

MGM Records 1350 Avenue of the Americas New York, N.Y. 10019 Also, some limited territories still

open for distributorships.



MGM PlayTape 2
offers the world's
largest library of
music exclusively on
tape cartridges. All
the top tunes by
today's top stars,
including:

HERB ALPERT &
THE TIJUANA BRASS

THE ANIMALS

THE BAJA MARIMBA BAND

THE BEATLES

RAY CHARLES

PETULA CLARK

BILL COSBY

CONNIE FRANCIS

EYDIE GORME

HERMAN'S HERMITS

JAY &
THE AMERICANS

THE KINKS

TRINI LOPEZ

THE

LOVIN' SPOONFUL

THE MAMAS & THE PAPAS

DEAN MARTIN

PETER, PAUL & MARY

THE RIGHTEOUS

BROTHERS
SAM THE SHAM

& THE PHARAOHS

THE SANDPIPERS

FRANK SINATRA

NANCY SINATRA

THE SUPREMES

THE TEMPTATIONS

and many, many others...

☐ ☐ ☐ Chrome-plating-on-plastic gains in electrics: additional manufacturers are picking up the cost-cutting process, as evidenced at the New York Premium Show last week. Dominion is credited with first using the process for a hand mixer; and Dormeyer with being the first manufacturer to build a line of chrome-plated plastic electrics, it dubbed Silver Chef. At the Premium Show, Rival showed a new 2-speed blender with a squared-off-base design, which will be available to retailers in black-and-white-plastic and chrome-plated model. Waring also is shipping new chrome-plated plastic blenders.

Look for more avocado-hued electrics, as electric housewares producers follow the lead of cookware-pantryware manufacturers—who actually picked up the color from the major appliance industry. Udico was the first housewares producer to use the avocado color for a can opener; now Rival has added an avocado-hued model, and is branching out into other shades, as well. Most housewares manufacturers are watching consumer reaction to avocado, having already tabbed it as a "comer." The big question: will avocado be a 1- or 2-season color or a long-running success?

REPAIR RATE LOWER THAN THE INDUSTRY'S **THAT'S** WHY MORE TOP RETAILERS ARE GETTING

trends in electrics showed up at the Premium Show last week: the black-and-white look and a wider use of Eternalum, the multi-hued enameling process that GE first used on percs. Revere previewed new warming trays with the Eternalum process, and Regal showed a new party perc. The black-and-white look appeared at Lady Vanity (Merit), which previewed a new can opener in white and charcoal.

In a further variation on the black-and-white theme, Lincoln Metal Products is still working to adapt a houndstooth pattern to its metal pantryware. The company reportedly is running into production problems because of the variety of edges on the pantryware—a problem which did not exist for Columbia Enameling in adapting houndstooth to cookware.

ware producers go gourmet, as more basic cookware producers set their sights on the rapidly expanding field. Revere is currently introducing its long-heralded solid-copper-bonded-to-stainless-steel cookware: the Revere Ware Limited Edition Line. The new 9-piece line includes a fondue set, priced at \$26.50 retail; a large oval au gratin dish, at \$14.95; a large oval omelette pan, at \$12.95; and a fondue pan with cover, at \$13.95.

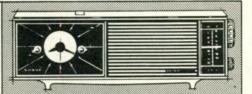
Vollrath also is moving into the gourmet area with a stainless steel fondue set—which features a wood handle—at a suggested retail price of \$14.95.

For years, domestic cookware producers have forfeited the gourmet business to imported merchandise.

What percentage of TV and radios comes back to you during their in-warranty period? More — considerably more — than comes back to Sharp dealers. U.S. Department of Commerce figures attest to that. But headache-free quality is only one Sharp reason to take on the line. Another is profits. Fully protected profits on the full line of Sharp table and console Color TV and Black & White portables; transistor, table and clock radios; and solid-state tape recorders. All priced right to stimulate volume sales. It pays to get Sharp!



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SHARP ELECTRONICS CORPORATION, CARLSTADT, NEW JERSEY 07072 . U.S. Subsidiary of Hayakawa Electric Co., Ltd.



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street

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state

zip

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	1967	1966	% Change
FLOOR CARE PRODUCTS				
Floor Polishers	February 2 Months	89,621 169,593	113,118 196,252	20.7713.59
Vacuum Cleaners	February 2 Months	444,285 899,184	517,037 951,535	14.075.50
HOME LAUNDRY		<u> </u>		
Dryers, clothes, elec.	February 2 Months	140,629 293,670	130,998 255,672	+ 7.35 + 14.86
Dryers, clothes, gas	February 2 Months	61,606 128,943	62,191 124,181	94 + 3.83
Washers, auto. & semi-auto.	February 2 Months	288,781 574,882	325,850 614,332	- 11.35 - 6.42
wringer & spinner	February 2 Months	36,573 67,530	38,887 67,834	- 5.95 45
OTHER MAJOR APPLIANCES				
Air Conditioners, room	February 2 Months	264,000 531,800	225,000 424,500	+ 17.33 + 25.28
Dehumidifiers	January	24,000	21,200	+ 13.21
Dishwashers, portable	February 2 Months	35,000 74,000	25,500 56,800	+ 37.25 + 30.28 + 5.18
under-counter, etc.	February 2 Months December	69,000 142,800 94,600	65,600 131,200 122,300	+ 5.18 + 8.84 - 22.65
Disposers, food waste Freezers, chest	12 Months February	1,345,900 27,000	1,344,800	+ .08 - 18.18
rreczers, chest	2 Months	55,100	63,500	- 13.23
upright	February 2 Months	46,000 92,000	44,000 85,900	+ 4.54 + 7.10
Ranges, electric	February 2 Months	140,000† 296,700	165,500 338,300	- 15.41 - 12.30
Ranges, gas	February 2 Months	159,300* 297,500	180,700 343,200	- 11.84 - 13.32 - 5.26
Refrigerators	February 2 Months February	308,000 624,300 75,000	325,100 681,400 86,000	- 5.26 - 8.38 - 12.79
Water Heaters, elec. (storage)	2 Months	147,200	166,200	- 11.43
Water Heaters, gas (storage)	February 2 Months	213,680 405,780	207,380 432,720	+ 3.04 - 6.23
CONSUMER ELECTRONICS				
Phonos, porttable, distrib. sales	April 7 14 Weeks	57,469 890,300	33,125 721,669	+ 73.49 + 23.37
monthly distributor sales	January	254,616	196,584	+ 29.52
Phonos, console, distrib. sales	14 Weeks	25,932 408,322	31,455 522,901	- 17.56 - 21.91
monthly distributor sales		112,594	156,521	- 28.07 + 6.22
Radios, (home), distrib. sales	14 Weeks	185,277 2,836,706	174,427 3,438,894	- 17.51
monthly distributor sales B&w Television, distrib. sales	April 7	90,306	831,350 102,693	- 12.06
manthu distributor calca	14 Weeks	1, 460,983 398,070	2, 085 ,912 650,904	- 29.96 - 38.84
monthly distributor sales Color Television, distrib. sales		82,505 1,245,330	70,124 1,012,108	+ 17.65 + 23.04
monthly distributor sales		313,442	231,238	+ 35.55
* February Gas Range total includes: 1	•	,	•	

February Gas Range total includes: 114,600 free-standing ranges; 19,700 high-ovens; 13,100 set-ins; and 11,900 built-ins

[†] February Electric Range total includes: 103,000 free-standing ranges and 37,000 built-ins.

Now trading up your personal color TV customers is as c. easy as

\$24995*

Model M213HWD. The famous GE PortaColor TV. Deluxe case with collapsible handle, dial lights. Full year warranty.**

\$229⁹⁵*

Model M211HVY. Ivory with contemporary trim. Luggage-type handle. Antenna included. Full year warranty.**

\$199^{95*}

Model 210HBN. 60 square inch picture. Brown case only.

Today, General Electric offers you the most exciting color TV step-up program in the business: Three great personal color TV sets—all under \$250 retail! Nobody else in the industry has a program like this and today there's nothing people want as much as color TV.

A dynamic program of national advertising is telling the startling news of color TV for under \$200. National ads in *Life*, Look, Saturday Evening Post and TV Guide will bring customers into your store.

Once there, they'll see not one, not two, but three General Electric personal color TV sets. The trade-up is duck soup for you. Very profitable, too.

So get in touch with your General Electric Sales Counselor right away.

GENERAL (



*Manufacturer's suggested retail price.

**General Electric Company warrants to the purchaser of each new General Electric PortaColor television receiver that in the event of manufacturing defects occurring during the first year from the date of original purchase for use, it will repoir [including labor] the defective parts, provided the receiver [including proof of purchase date] is brought to and picked up from an authorized General Electric Television Service Agency anywhere in the U.S.A.

Want more stereo sales in the upper register? TIME will give you the thrust. TIME reaches nearly one-third of all U.S. households with incomes of \$10,000 or more. The very group that bought 39% of all stereo consoles last year—and 52% of those costing \$400 or more. No wonder consumer electronics advertising investment in TIME shot up 47% last year.

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