

COYNE ELECTRICAL SCHOOL
Phone 1017

*Starting and
Operating a
Profitable*

**ELECTRICAL
or RADIO
BUSINESS**



Published By
COYNE ELECTRICAL SCHOOL
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STARTING AND OPERATING AN ELECTRICAL OR RADIO BUSINESS



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FOREWORD

Why This Book Was Written

What It Can Do For You

A man buys a book for what it can bring to him. In the case of a fiction book the value is measured in the enjoyment the story brings to the reader. In a practical instruction and reference book such as **STARTING AND OPERATING A SUCCESSFUL ELECTRICAL OR RADIO BUSINESS** the value is measured by the "yardstick" of **WHAT CAN THE BOOK TELL ME TO HELP ME START AND RUN MY BUSINESS.**

Today and for many years to come there are opportunities for progressive electrical, radio and refrigeration shops all over the United States. These industries are expanding rapidly. With this expansion will come more opportunity for you.

Operating a service shop is rendering a human service. The electrical appliances you sell or repair lighten labor. Radios bring entertainment and pleasure to thousands in your community including many sick and weary to whom Radio is their greatest pleasure.

Operating a shop of your own gives you distinction. Through it you can become a leader in your community. You are the means of contact with the electrical or radio industry for your community.

Can you imagine a business that offers more?

But to make certain you handle your business profitable you need to know the science of merchandising. You are continually face to face with new outlets, new competition. To meet these challenges is part of the great enjoyment of accom-

plishment but it requires that you watch your operations closely.

This book that you hold in your hand is your source of reference. It is authoritative, based on the authors experience of over 17 years in guiding thousands of graduates of the Coyne Electrical & Radio Training shops toward starting and operating their own shops. It represents the day to day experience of these men and explains **WHAT THEY DID TO MAKE A SUCCESS.**

Since all the information is based on actual field experience and not on just theoretical concepts this book is rightly called a **PRACTICAL REFERENCE BOOK.**

This book will tell you more than **HOW TO START AND OPERATE A BUSINESS**—yes, it will tell you something *far more important*. It will tell you **WHETHER OR NOT YOU ARE THE TYPE WHO SHOULD START A BUSINESS OF YOUR OWN.**

The glamour, earning possibilities, prestige, and satisfaction of “being your own boss” that go with running a successful business often lead men to underestimate the personal qualifications needed for a successful shop owner.

Although it is my belief that any man who has the proper personality and disposition to handle people **SHOULD GO INTO BUSINESS FOR HIMSELF** I feel on the other hand it is an obligation to point out what a man must have in personality and character if he hopes to make a success of a business of his own.

Let this book be your guide and constant reference manual on problems that you meet in starting as well as operating your own business.

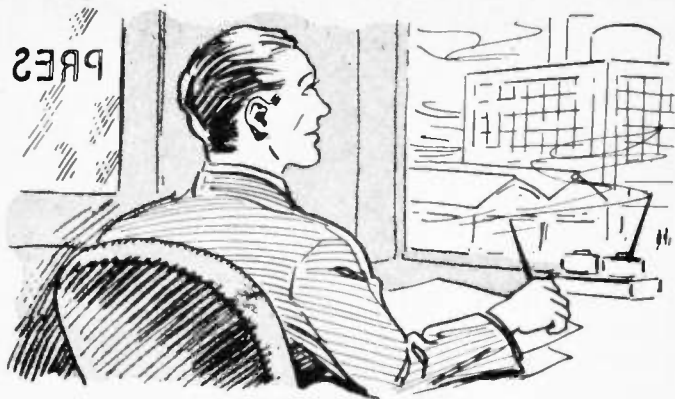
RAYMOND A. SNYDER, Manager
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The publishers especially thank Mr. O. N. Caldwell, Editor of *Radio Retailing*, for material appearing in several chapters of this book.



Chapter I

Advantages Of A Business Of Your Own—Are You The Type Who Should Run A Business?

There are numerous advantages in owning and operating your own business, the chief of which is the satisfaction of being your "own boss," and realizing that any effort you put into the enterprise, is for your own personal benefit.

Although there are thousands of very fine jobs that pay very well for men who can hold positions of authority and control groups of men. Still there is a tremendous satisfaction in owning your own business. It lends prestige to a man to have a shop of his own and a great sense of achievement when he can look back after a year or two to the time when he started virtually on "a shoe string", and developed a fine, enterprising business, serving the community.

Many men go into a business of their own because of their desire to serve the people of the community. One of the most important shops in any community is the Electrical, Radio or Refrigeration Service Shop.

Furthermore, the records we have carefully maintained on our graduates, indicate that where a man has the proper qualifications to start and run a business of his own, his earning possibilities are far greater than he would enjoy working for some company. Although there are big jobs in every organization, nevertheless, the point to keep in mind is that when you're working for the "other fellow," he makes money on your services. If this were not so, it would not pay him to keep you in his employ. It is easy to understand, therefore, that when you work for yourself, you realize ALL of the benefits of your initiative industry and ability and your progress is only limited by yourself, the effort you put in, and the degree of success you wish to attain.

An important point however is, "Are you the type who should run a business of your own"? Remember, not everyone is fitted to run their own business and it would be wise to spend some time in analyzing this point to determine your qualifications before venturing into a business of your own. This is not anywhere near as difficult as it may seem, and I'll give you a "yardstick" by which you can determine whether you have the type of personality that is vitally essential when you must deal with the public.

Much has been said and much more will be said on the subject of personality. Webster defines personality in this way: "Personality is that which constitutes distinction of person, individuality in acting and thinking".

Any man has a business of his own or a job in which he meets the general public, must have a pleasing personality.

Any man who has a pleasing personality makes a favorable impression on people. A pleasing personality has nothing to do with a person's looks. Some of the most pleasing individuals in the world have just plain ordinary features, but it is the manner in which they handle people and their interest in them which stamps them as a pleasing personality.

What we say and how we say it either affects people favorably or unfavorably. If a person is courteous and makes an effort to be agreeable at all times without making concessions, and takes every precaution not to hurt the feelings of others, he is generally liked by most everyone with whom he comes in contact. He is generally stamped as one having a pleasing personality.

With the following chart, it will be possible for you to determine what personality you have. It should enable you to see whether or not you are weak on the very points that would materially affect your success in a business of your own.

In the following chart we have listed many of the qualities that must be considered in determining personality.

Now, here is how you use this chart, to arrive at your own individual personality. The chart has four ratings, 25%, 50%, 75% and 100%. You are to determine just how you rate on the various points listed. For instance, if you feel you rate 75% on courtesy, then draw a line to the 75% mark on the line marked "Courtesy". If you are an even-tempered person, very seldom upset or "riled up", draw a line over to the 100% mark on the line marked "Even Temper". You follow this idea in grading yourself on all the points listed.

Now, here is an important thing to keep in mind before you begin to fill in the chart. Give a lot of thought to the points. Be fair with yourself, but on the other hand, don't **OVERRATE** your qualifications.

There are many points on which you will have very little difficulty. However, there may be some doubt on others. Wherever you are not sure of your rating, ask some relatives or friends. For instance, it might be hard for you to tell whether or not you have optimistic personality; or you may not be sure of how you would be rated on **TOLERANCE**, **MODESTY**, **CO-OPERATION**, etc. Quite often friends can tell you things about yourself that you may never have seriously

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considered. So, if you are in doubt as to your rating on any points, consult some friends or relatives.

Business Fitness Guide For Self-Analysis

	25%	50%	75%	100%
COURTESY				
CO-OPERATION				
FRIENDLINESS				
FAIRNESS				
LOYALTY				
OPTIMISM				
SENSE OF HUMOR				
CLEANLINESS				
NEATNESS				
PROMPTNESS				
TOLERANCE				
TEMPERANCE				
EVEN TEMPER				
MODESTY				
SELF-CONFIDENCE				
INTELLIGENCE				
GOOD LISTENER				
HONESTY				

As an aid to you, I'd like to define some of the points included in the SELF-ANALYSIS CHART. I believe you will do a BETTER JOB of filling out this chart if you have a clearer picture of JUST WHAT THESE POINTS MEAN,

so here is a simple definition of some of the points in the chart.

COURTESY: Courtesy is politeness, civility and regard for another's feelings. To treat **EVERYONE** with consideration and fairness is to be courteous. It is a quality that makes a man stand out, a man to be honored and admired. It is absolutely essential that you appreciate and practice *COURTESY* if you ever hope to make a success in a business of your own.

FRIENDLINESS: This quality involves many things. The first and foremost requisite for a **FRIENDLY** person is interest in other people. If you are interested in the people around you—if you listen to their problems and try to offer sincere, helpful advice—if you like to be with people, **THEN** you may put it down that you have friendliness in your make-up. If, on the other hand, you live pretty much alone—very seldom take an interest in anyone else—do not have people talk to you about conditions away from work and generally feel “cold” toward people, you can be sure you would not be rated as having a marked degree of **FRIENDLINESS**. It isn't vitally essential that you possess a friendly disposition to succeed in life,—**HOWEVER**, it certainly is an asset in a business of your own to be able to get along easily with many people.

FAIRNESS: This quality is one that usually asserts itself in a man's character and actions. This is a quality that all of us inherently know we either have or do not have. Very often it comes out in the handling of small matters.

An intelligent man will usually exercise the quality of **FAIRNESS** in all his dealings with his superiors or subordinates. Let me illustrate by an actual story what is meant by **FAIRNESS**. I worked with an organization at one time that had a man at the head of a department of six people. These workers were very loyal to this man and turned in many suggestions in written form and made others verbally. This fellow would then submit these ideas to the President of the

company AS HIS OWN—never even mentioning the name of the subordinate who turned in the idea. Well, it didn't take long for the boys to "catch up" with him and learn what was going on. So here is what one of them did: He wrote up a suggestion that was ridiculous and one that these boys knew never would be accepted by the President. He left the idea on his desk one night where this Superior in his regular tour of "inspection" (as he called it) couldn't help but see it. Well, since all the other ideas of this subordinate employee had won recognition and praise for this Superior when he submitted them as his own, he grabbed this new idea also and sent it in as his own. Well, that brought everything out in the light. All of these men who worked under this fellow were called in and none could say a good word for him. He was unfair—he wouldn't give a man the recognition he deserved for a good idea. In a few months this fellow was transferred to another department where he was not in charge of any men. His lack of FAIRNESS lost him a great opportunity.

OPTIMISM: An optimistic person is one who takes the most hopeful view on every problem. It is a tonic to meet and work with people who still feel that things are going to be all right regardless of what the present difficulties may be. Folks who try to carry a smile and see the BETTER SIDE of life in spite of its trials and tribulations are folks who have OPTIMISM. We like them and they make good men to run a business of their own.

SENSE OF HUMOR: A sense of humor is a valuable quality of every man. Abraham Lincoln attributed much of his success to his sense of humor. There is no problem so trying but what it has a lighter side. A sense of humor is a balance wheel in a man's personality and a great "CUSHION" to take the "bounce" out of great problems—it's a "must" for a successful business man.

CLEANLINESS: A great man once said, "Cleanliness is next to Godliness." On some jobs, cleanliness is a prime requisite, particularly on jobs requiring customer contact. However, this matter of cleanliness doesn't stop with just personal appearance. In grading yourself in the self-analysis chart on this subject, be sure to take into consideration cleanliness on the work you do. Do you turn out a clean job on repairing a piece of Electrical or Radio equipment? When you finish a job, do you make an effort to clean up the mess the job has caused? Can you truthfully say your working quarters are as clean as they could be? All these things must be considered before answering the question on cleanliness. Since most of the service work you would do would be in the homes of customers you can readily see how important this point is.

NEATNESS: This pertains to personal appearance and differs somewhat from the preceding quality of cleanliness. Here are a few questions to ask yourself in arriving at a proper value to place on your own neatness: Do you dress moderately and not flashily? Are your nails clean? Do you shave as often as you should or do you go around with a "stubble" when you should shave? Are your shoes shined and are your clothes cleaned and pressed regularly? On this subject of neatness and cleanliness, I could spend a lot of time pointing out many "little things" that some fellows never think of, but things that OTHERS observe. It is these little things that determine whether you are a neat or untidy person. A customer figures that any man who is untidy about his personal appearance will be untidy and careless with his electrical or radio equipment.

PROMPTNESS: I've known many men who were fired from jobs because they were not prompt in doing important assignments or in getting to work on time. Life is a matter of habit. If you train yourself right, you will have the right hab-

its. If, however, you don't place the PROPER APPRECIATION on matters of promptness concerning your work, your social engagements, your obligations, etc., you will earn the title of a person on whom you "cannot depend." If you make an appointment to call at a customer's home to check their wiring or appliances you should be there *at the time agreed*. If you show up ½ hour, or an hour late, you may upset the entire day's schedule in that home. Promptness in keeping regular business hours, appointments and promises of delivery are extremely important in running a business of your own. How do you rate on PROMPTNESS?

TOLERANCE: Sometimes we have to tolerate certain conditions because there isn't a great deal that can be done *at the moment*. In the case I mentioned in explaining fairness, the subordinate workers observed tolerance to a marked degree. Although they had every right to go to their head boss and point out the unfairness of the treatment, nevertheless they "bided" their time and were tolerant about the situation until they worked out a solution. Tolerance is accepting conditions until the PROPER TIME to adjust them. The bigger your job gets, the more you have to "lean over backwards" to keep harmony with everyone. Don't be too intolerant of other people's faults. Look for their good points and remember you have some faults, too. A man must realize that many people differ in their view on religion, politics and world issues. A man in business cannot afford to "argue" on those points. *Even if you win your argument you quite likely will lose a customer.* As long as we have individual personalities, we are bound to have individual opinions on various topics. Always respect the other fellow's viewpoint—*above all, don't argue with him.*

TEMPERANCE: The quality of TEMPERANCE refers mainly to the abstaining from any heavy drinking. Many men

lost their jobs or fail in business because they don't make an effort to "steer clear" of heavy liquor during their work week. *Temperance, however, applies to other things.* There is a certain temperance that must be observed in eating or a man will soon find himself having all types of ills. Keeping good hours and getting eight hours sleep likewise indicate an appreciation of the quality of temperance in daily habits.

In other words temperance simply means—striking an even keel in everything one does, whether it applies to his mode of living, his hours of work or his play.

EVEN TEMPER: One of the worst enemies of a man is a "BAD TEMPER." A sorehead, ready to fight or argue the moment some neighbor or fellow worker does not AGREE with him is the worst kind of a fellow to have around. *He will never succeed in running a business where he must "put up" with many trying situations.* All of us at some time or other "seethe up" inside over something. People who have an even temper make an effort to run down the truth of the report BEFORE they ACT. People with a "bad temper" act and then (sometimes) make an effort to determine the truth of what they've heard. *A man with a bad temper will never go very far on any job, or in any business, and he won't have many friends.*

MODESTY: A modest person is one who is not bold or presumptuous. "Modesty is a Virtue," so said a wise man years ago. A boastful person is not liked by most people. In most companies you will find a few men who by their words and actions try to impress everyone with their importance. If some big order comes in, these men try to figure some way to indicate THEY HAD a great deal to do with it. If some important change in production layout or a new improvement is developed they get in on it and then try to grab a "lion's share" of credit for the improvement. These people usually are not

liked by fellow workers. Many times they appear ridiculous in the eyes of certain employees who know the facts. It is better to wait for someone to praise your work than to go out and "blow your own horn". Efficiency and good work have a tendency to make themselves known. Nobody likes a boastful person, whether he be a fellow worker or the owner of the town's electrical service shop.

Of course when a man does a good job it is certainly *not* boasting when he lets others know it. But it must not be done in a boastful way. A simple statement of facts gets much further and impresses others for more than boastfulness.

INTELLIGENCE: I read an article one time that started out—"I'd rather be intelligent than well educated". The author went on to prove his point. This man went on to say that "an intelligent man is one well versed in general information with a faculty of thorough analyzation of any subject". Here's an example of intelligence that I recall very vividly.

As a youngster, I used to travel occasionally with my Dad who was a salesman.

My Dad did not have a great deal of schooling. However, he was one of the most intelligent men I've ever known.

One time we were travelling together and dropped into a restaurant for breakfast. My Dad ordered French Toast but was promptly told it was not on the menu therefore they didn't have any. Well, my Dad thought a minute, then said, "Well, that's too bad, but I wonder if you could break two eggs in a bowl—stir them together and dip three slices of bread in these eggs and then fry these slices of bread for me". The waitress said "Oh sure we can easily do that" and hurried off. In five minutes she was back with bread dipped in eggs and fried. This, as you know, *IS FRENCH TOAST*.

So you see by using some intelligence my Dad got his French Toast even though the waitress didn't even know she

was bringing him French Toast and figured she was bringing him bread dipped in eggs and fried, and he didn't humiliate the girl by showing her up.

Really what I call an intelligent man is one who is considerate of others, sensible, and one who may not possess a lot of formal education but *does possess a lot of good old fashioned "horse sense"*.

GOOD LISTENER: Some people are listeners because they have nothing to say—others are listeners until they think it is time to talk. A good listener is one who is really interested in any conversation directed to him. You can make a "hit" with folks when you appear to listen to what they have to say. You can make enemies if you (by your attitude) ignore or minimize the importance of some discussion directed to you by an individual. A **GOOD LISTENER** can always learn something by letting the other fellow do most of the talking, because it follows that "**YOU CANNOT LEARN MUCH LISTENING TO YOURSELF**". If you have the faculty of letting a person have his say without interrupting him and also try to learn **SOMETHING** out of every conversation, you can grade yourself high in the Self-Analysis Chart under **GOOD LISTENER**.

HONESTY: An **HONEST** man is usually considered as one who does not steal the money or belongings of others. This is only a part of the definition. Honesty applies to many things. A man who tries to do as little as possible on his job is not honest with his employer or himself. A man who tried to pin the blame of an accident on someone else is not honest. **ANY FELLOW WHO WASTES TIME, WASTES MONEY.** Every time a man does a slipshod job for a customer, he is dishonest. It's true he does not actually **STEAL** any money by doing this slipshod job; nevertheless, his customer has paid for services he did not receive. That makes it the same

as stealing. Honesty embraces MENTAL ATTITUDE along with PERSONAL ACTIONS. In other words, honesty covers many things, so be sure to take them all into consideration when analyzing the point. A man may succeed for a while by dishonesty and sharp practices in a business of his own but sooner or later he is "caught up" with and his business will "fold up".

Now the important points on which a man must be strong if he hopes to run a successful business are: Courtesy, Cleanliness, Optimism, Sense of Humor, Tolerance, Self-Confidence, Disposition and Temperance. If a man does not rate at least 50% on those qualifications in the Business Fitness and Self-Analysis Chart, it is quite likely he would have difficulty in successfully operating a business of his own. A point you must keep in mind is that many times the customer is unreasonable in his demands and definitely rates censuring. However, to do this, a business man must use the utmost diplomacy because he can very likely lose a customer even though he may be losing an undesirable one.

The great organization of Sears Roebuck & Co. have long established policy that "The customer is always right". Although there may be many times when this attitude toward some customers is not justified, because the customer definitely is not right, however, this big organization has found that most people are honest, fair and reasonable and that generally most complaints are justified. They work on the theory that by taking the attitude that *every customer* is right, they will save the majority of good customers even though in some cases they will make adjustments that are definitely unjustified on the facts of the complaint.

The purpose of this entire chapter is to point out what some of the physical and mental requirements are for a successful business man. It has been my experience that many so-

called business men who run shops of their own, are definitely not qualified from the standpoint of personality to ever develop a really successful business.

● *RATING NECESSARY TO QUALIFY YOU AS A
MAN WHO COULD SUCCESSFULLY RUN
A BUSINESS OF YOUR OWN*

Now it's time to check that Business Fitness Chart to see how *you* "stack up" on the rating needed to run a shop of your own.

A careful survey we have made indicates that a man who could successfully operate a business of his own needs a rating of at least 50% on *all* the points in the chart and must rate at least 75% on COURTESY, FRIENDLINESS, TEMPERANCE, EVEN TEMPER, SELF CONFIDENCE and HONESTY.

In rating yourself on all these points be fair with yourself but don't overrate. The tendency of the average individual is to overlook or minimize his failings. Remember, this idea of starting a business is a BIG decision in your life—it can influence your entire future. So give careful study to this Personality Analysis—it will guide you in making the important decision of "Should I Run A Business Of My Own".

I recall a man, who had a very low rating on most of the points I've brought out. He was a friend of mine and I gave him my honest opinion. He averaged less than 50% on his ratings. But he was a fellow, who really was astonished he rated so low.

Well he wanted to improve so I said "why don't you try right now to do so. Take the next six months and see if you can't bring these ratings up".

Six months later he came to me and really he has made quite an improvement, still it was not enough.

Well every six months for three years I went over this with him and at the end of this time he rated an average of 85%. Some of his first ratings on some subjects were as low as 35% on the first tests, and some of his weakest points he brought up close to 100%.

One of his worst faults was his temper but in three years he brought this from a low of 35% to a high of 95%.

This fellow was a young fellow at the time for it was over twenty years ago. Today he is a big man in a nationally known concern, and the men working under him consider him the finest man they ever knew, and he is the most popular man in the organization.

I only bring this out to show that most any fellow who has the right attitude can improve his weak points if he is big enough to see them and sincere enough to want to improve them and is willing to put in the effort.

This also applies to a man who has an average of 50%, 60%, or 70%. He should realize that he is weak in some places and he should set out and constantly work at it until he feels sure that he has sufficiently improved his weak points.



Chapter II

Capital Needed To Start Cost Of Operating A Business

A good many fellows who start an Electrical or Radio business, think they need a considerable amount of capital. This is not always correct. I have seen many fellows start with less than \$50.00 capital. They had just enough to buy a few essential tools but what they lack in money or equipment they more than made up for in initiative and ambition.

Of course it is almost impossible to estimate what the cost would be for setting up a business. This depends on the nature of the business, the location and many other factors.

Our advice has always been to start in a small way and gradually add to your equipment and space as your business merits. A few examples of how some of our Coyne graduates have secured the necessary capital to start a business might give you some ideas that you could use if starting capital is a problem in enabling you to get your business started.

One rather unusual experience was a Coyne graduate who left the school and returned to his home in South Carolina with just a few dollars after his course of training with us. He spent 50 cents to advertise in a local paper. In the advertisement he mentioned that he had Electrical Training and wanted to start a business. He wanted to know if anybody had \$50.00 capital that they would put in to match his knowledge and ability. A neighbor of his came over and said, "I hear you're back from Chicago, and have had Electrical Training and are looking for a partner." He said further, "I've got the \$50.00, let's talk it over." They talked it over and started their plans and with this man's \$50.00 and the boy's training and courage, they started their business. They had so many requests to do Electrical work, that he has written to the school for other Coyne graduates to come down and join their company. Three Coyne men are now making a good living out of this business, which was started with nothing more than one young man's courage and another's \$50.00. This gives you a little idea of what you can do.

Another case that comes to mind is one of a young man who finished our course, returned to his home and borrowed \$5.00 from ten different friends of his, to get his starting capital. He paid back the \$5.00 with 300% interest recently and has within a period of less than a year, established himself in a business that is at the present time, netting him a very good living and at the same time, enabling him to expand and develop on his equipment and service facilities.

There are many ways a man can get some help on the capital needed to start a business. Here are just a few of them.

YOU MAY WANT TO BORROW FROM A BANK ON PROPER SECURITY. If you have **REAL ESTATE**, a vacant lot or a house on a lot, or anything else you can put that up as security on a loan. **PERSONAL PROPERTY.** If you have a car and it is paid for, furniture, some other per-

sonal belongings that are worth any money, you may get a mortgage on that.

BORROW MONEY ON LIFE INSURANCE. A good many fellows carry life insurance, and the insurance companies are glad to loan a certain amount of money on interest because that is the way they make money, by investing money.

IF YOU BORROW MONEY MAKE THE LOAN FOR A LONG PERIOD. There are many men who have money and will be willing to loan it to keep a fellow if he can show he is a fellow of character and really convinces him he is deserving of help.

Many *banks* will take the same attitude, for after all I heard a man say once, that he would rather lend a fellow money on his character rather than his collateral.

But when one goes to such a man or a bank he should have carefully worked out all the facts as he can see them. Be sure in borrowing money you are borrowing for a long enough time.

Now in your enthusiasm you might say you could pay it back in 3 months when as a matter of fact further thought figured it all out, and feel you would need a year or so,

Then you might not be able to meet your obligation in 3 months and therefore the trust that man had in you is gone.

I'm sure a fellow willing to loan money would have more respect for your request if you would tell him you have figured it all out, and feel you would need a year or so, rather than to make him a promise of a shorter time, when you can't *prove* you could pay it back in this time.

Naturally when you go to a man or a bank to borrow money you will be asked a lot of questions. That is why you should have worked out all the angles and be able to give an intelligent reply to such questions as what makes you think you could run a business? What makes you think you could make enough out of that business to make a living

and still pay back your loan? So you should have worked out on paper what you will need, what you have every right to think you can do in amount of business, how much you will make, what your expenses will be etc.

To merely go to a man or a bank and say you want a loan for a year to start a business, *is not enough*, he will want facts. Of course, he won't expect you to have the exact facts, but he will want you to show him something that seems logical, and he will want to know you have used some reasoning in working out a plan.

If you do this he will trust you even though he may not be entirely sold that you can do as well as you may think. At least he'll say "Well this fellow isn't working on a 'pipe dream' he's given it some thought I think I'll go along with him."

Then when you get the money and start your business keep in touch with this man, and let him know how you are progressing.

He'll admire you for this and you'll find he'll go along with you.

BUY TOOLS AND MERCHANDISE ON TIME PAYMENT PLAN. That is a method of financing a business or stretching your finances. If you see a good chance to sell some merchandise, there is no reason why it isn't all right to buy some of these things on time, if you can make a fairly good margin of profit on it. There are many companies that sell things on time. Some sell tools and equipment on the time payment plan.

Many men have started a business in their own home. This is a good way to keep your expenses down. You can put in a tool bench in a spare room or garage and do extra work and you would have no extra telephone, rent, extra light, gas or heat, because these things are covered in the operation of a home. A lot of fellows start a business of their

own while they're still working on some other job. They may have a job doing Electrical work during the day and they do odd jobs for friends and neighbors at home in their spare time and on week-ends. This not only helps build up a reputation, but it adds to the confidence so that when they start on a fulltime basis, they have built up a number of good customers.

On a monthly basis, the following expenses would have to be considered:

Rent	\$ 25.00
Electricity	4.00
Telephone	6.50
Advertising, Including Postage	3.00
Service Manuals and Magazines	1.65
Tools	1.00
Workmen's Compensation	7.00
Social Security for Helper65
Uncollectible Accounts	3.45
Car Depreciation	10.00
Gasoline for Car	16.50
Car Repairs	1.50
Tires for Car	2.00
License Plates	1.25
Garage for Car	6.00
Depreciation on Test Equipment	8.00
Insurance on Car and Store	NONE
Heat for Store	NONE
Depreciation on Fixtures	NONE
Idle Time (Helper and Owner)	<u>78.00</u>
Total Expenses (Exclusive of salaries)	<u>\$175.50</u>

Although we have cited cases where some men started on a limited capital of \$50.00, it would be advisable, in order to put in a real well equipped Radio or Electrical Service Shop, to figure on a capitalization of from \$350.00 to \$800.00.

With this amount to start with, you can get the necessary testing equipment and have enough additional capital to carry you over the first few months while your business is getting established. However, as I said before we will be glad to help you in estimating the cost if you will send us all the facts.

In addition to the essential capital to start a business, there are the operating expenses which a man must definitely consider because these expenses will have to be met almost from the beginning of his establishment as a business. Here are a few average expenses that you will have to figure on when starting a business in a shop for which you will have to pay a specified amount for rent.

Idle time, the last item on the list, takes into account the time which is wasted around the store waiting for calls, getting parts from the jobber, and all other things which are not charged to the customer as labor.

Assuming a 60-hour week, a total of 240 working hours per month are available. Of this 240 hours only about 60 per cent of the time or 15 hours is directly chargeable as labor on customers' jobs; therefore, the remaining 40 per cent must be charged up to overhead expenses. Since this applies to both owner and his helper, \$78.00 of a \$195.00 payroll becomes overhead rather than a labor charge.

The item of \$3.00 for advertising is extremely low and in keeping with the other items. Postage, business cards, signs, folders and other items certainly are more than 75 cents a week. However, to keep everything at rock bottom, this low figure is used. Note also that some items are not even included in the total although they are listed so that the serviceman will not forget about them.

Workmen's compensation will vary throughout the country. In New York it is \$7 a month—in some States it may be nothing.

● WHAT TO CHARGE FOR LABOR ON SERVICE JOBS

In a previous paragraph it was stated that the idle time was \$78.00—that means that the total time sold was valued at \$195.00 minus \$78.00 or \$117.00. Note carefully that the overhead item of \$175.50 is 150 per cent of the labor sold. (In other words, if the labor cost is 75¢ figured on the hourly rate, the overhead cost is an additional \$1.12.

Adding the total time sold and the total expenses, one gets \$292.50 as the total cost of doing business for the month. Since the time that was salable is only 60 per cent of the total 240 hours monthly, or 156 hours, the cost of doing business is \$292.50 a month divided by 156 or \$1.87 per hour.

This cost of \$1.87 per hour is *net cost or actual cost*. It does not represent any profit whatsoever. A mark-up of 20 per cent for profit raises this figure to \$2.25 per hour. Such a mark-up will make a profit of about \$600.00 for the year, which is not very much on an annual business of about \$3,600.00.

Many fellows are bored by figures, but a man who expects to run a successful business, must consider his expenses very closely so that he will know how he is making out at all times. After all, there is no sense in doing business unless a profit can be made. When you're quoting prices on jobs, it is vitally necessary that you know all of these expenses of operating your business, otherwise you will be at a loss to quote a price on which you can expect a reasonable profit.

A thought to keep in mind at all times in operating any business is to make your present business profitable before planning any expansion. *It is after all the profit, not the volume that counts*, because many a shop has accepted business and has done a volume business, finding out in the long run that because they had not analyzed their costs in advance, they had done a lot of Electrical and Radio service-work for nothing.

22 STARTING & OPERATING ELECTRICAL OR RADIO BUSINESS

Examples of standard repair charges

(Prices include parts and labor unless otherwise indicated)

	At store shop	At customer's home in 25-mile zone †		At store shop	At customer's home in 25-mile zone †
REFRIGERATORS			STOVES-HEATERS—Cont.		
Replace:			Electric range unit		
Complete unit.....	*35.00	40.00	ring.....	*1.75	**3.75
Universal compressor			Each additional		
(single).....	*10.00	13.00	ring.....	*1.75	2.25
Universal compressor			RADIOS		
(twin).....	*13.50	16.50	Check radio—test		
Domestic compressor..	*11.00	14.00	tubes.....	.75	1.50
Expansion valve.....	*4.50	7.75	Replace:		
Control.....	*4.50	7.00	One resistor.....	1.50	† 2.00
Motor—1/6 or 1/5			Each additional		
H. P.....	*8.50	10.75	resistor.....	.50	.50
Shaft seal—including			Tubular condenser.....	1.75	† 2.25
gas and oil.....		6.75	Each additional		
Belt.....	This work usually done in shop	2.75	condenser.....	.60	.60
Door gasket.....		3.50	Single electrolytic		
One pound of methyl		3.25	condenser.....	2.25	† 2.75
or freon.....		.75	Each additional		
Each additional 1/2		2.75	electrolytic		
pound.....		.65	condenser.....	1.00	1.00
One pound of sulphur			Volume control and		
dioxide.....			switch (single		
Each additional 1/2			unit).....	2.50	† 3.00
pound.....			Tone control.....	2.50	† 3.00
WASHERS-VAC. CLEANERS			Speaker (remove and		
Replace:			replace—labor		
Electric washer motor..	*6.50	8.50	only).....	1.00	**2.50
Factory rebuild—			Realign single band		
main gear case.....	*9.00	**12.50	receiver.....	1.50	† 2.00
Hand cleaner power	4.50	X	Realign multiple		
plant.....			band receiver.....	2.00	† 2.50
Tank cleaner power	7.75		LABOR		
plant.....			(For jobs not covered		
STOVES-HEATERS)flat rates).		
Replace:			First 1/2 hour or frac-		
Generator.....	*1.25	2.75	tion thereof.....	.75	1.50
Constant level valve....	*3.00	5.00	Each additional 1/2		
			hour.....	.75	.75

Note: Standard radio repair charges include estimate and tube check.

* Exchange only. No installation labor.

** Includes two trips to customer's home.

† Add \$1.00 if merchandise is picked up and brought to shop for repair and delivered to customer.

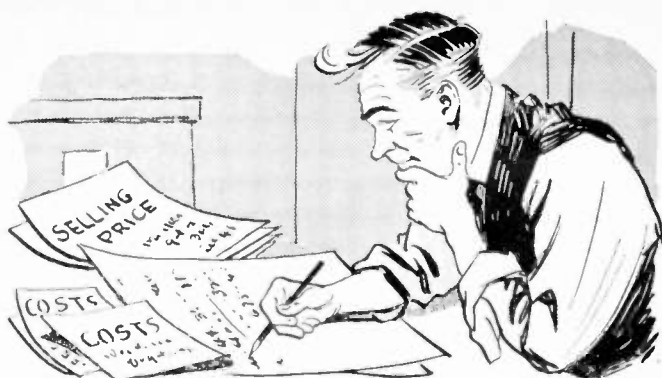
‡ For calls beyond a 25-mile zone charge customer mileage one way from store to customer's home in addition to standard charges. If special trip is made charge mileage both ways and for additional travel time. Charge for travel time at shop labor rate.

Of course, it's impossible to set a standard of cost for every business, because of the fact that these costs are based entirely on how big the business is. Naturally, the cost involved in operating a small one-man shop in a garage or basement of a home, is considerably less than having a shop on Main Street. The point, however, that we stress your charges based on those costs. Unless this is done, your business is just a failure before it starts.

OUR PROMISES are like
stairsteps by which we
may either go up or down
in the eyes of our fellow-
men.

Think deliberately,
plan carefully, resolve
firmly and act quickly
with a steadfast determi-
nation to make your word
good—for broken prom-
ises destroy confidence and
confidence is the fine silken
web which binds our rela-
tions with men.

Once torn, it is very
difficult to men.



Chapter III

Setting Margins And Retail Prices—Stock Turnover

Learn how to set your margins and your retail prices. For a high profit on your stock investment, learn how to increase your stock turn-over. Compare your ratios with those of the "typical" store. Apply these yardsticks to every department to obtain greatest profit.

In the preceding chapter, we covered the subject of capital needed to start a business. In this chapter we deal with the important subject of margins. During the next few years, you will take in a lot of money. Despite this fact, you will pay out a great deal of it to other people. At best, the net profit you can keep, will be determined to some extent on your knowledge of margins on the pricing of services as well as equipment.

Your gross margin is the difference between your net sales and your cost of goods. It represents all the money you have left after you've paid for the goods themselves.

Your gross margin must cover all of your expenses of doing business. From it, too, must come whatever profit you can make.

At one time, it was common for a dealer or small business men to call gross margin, "gross profit". Some accountants still use the term. It has fallen into disuse among progressive retailers because it was the cause of so much confusion and even failure. The dealers who considered it gross "profit", were prone to spend their margin or give it away at cut prices. They failed to realize that most or all of it should have been earmarked for expenses.

Always remember that out of your gross margin, before you can make any profit, you must pay many items of expense. It is important that you understand what these expenses are and include all of them so you do not confuse any part of your gross margin with net profit. These expenses are commonly listed as follows:

SALARIES AND WAGES

OCCUPANCY EXPENSE
(Taxes or Rent)

ADVERTISING

CREDIT EXPENSE

ALL OTHER EXPENSES

We cannot dwell too long on the subject of expenses cause it is easy for a dealer to forget to include some item

expense. Be sure that you know what all of them are so that you can understand the amount of gross margin you must obtain in order to make a net profit or at least break even. The following check list of possible expenses is provided so that you will be able to have a definite list to check against on this subject of expenses and margins.

The subject of salary and wages is one that's most important an item of expenses. The wages of the employees of your store should include not only salaries and commissions paid, but other compensation that is given both to the regular staff and to your extra staff. This would also include payments made to present customers for leads that bring you additional sales.

● CHECK-LIST OF POSSIBLE EXPENSES

Salaries and Wages

Your own salary and that of other owners
 Wages of other employees
 Premiums and bonuses
 Commissions to customers for "leads"

Occupancy Expense

Taxes
 Interest
 Insurance
 Depreciation
 Rental charges
 Heat, light and power
 Repairs of buildings and store equipment
 Operations and maintenance expense

Credit Expense

Bad debt losses
 Collection expense

Advertising and Publicity

Newspaper
Magazine
Programs
Streetcars
Billboards
Direct mail
Radio broadcasting
Musical organizations
Athletic organizations
Club dues
Luncheons

Other Expenses

Travel expenses
Office supplies
Postage
Printing
Stationery
Delivery
Bank charges
Donations
Express and freight
Guarantee service
Legal fees
Auditing charges
Other professional services
Buying associations
Electric sign permits
Registration for vehicles
Ventilating taxes
Car license taxes
Personal property taxes
Social security
Telephone and telegraph

Occupancy expense includes a multitude of items. The nature of these expenses, of course, depend on whether you own the property on which your store is situated or only lease it. Any part of the fixed assets including the property and equipment which you own, can be made as a basis for computing interest, taxes, insurance and depreciation. If you rent instead of own any part of the land, buildings or fixtures and equipment you may make deductions from your rental charge and for any other charges not included in the rent that you pay. Occupancy expenses includes the cost of repairs and operation.

Advertising expenses includes all your costs for advertising and this means not only the cost of the space that you will buy but also the cost of other forms of promotion that you may undertake in order to obtain publicity; by all means, allow a reasonable amount in this margin picture for bad debts, because they are recognized as legitimate expense for doing any business.

In the field of Electrical Specialties, particularly, you need a high gross margin so that you can pioneer them and give service. You deserve a high net profit because selling these goods requires a better type of salesmanship than many other lines of small unit price.

Thus far this discourse on gross margin has been considered as a single figure which applies to the store as a whole. It may also be considered as a figure which applies to every article appearing in the store. The various margins of all products you carry are added up together to make the compounded or average margin for the store as a whole.

Obviously, it is impossible to apply the same margin to every product carried in your store. Competition may fix the selling price of some of your merchandise. Other products may be at prices fixed by the manufacturer. If the margin for your store as a whole is 40%, and if a certain class of goods you

**RADIO AND ELECTRICAL APPLIANCE
DEPARTMENT FIGURES**

MERCHANDISING STATISTICS	DEPARTMENT	
	Major Appliances	Radios, Phonographs and Records
Cumulative Markup %	38.7	40.9
Markdowns (at retail) % To Sales	2.7	3.5
Stock Shortage % To Sales	0.3	1.0
Workroom Net Cost % To Sales of Parent Dept.	3.5	3.0
Cash Discounts % To Sales	0.3	1.0
Gross Margin % To Sales	34.7	36.6
Number of Stock Turns	3.1	2.4
Sales % To Last Year	66.	126.
Returns % To Gross Sales	12.5	13.9
\$ Sales For Year Per Sq. Ft. of Selling Space	59.	58.
OPERATING EXPENSES		
Sales % To Total Store	1.6	1.0
AVERAGE GROSS SALE		
Spring 1942	\$76.93	\$9.26
Fall 1942	\$58.83	\$8.79
ADMINISTRATIVE % To Sales	7.6	7.4
OCCUPANCY		
Fixed Plant & Equip. Cost % To Sales	2.0	2.2
Total Occupancy % To Sales	4.6	4.7
PUBLICITY		
Newspaper Costs % To Sales	1.2	1.5
Total Publicity % To Sales	2.8	3.0
BUYING % To Sales	3.9	3.6
SELLING		
Salespeople's Salaries % To Sales	8.1	6.8
General Selling Expense % To Sales	1.9	1.7
Delivery Expense % To Sales	1.5	0.8
Total Selling % To Sales	11.9	10.2
Total Operating Expense % To Sales	31.7	29.6
RESULTS		
Profit	3.0	7.0

carry has a margin of only 30%, it is obvious that this will have an adverse effect on your net profit unless you mark a corresponding quality of sales on other products at a price that will give you a 50% margin.

Gross margin is always based on the sale price. The reason is that all other figures in your business are based on the sale price. Your expenses are based on sales. So, too, are your taxes—you pay your salesmen commissions on sales. The allowances, discounts, or markdowns you take off merchandise you sell, are also based on sales price.

To find the selling price, first assume that it will be 100%. Subtract the margin from 100%. For example if you want a 40% margin, the cost is 60% of the retail price.

You already have that cost in dollars. For example, an article may cost you \$30.00. This \$30.00 is 60% of the retail price.

To find a retail price at which you will sell the article, divide the dollar cost by the percentage. It is vital to understand the difference between gross margin which is based upon your selling price as 100% and "mark-up" which is based on your cost of 100%. They are not at all the same thing.

To illustrate, if you should base a 40% "mark-up" on the cost price of \$30.00 for the article just mentioned, you would obtain a dollar "mark-up" of \$30 times 40% or \$12.00. Adding this to your cost price, would give you a retail price of only \$42.00 instead of \$50.00.

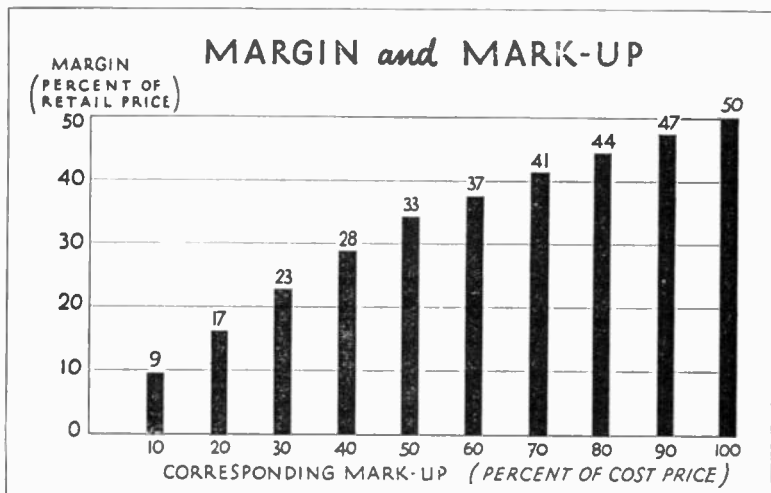
For the retail price of \$50.00, you would have to multiply the \$30.00 cost by 66 2/3% and add this to the cost. This 66 2/3% is, therefore, the "mark-up" which corresponds to a 40% margin.

Many business men avoid much of the work of calculating retail prices by using a margin "mark-up" table. They pick the margin they want and find the corresponding "mark-up". Then they multiply this percentage "mark-up" by the cost and add it on to the general retail price they are seeking.

MERCHANDISING STATISTICS OF A RADIO DEPARTMENT

Net Sales	100.0%	
Cost of Goods Sold	<u>63.0</u>	
		Gross Margin 37.0%
Operating Expenses		
Selling:		
Salespeople's Salaries	6.3%	
General Selling Expense	2.4	
(Includes wrappers, cashiers, supplies, etc.)		
Delivery Expense	<u>1.0</u>	
Total Selling Expense		9.7
ADMINISTRATIVE:		
(Includes executive, accounting, credit, etc., offices, plus interest at 6% on cost value of average inventory)		7.1
OCCUPANCY:		
(Includes rent, taxes, interest, insurance and depreciation on land, buildings, leaseholds, fixtures, and equipment)		4.3
PUBLICITY:		
(Includes all newspaper costs, radio, billboard, direct mail, sales promotion, display)		3.5
MERCHANDISING MANAGEMENT:		
(Includes direct and distributed expenses of merchandise management and buying, buying offices, receiving and marking)		3.1
Total Operating Expenses		<u>28.0</u>
Net Profit		9.0%
Sales, % to Last Year		132.0%
Number of Stock Turns		2.9%
Stock Shortages, % to Sales		1.3%
Returns, % to Gross Sales		12.8%
Cash Discounts, % to Sales		1.4
Sales per sq. ft. of Selling Space		\$58.00
Average Gross Sale		\$19.21

Some suppliers sell at list price less a trade discount. The list price is usually your suggested retail price. This trade discount is not always a single figure. Sometimes two or more discounts are allowed on the same article. For example, the trade discount may be 40% and 10%. For example, if a product is billed at \$75.00 less 40% and 10%, take 40% of the \$75.00

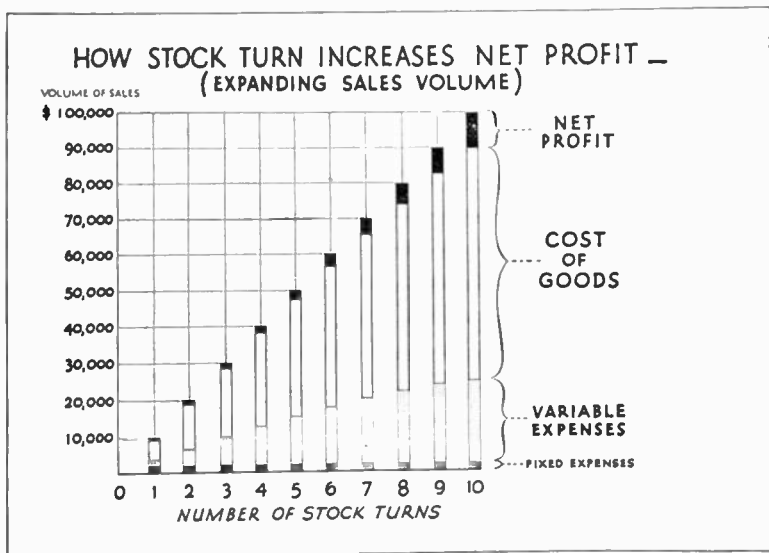


To obtain the selling price for any article, first decide what per cent margin is required. Then find the corresponding per cent mark-up on cost. Multiply this percentage of cost by the dollar cost to obtain the mark-up in dollars. Add this to the cost to get the retail price.

which is \$30.00, subtract it from the list price which gives you a figure of \$45.00. You then take 10% of \$45.00, which is \$4.50. Subtract the \$4.50 from \$45.00, to show the net cost to you which is \$40.50.

Knowing the mechanics of pricing is only the start of a successful policy. In establishing the proper gross margin for each product in your store, you are faced with a constant dilemma. It is real problem to price merchandise properly. If the price is too low, you lose profits rapidly. On the other hand, if your price is too high, you lose volume sales.

It is apparent from that, that margin alone is not the full story. Part of it lies in the salability of the merchandise at the price. That is evidenced by the amount of time required to sell the goods. The measure of this time is called the stock turn-over.



You may increase your stock turn by expanding your sales volume. When you do this, you increase your net profit directly by the greater volume and indirectly by the reduction in your variable expenses and sometimes your cost of goods.

Stock turnover is one of the most talked about indexes in efficiency in a retail store. It means the length of time it takes for the average stock of merchandise to be sold. It is expressed as the number of times the stock turns within the course of a year. High stock turn may be a sign of decrease in inventory or increased sales volume. In either case, it is an index to business efficiency. When you increase your stock turn and your sales volume remains steady, you thereby reduce your inventory.

These matters of margins ought to be given considerable thought because there have been thousands of cases where the company has enjoyed a very splendid sale of goods throughout a year, only to find that instead of actually making any money, they did less than break even because the goods were not properly "marked-up" to compensate for all of the expenses involved in making those sales. Always keep your check list of expenses foremost in mind and you will be guided in determining the proper "mark-up" on all the goods handled in your store.

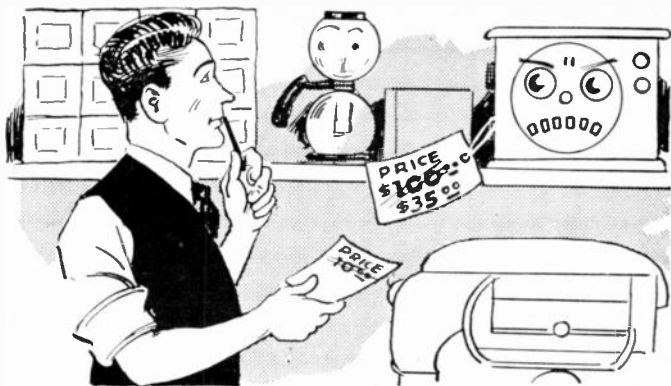
R. N. CUSTER RADIO SERVICE

400 S. Holmes Street

Phone 50017 — LANSING, MICH.

Critics are made up from the scraps and scattered remnants that are left over when good folks are created.

Anyone can criticise the work and efforts of his fellows—but it takes a broad-gauged, fair-minded, thinking man to quietly show others a better way by his own example.



Chapter IV

When To Mark Down Merchandise— Trade-In Allowances

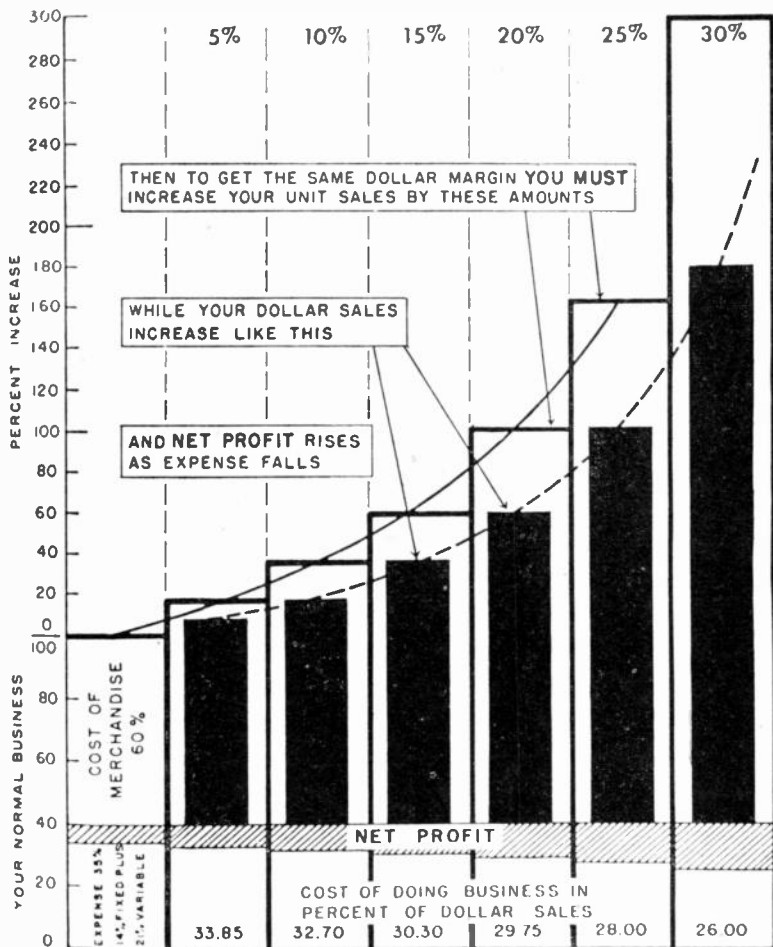
When you markdown goods, you either increase sales volume or you don't. When you increase volume, learn how to make more profit. When you don't, watch your stock loss point. This chapter tells you how to handle trade-in and planning special sales that pay.

A "mark-down" is a reduction in the retail price of any article you sell. You may make this reduction directly by cutting prices or indirectly in the form of a trade-in.

Whether or not to "mark-down" an article at any given time depends upon what effect the "mark-down" will have upon your profits. But you are not always in a position to make that decision. This is because some of your retail prices are controlled through fair trade laws. *No law, however, prohibits "mark-downs" under ALL conditions.* Do not accept any such law blindly. Instead, familiarize yourself with

WHEN YOU CUT PRICES

AND REDUCE UNIT PRICES BY THESE AMOUNTS



For you to increase your net profit when you mark down your merchandise, you must expand both your dollar and your unit sales volume. It is often impossible to expand either one because competitors may meet your lowered price.

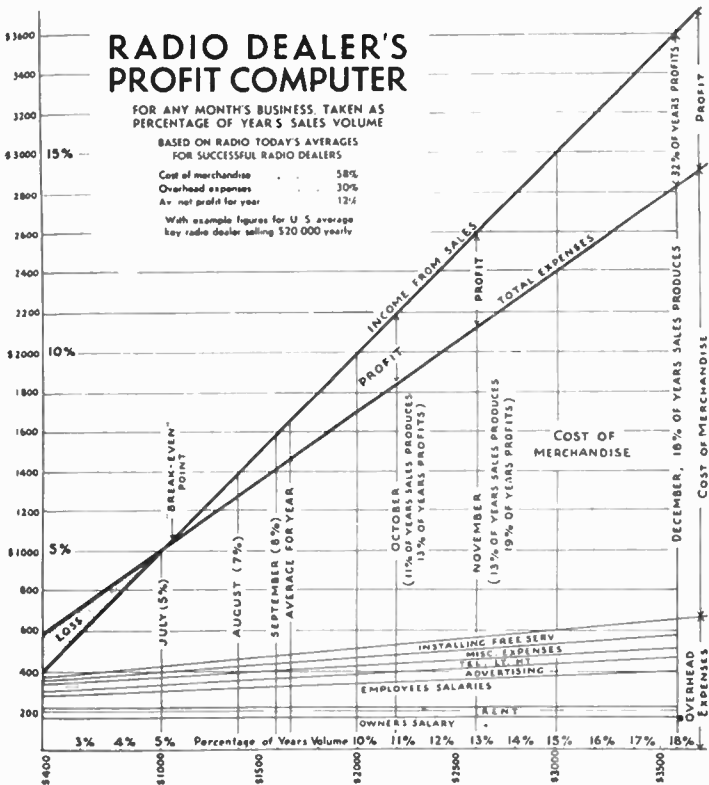
its provisions. Live up to the law but at the same time, if it should be to your best interests to make a "mark-down," then do so within the provisions of the law.

Fair trade in practices often boils down to the attitude of the supplier. If you're going to run the danger of having him cut off the sales of supplies to you, because of your price reduction policy, obviously you will think twice before marking it down.

Remember, too, when you "mark-down" the price of an item in your store, it may become of direct concern to other store keepers handling the same article. Therefore, this subject often takes on an ethical aspect.

If you live in a small community and wish to be on amiable terms with other Radio and Electrical Appliance dealers, this may become a paramount reason why you should not mark down your prices. If you are in a large community, however, the fact of the community solidarity loses much of its force. Remember, the extent to which your volume will increase for a given percentage of "mark-down", depends on the nature of the product itself, in many cases. You can stimulate some products greatly by marking them down. The same "mark-down" applied to other products would increase the sales volume hardly at all. Some successful radio appliance dealers are depending upon a liberal use of special prices on the merchandise they carry in order to develop the "loss leader" idea. They use these special prices on traffic items in order to draw people into the store. They have no intention of making any money on these "leaders" at all, but merely use them to get people to examine other items on which they intend to make a profit.

This "loss leader" technique has much to recommend it, but it should be used with caution. It is true that the literal use of price tags on small merchandise offering, for example, three items for a quarter or in some other case three for a dollar, will cause people to buy more, and thus raise the



This chart, prepared by Radio & Television Retailing, illustrates a graphic method by which the radio and electrical appliance dealer can predict the approximate net profit he may expect for any given volume of sales during a month. Owner's salary and rent are uniform and do not change with sales volume, hence are shown by bands of equal width across the chart. Employees' wages may go up with sales, number of employees, etc., as will advertising, installation and miscellaneous expenses. Of course, in using this graphic method, actual figures employed must be derived from the dealer's own business. In the chart shown, cost of merchandise is taken as 58 per cent of sales, total income being 100 per cent.

As an incidental feature of this chart, the monthly sales of radios from July through December are shown by the vertical lines as percentages of the total sales volume of the radio department.

This feature shows graphically why it is necessary to carry in addition to radios, electrical appliances and other merchandise to lift total income in dull months, cover overhead expenses and realize a net profit.

volume substantially. It is also true that pricing merchandise at 98 cents or 89 cents instead of \$1.00, will give people the impression that the store gives good values.

The danger for a radio and electrical appliance store is that if you train your customers to associate dollar merchandise with an 89 cents price in your store, they will come to expect a \$100.00 item for \$89.00. In these high priced specialty lines, cutting the price will not usually stimulate sales volume enough to make up for the loss.

So you can readily see on the low price "loss leaders", you can sometimes create a bad impression that the customer carries in his potential purchases of your higher priced items.

So far I have discussed this subject principally on how much cutting prices will stimulate volume. This is only part of the problem. *The real question to be answered is what effect will this increased volume at a cut price, have on your net profits?* The answer is that it is easier to stimulate volume by cutting the price, but hard to increase net profit with this great volume. This is because when you mark down your price, you are taking money out of your margin.

It will be recalled that part of your margin is your net profit. The economics of retailing are such that when you "mark-down" your retail price, you must obtain a large increase in sales volume in order to make your net profit rise sufficiently. When you cut your price by 30%, you must quadruple (4 times) your unit sales volume. In other words your volume must increase 300% in terms of units, to obtain the same dollar margin.

With this tremendous volume of business, you naturally would decrease your cost of doing business in percentage of dollar sales. The result of this would be a net profit which is approximately double the net profit at the normal level. The difficulty in accomplishing this is that your business is not sufficiently elastic so that you can do 4 times your sales,

even if you cut your prices by 30%. You will not sell 4 times as many radios or appliances at \$70.00 as you will at \$100.00.

One reason for this is that when you cut your prices, other dealers in your area are inclined to meet your price and the result may be that you and all the other dealers will sell at lower prices and no dealer will increase his sales volume.

The Radio and Electrical Appliance business has in past years been beset by price competition. This has taken the form of manufacturers dumping radio sets and appliances, the sale of these items through wholesale outlets direct to the consumer, discount houses offering special prices by way of catalogs and other types of cut-throat competition.

Although we are talking strictly of radio and electrical *equipment* in this particular chapter, the same practice of cut prices on actual *labor* and *servicing* has been worked to the detriment of both the radio and electrical service fields in years past. This subject, however, is covered more in detail in another chapter in this book.

The problem of cut-throat competition disappears during periods of great prosperity. Unfortunately, these disappearances seems to be temporary for with the establishment of new competitive outlets of various types, and with over-production, the problem may reoccur. Whenever these conditions are prevalent in the industry, there is constantly the temptation to a dealer to "fight fire with fire", by meeting these cut prices. The drawback to such a policy is that you, as an independent dealer, often cannot afford to meet the special advantages which big operators have in the way of inside prices for the goods they buy.

Therefore, you will operate in a "vicious circle"; if you cut the price in order to meet this kind of competition, you simply wind up in giving away your net profit. It is impossible to prescribe any cure-all for this situation. Several observations, however, may be made. If you will maintain a vigorous interest in your own trade association in your neighborhood, this

may help to some extent in curbing price cutting wherever that is a problem in your trading area.

You may also be able to ward off the evil in your store to a certain extent through the selection of lines you will handle. You cannot sell a line that is habitually cut, over the entire trading area even if you sell a satisfactory volume at full prices, your customers think you cheated them when they learn that the same article was sold at a lower price elsewhere.

The fundamental attitude to take toward price competition is that you cannot sell EVERYBODY in any circumstances. It may be desirable for you to lose a certain portion of the customers who come into your store seeking merchandise at a bargain. From my own observation, these make very poor customers, generally speaking.

If you decide on a "mark-down", it is desirable to make such a "mark-down" on an open and uniform basis. The reason for this is that if you cut the price for one person, the news may travel to others. They are led to expect the same cut price and that is the start of vicious circle, with you the ultimate victim.

Now, let us assume that you intend to make a "mark-down", either as an experimental idea because certain merchandise is not moving as it should—the question is, how much should the "mark-down" be? Let us assume that the cost of the goods sold is 60%, your total expense is 35% and your net profit 5%. It may be of interest to consider what this means in terms of specific merchandise.

You may have a radio which cost you \$15.00, the selling price of which is \$25.00. If you start with 20 such radios in your stock, they cost you \$300.00. You must sell 12 of these radios at \$25.00 to get back your investment, in this stock which amounts to \$300.00. You must then sell 7 more radios at \$25.00 to pay the overhead in your store. The sales price of the 20th radio at \$25.00 represents your entire net profit on selling all these 20 radios at the full list price.

Naturally, if you wish to give away your entire profit on the handling of these 20 radios, you may give away this radio or neglect to sell it until it becomes valueless. This has the effect of wiping out all of the profit on the other 19 radios you have sold.

You may apply these percentages to any article in your store. Doing so, will enable you to determine the percentage by which you can cut the price on the last of any batch of merchandise and still avoid a loss. These figures may be reduced to terms of numbers of items that can be cut by per hundred originally stocked. For example, if you sold 95 articles out of 100, at the full price, you can give away the remaining 5 without sacrificing more than your 5% net profit.

If you sold 9 out of 10, or 90 out of 100 of a group of articles at full price, then you can cut the price of the remaining 10% of these articles, to the extent of a 50% "mark-down" and still cover your overhead, sacrificing only your net profit. At the other end of the scale you could cut all 100 items 5% which is the equivalent of your net profit itself, and still cover your cost of doing business.

Direct price cutting of this kind is not the only form of "mark-down." A trade-in allowance is another. This is true even though you recondition the used appliance or radio you take in trade and sell it at a profit. This form of "mark-down" is very hard to control. You don't know the extent to which you may actually be marking down your new merchandise. The reason is that you do not know in advance whether or not you can sell the used article you are taking in trade, or the exact price you can get for it.

It is sound merchandising policy for you to sell without trade-in allowance wherever it is possible. Salesmanship in your own store may prevent trade-ins. Train yourself and your salesmen to sell your new merchandise; do not let the customer sell you her old merchandise. If she does this, she proves that

she is a better salesman than you are. And now a few pointers on what to do with trade-in sets of merchandise that you do accept.

It is a good plan to have the repair department sell the used article after it has been reconditioned. Your policy in selling used appliances or radios depends upon the type of store you operate. If you appeal to the highest kind of trade, perhaps you should arrange to set up a separate store on a back street or arrange to have these used sets sold in some manner without actually carrying them in your own store. If your store is large enough, however, you could conceivably have a "Used" department in the rear or basement and only refer any potential customers to that department in the event they make direct inquiry about used electrical or radio equipment.

The question that always come up, is what to charge for used, reconditioned merchandise. The minimum margin that you should set for used radios and appliances is 50% of the retail price. This means that you should at least double the cost price or the allowance price on which you accept the merchandise.

Although you may be fairly sympathetic with the proposition that you should not "mark-down" merchandise unless necessary, at the same time there are some conditions in which you may be faced in your business, that make a "mark-down" essential. Some of these situations deserve careful scrutiny.

Shopworn goods may be the first reason. You use demonstrator models to a point where they may not be salable at full price. Some of these are floor samples. Others are sets that have been sent to homes and used and are repossessed by you. In the same category are products damaged in shipment.

Some of these "mark-downs" can be prevented by greater care in the handling of your merchandise. Watch this cause closely and if it is excessive, ask your staff to exercise greater

care. Move out your demonstrator models before they deteriorate.

In the major appliance and radio field, you are constantly faced with sizes and models of merchandise which just don't move. You buy them at the beginning of the season and they turn out to be unpopular.

Obsolescence is also one of the greatest causes for "mark-downs." This is more rapid on radios than it is on electrical appliances.

You may suffer loss during a season by the obsolescence of merchandise which you have on your floor. Most especially it occurs between one season and the next.

Another need for a "mark-down" may arise from the fact that you overbought through the attractiveness of a special quantity discount which was offered you. If this is the case, at least you have the comfort of realizing that the material, although excessive in amount, has not become shopworn or lost attractiveness to the public. Perhaps your best strategy is to use mass displays of the merchandise and advertise it at the regular prices in an effort to reduce your excessive inventory.

Remember, "mark-down" merchandise only after you have tried to push it out of your store without a "mark-down." *I have found that many times, a radio or electrical appliance store operator is sometimes much more sensitive to technological improvements than HIS CUSTOMERS.* The merchandise will still do the same excellent job for them that it would have done a few weeks or months previously. Therefore, the problems to revise the attitude of your salesmen and yourself to make a vigorous effort to move this merchandise before it becomes obviously obsolete. *Don't let your own mental attitude and the realization that there is a new model with considerable improvements shortly to come on the market, prevent you from pushing with every possible vigor, the sale of merchandise you still have on hand.*

If you definitely decide to "mark-down" a quantity of goods and feature a cut price, this definitely becomes a special sale. Special sales fall into two major classes. These are voluntary and involuntary. Involuntary sales are called "distress" sales. In some circumstances, you do not need to decide whether or not to hold the sale. It becomes inevitable.

There are times, however, when you may have a choice. When you do, the question becomes one of deciding whether or not a special sale will pay. There may be occasions when it is desirable to buy a large quantity of merchandise and move it out rapidly. It has been demonstrated that the higher turnover brings greater net profit. This is so even if this turnover is concentrated within the time limits of a special sale.

Never hold a sale without a good reason. The public tends to be suspicious of stores that hold sales. Weigh the reasons for a sale carefully and promote it vigorously so that you will be believed in your advertising. *State the reasons clearly and frankly in your promotion.* If you can devise a novel name for the sale, so much the better. The following chart gives you some of the reasons for voluntary and involuntary sales that are held in stores in all parts of the country. The point on which the success or failure of your sale is determined, is, in the final analysis, at the counter where the final purchase is made. In order to set the sale up so it will go over successfully, get your sales force filled with enthusiasm about the sale. Call a meeting to inform them of the reason for the sale and the things you expect the sale to accomplish for them and for the store. Offer the sales force some kind of a bonus during the period of the sale. Spend ample time to acquaint the sales force thoroughly with the selling points of the merchandise being offered in the sale.

It is not enough to simply put a price tag on the merchandise. If aggressive selling is added, then customers walk away with a favorable impression of the store and a determination to come back in the future.

SOME POSSIBLE REASON FOR A SPECIAL SALE

Voluntary

- Grand opening of store
- Modernizing
- Enlarging your store
- Moving to another location
- Calling attention to a new line of goods
- Attracting new customers
- Coordinating with manufacturer's promotion
- "Pepping up" your organization
- Capitalizing on seasons, holidays and anniversaries

Involuntary

- Quitting business entirely
- Closing an unsuccessful department
- Discontinuing an old line
- Raising money to pay bills
- Clearing out odd sizes
- Selling slow-moving or shopworn models
- Selling obsolescent or out-of-style products
- Closing out at end of season
- Selling products damaged by fire or accident

Some dealers feel that a special sale must be made to resemble a circus in its flamboyant character. This is not the case. There is a world of difference between attracting the attention of the public and attracting favorable attention. Your goal is setting up a special sale should be the latter one. Sound merchandising principles will work in special sales just as they do every day of the year. If you pick merchandise that is attractive and desirable to your customers and if you tell

them the truth about this merchandise, including any drawbacks it has, and the actual extent of the "mark-down", you will not only sell more than you thought you would, but you will also win the respect of the public in your trading area.

In concluding, our advice would be to be extremely cautious in "mark-downs", but if you decide to make them, give as much thought to the reason you will give for the "mark-down", as to the actual amount of the "mark-down".

Sincerity and earnestness are two great virtues of good folks that work silently in their favor, always helping to clear the stubble and underbrush out of their paths and make progress pleasant and easy.

These virtues promote clear understanding and quick co-operation between men and make each step a permanent advancement toward the
common cause,

Success



Chapter V

Choosing A Suitable Location— How Big A Town Will Support An Electrical Or Radio Business

An important point often raised by a graduate who plans a business of his own is—HOW LARGE A POPULATION IS NEEDED TO SUPPORT AN ELECTRICAL, RADIO OR REFRIGERATION SHOP?

Of course, there are certain exceptions to any set of rules and I can merely give you a schedule based on my own experience and the information furnished by various fellows who have made a success in communities of various sizes.

First of all, there are various ways to look at this point. A shop that handles a complete service including ELECTRICAL, RADIO AND REFRIGERATION naturally would not need as large a territory to make a success as a shop that handles *only one type of service*. A little further in these instructions we will give you some definite outlines of various types of service you can offer your customers. Most successful

men include as many types of service as possible in their shop in order to get the greatest possible amount of business. *Specialization in one type of service is only advisable where there is a sufficient amount of that type of work. This is true in larger cities rather than the small towns or rural communities.* In other words, you have to set up your service shop according to the potential field you have.

So in order to arrive at a solution you should make a careful analysis of the community you would like to locate in.

Many businesses in town as low as 1,000 are doing a thriving business.

The potential buying power, the needs in that community, the facilities already there, all of these things should be of prime importance and you should make a very careful analysis of these factors.

How do I figure the potential market in my "community"—How will I determine the population of my territory. Well, that is comparatively easy. First of all, when we refer to your "community", *we don't necessarily mean just your home town.* So, the way to determine the population you could serve would be as follows:

Using your home town as a HUB, branch out ten miles in all directions. In other words, you should be able to serve the territory within a ten mile radius of your home town. Now, add the total population of all the towns and electrically equipped farms that fall in that radius to the population of your own town. This will give you the total number of potential customers in your service area.

After you've done this, then find out how many service shops are now operating in the territory; possibly there won't be ANY, but on the other hand there may be a few. Now, suppose the total population of the area is 8,000 people. In this area there is just one Electrical shop. Now suppose you are planning to open a complete service handling Electrical, Radio and Refrigeration Service. That would mean that the

population needed to support your shops as well as the one already established is usually 3,000 population. It would seem very evident from this that a properly managed shop would enjoy a splendid business with this market. You can figure the potential possibilities of any community by using the above method.

It is often advisable to check the opportunities or requirements of a community for a certain type of business by inquiring of your local Chamber of Commerce, Business Association, or Banker.

The important consideration is to check this question of location very carefully. Make many inquiries and above all, don't do things on hunches. Study the population—look for people with good steady incomes all the year around. Find out if their work is seasonable. These are things you must consider. When you have a town selected, preferably near your home locality, then select the section of the town that you want to locate in. It isn't always best, but it is generally preferable to stay in your home town or home location. A lot of fellows like to get away from their town—they want a change. It's the old story that the grass always looks greener on the other side of the fence. There is an old story which relates how a young son of a merchant set out to seek success and traveled over many lands WITHOUT finding it. After many years he came back home to find that his brother, who was much younger than he, had a very prosperous business and was a very successful man. This older son then asked his younger brother, "Brother, how came you to this great success—I've traveled many lands and haven't made any progress?" The younger son replied, "I merely made the most of the opportunities around me." From experience in dealing with thousands of merchants, I would not suggest that you go too far away, if you want to plan to start a business of your own. The people of your own locality have the same habits and characteristics that you are acquainted with. You are, there-

fore, in a better position to understand them. I would never advise any fellow to settle down more than 100 miles from his home locality, unless he is very flexible and can pick out the differences in people quite readily. Above all, he must be the type who can readily adjust himself and can understand people.

Another advantage in starting a business in your home town is that you are known by a certain number of friends and relatives and they more than likely will give you a "break". If they know you for your honesty, ability and sincerity, they would welcome a chance to help you get started in a service shop that can mean so much to you and the locality.

● *MAKE A CAREFUL SURVEY OF THE TOWN OR SECTION WHERE YOU PLAN TO LOCATE*

Before you plunge in and start a business, it is advisable to make a survey. You can do this by making a few house to house calls, if you go about it in a courteous and tactful way. You'd be surprised at the amount of information you can get that will cost you nothing but a little effort in asking questions. But don't kill a lot of your time or theirs either, by calling unprepared at any home. Make a list of a few questions, such as: Do you have a Radio and Refrigerator? How old are they? What do you do when you want these or any other electrical appliances serviced? Can you name the place you take it to? Does he service it properly and at reasonable cost? You can further explain that you're planning to start a business in the town and you are merely trying to get an idea of the need for such a shop. You might further add that you are making this survey so you'd be in a position to offer the best possible service to the people of that town.

After you have selected the town, then, it is wise to carefully consider where the residential and business sections are. You want to get your place of business in the best possible

location. You can watch certain streets and see how many people pass there daily. Or possibly the Chamber of Commerce or Police Department may have made a traffic survey and can supply you with information of this kind. If you find that most people use a certain avenue, that would be a pretty good place on which to locate your shop. A good idea would be to set up your shop where a lot of people transfer or pass your place of business. Give these things consideration. Find out where your potential customers are and how close you can get to them. Remember, a few days spent in carefully canvassing and surveying a town for the proper location of your shop, might mean the difference between success and failure. *Above all, ask questions of anyone that you feel can help you in reaching the important decision of where to establish your shop.*

*Care
seldom rides
on the back of the
man who faces his
problems with
courage*





Chapter VI

Types of Service

You Can Offer

I mentioned in the early part of these instructions that you should develop your business and the service you offer according to the needs of the people of your community.

As a result of your Electrical and Radio Training, you are in a position to handle many types of Electrical, Radio and Refrigeration work. Specialization is a fine thing but we have found that there are greater money making possibilities where a man can offer various types of Electrical service.

For example, most residential sections of towns afford a wide variety of electrical appliances repair work on such items as fans, toasters, vacuum cleaners, electric irons, washers, refrigerators, oil burners, floor lamps, light fixtures and switches, radios, etc.

Business sections of towns where stores and offices are located, generally have a variety of small motors, fans, elevator equipment, signal systems, telephones, radios, public-address

units, refrigerators, signs, lights, etc., to be serviced and repaired.

Industrial sections where mills and factories are located, generally have motors, controllers welders, electric ovens, lights, shop signal systems, etc., to be maintained and serviced.

● *AND REMEMBER THE FARMS*

Farming communities often have farm light plants, electric motors, lights, fans, refrigerators, radios, electric pumps, cream separators, and other appliances to service.

House wiring jobs may be found in residential sections of towns and in farm communities where farm power lines are being installed. Shop and factory wiring jobs are to be found in business and industrial sections of towns.

Automotive ignition and battery service is generally required in both residential and business sections of towns, as well as on farms where cars, trucks and tractors are used. Main highway crossings or intersections where heavy tourist and truck traffic pass are generally excellent locations for auto electrical service stations.

You should, therefore, pick your locality or business location according to the type of work you wish to specialize in. In other words locate your shop as near as possible to the source of business or type of customers you wish to get.

By inquiring of home owners, shop owners, Chamber of Commerce officials and people in the neighborhood, determine what type of service or merchandise is most needed. You may find that some shop or serviceman already in the neighborhood is taking care of certain needs, but sadly neglecting others. *The neglected items are your opportunity.*

In some localities, you may find several shops already located there. However, on careful inquiry and investigation, you may find that these shops may be inefficient in their service, disregard their customers needs, or entirely overlooking certain service needs of the community.

This may be your opportunity to get a lot of good business which they are missing.

● **BE DIFFERENT**

Remember that THE QUALITY OF SERVICE IS OFTEN MORE IMPORTANT THAN THE QUANTITY.

In any case, always try to OFFER A SERVICE THAT THE COMMUNITY NEEDS, and OFFER SERVICE OF A TYPE AND QUALITY THAT IS BETTER THAN THE AVERAGE.

BE DIFFERENT FROM YOUR COMPETITORS. BE ORIGINAL. OFFER SOMETHING NEW OR OFFER IT IN A NEW WAY, and you will build up your reputation and business much faster.

● **KIND OF ELECTRICAL WORK TO BE DONE**

Now, that I have mentioned the various types of Electrical service in a "general way" suppose we consider specific types of service you can offer. Also consider the point of whether or not you should specialize. There are many different types of Electrical work for the well trained man to do in most towns or communities. *In large cities it may be generally best to specialize on one or two best lines and do these exceptionally well.*

However, in small towns or farm communities, it may be advisable or necessary to take in a variety of jobs and offer several classes of electrical service in order to get ENOUGH WORK and business for a profitable full time occupation.

The following are just a few of the most common lines of electrical work and business which offer excellent opportunities.

Electrical appliance repairs and sales.

Electrical construction and wiring.

Illumination installation and maintenance.

Electrical maintenance contracting.

Armature winding and motor repairs.

Radio, service and sales.

Refrigeration service and sales.

Air Conditioning installation and service.

Auto ignition and battery service.

Door bell, signal and alarm wiring.

Electric welding.

Electroplating.

Electrical merchandising or sales of appliances, motors, radios, refrigerators, fixtures, wires, conduits, supplies, etc.

Now let's consider the possibilities in each of these branches and right at the start let us advise you that no matter what branch of electrical servicing, construction or maintenance you may engage in, **NEVER OVERLOOK OR NEGLECT THE POSSIBILITIES OF REAL PROFITS IN THE SALE OF REPAIR AND REPLACEMENT PARTS, NEW APPLIANCES, ETC.**

Many customers who have a service man repair their radio expect him to be able to furnish new tubes, transformers, condensers, etc., to replace any bad ones and many times the sales of such articles will go a long ways towards paying the overhead of a business. If their old radio is obsolete or beyond the point of economical repair, *they will often buy a new set from the service man more readily than from a regular radio store salesman.*

Some service shops specialize in service and repair work only and miss a lot of profitable sales that would come to them almost automatically if they carried a small stock of parts and new appliances to sell. Try to secure an agency for selling the products of some reputable manufacturer.

Every serviceman should use salesmanship which after all is acquainting your customers with what you have to offer, in order to reap the fullest profits from your efforts.

● APPLIANCE REPAIRS

The electric appliance repair shop may handle repairs to electric irons, fans, toasters, vacuum cleaners, curling irons, lamps, washers, oil burners, electric ironers, small motors, radios and refrigerators. Or it may specialize in several of these major items.

There are millions of these appliances in use in homes throughout the United States. On fractional horsepower motors alone, there are many millions of these in use and on electric washers, fans, oil burners, refrigerators, etc., and several million more are made and sold each year in normal times.

In any case, the appliance repair shop should stock and sell repair parts for these most common items, as well as complete new units for replacement of old obsolete units or *those that are damaged beyond repair.*

● ELECTRICAL CONSTRUCTION AND WIRING

If you enter the electrical construction and wiring business, you may contract wiring jobs for new homes, stores and shops, and also take jobs of modernizing or adding to the wiring in old buildings where the original wiring is obsolete or sadly lacking in completeness and convenience.

New store, office and factory buildings offer profitable wiring contracts and many other buildings of this type are badly in need of modernizations or extensions to their wiring systems.

Inspection will often show that continual adding of lights, motors and electrical appliances have overloaded existing circuits to a point where they are blowing fuses, overheating wires and cables, and causing poor operation and heavy monthly losses on power bills due to excessive voltage drop in undersize wires; to say nothing of the fire hazard that old obsolete, overloaded wiring systems may create.

This field offers splendid opportunities for many "live-wire" trained electrical men.

● ILLUMINATION AND ELECTRIC SIGNS

Electric illumination is another highly profitable and interesting branch which provides splendid opportunities for the trained man in his own business. Thousands of new homes are now being wired for Electricity. All these homes require the services of trained men to lay out, and install their electric lighting equipment.

Hundreds of thousands of old homes have badly out-of-date lighting equipment and need new fixtures and efficiently arranged modern illumination. This work provides splendid opportunities for profits from both the sale of fixtures and the wiring jobs.

Many factories, offices and stores need the services of trained men to modernize their old lighting equipment with new lamps and fixtures that have recently been developed. There have been tremendous strides made in commercial store and show case lighting. At least 75% of all stores today *do not* have the latest types of lighting fixtures.

You can point out that as much as 35% more light can be obtained in many factories, stores and offices by improved care and maintenance of their lighting equipment, without any increase in current used for lighting.

Many times by merely calling on people in your community asking them if all their electrical apparatus is in order, will bring you a lot of business.

Many times a person may have a lamp cord that's worn, an electrical iron or washing machine or some other home appliance that isn't up to par, but they may not figure its important enough to call in a man to fix it. *But* by calling on them they'll bring it up and this may lead to some very nice business.

Sometimes a person wants some extra outlets for lamps, etc. He may never think its important enough to call in an electrician, but if an electrician calls on *them* then this may remind them of something they've always wanted but didn't take the trouble to call anyone about it.

Many times to *merely have a shop equipped* to do work is not enough.

I remember many years ago when I was a young fellow travelling in Nebraska I called on a customer one day and sold him quite a quantity of certain items.

Three months later I again called on this man and I hadn't walked in the door until he started to "jump on" me for that "junk", as he called it, I had sold him. Said he hadn't sold but one of the items. I looked around and said "where are they". He replied "back there under the counter". Well I said "how do you expect to sell them, because no one knows you have them, let me take them out and make a little display where the customers can see them".

Well to make a long story short, he let me do it, and in less than two weeks he had every one of these articles sold and ordered more.

Well its the same in the business. A customer may know you have a service but he doesn't bother to use it.

So it's *your* job to bring it to his attention.

How many times in your life have you gone into a store to buy a certain thing, and the man who waited on you was a salesman and suggested something you wasn't even thinking of. Well you came out of the store with two or three items you *knew* you needed but just never got around to getting them. I've had this experience many times—I'll bet you have too.

So let the people in your community *know* what you have to offer, either in services or merchandise and it will bring you a lot of business you would *never* had gotten if you had simply waited till they called for it.

Much of this work for small shops can be done on contract by the local electric service man who may be in this business.

● MAINTENANCE CONTRACTING

Here's the story of ambition backed up with determination. It's about a boy of 19 who wanted to start a business of his own but had no capital.

He made a list of all places of business which had Electrical motors. Most of these concerns were too small to hire a man on a full-time basis, so this boy offered each one of them a monthly service rate, *depending upon the amount of Electrical equipment they had.*

Then he agreed to come in once every month and look over all their electrical equipment, clean it or do whatever was necessary.

Within three months this boy had built up a business and was using two young men to assist him.

Today this fellow has a very successful and prosperous business.

As a matter of fact one of the branches of the electric trade in which many opportunities exist throughout the country today is MAINTENANCE CONTRACTING. There are opportunities in this field that are almost completely overlooked in many localities, and going begging for want of some competent maintenance electrician to capitalize on them.

For example, there are thousands of small shops, factories, stores, offices and hotels *that really cannot afford to employ a full-time salaried maintenance electrician, because they do not have enough of such work to keep a man busy full time. Nevertheless, the electrical equipment in these places needs certain care and repair which is often seriously neglected because its owner puts off until the last possible moment the calling of a service electrician, or sending out of equipment to the repair shop.*

● *REGULAR MAINTENANCE SAVES MONEY*

In many such places, motors are allowed to run overloaded, on undervoltage, poorly lubricated at the bearings, or with oil soaked or dust clogged windings until they burn out and cause expensive shutdowns and delays within a small fraction of the time their useful life should be if they were given proper inspection and care. Low power factor accounts for many more burnouts and losses.

Lights are allowed to operate with old inefficient bulbs in which the filament is nearly burned away and the exterior of the bulb is coated nearly black. There are also dirty fixtures and reflectors and low voltage on the lighting circuits all of which may reduce the efficiency of the lighting equipment to little more than half of its original value.

In other cases, wiring has been allowed to deteriorate until the insulation is rotten and leaky, with circuits badly overloaded and with sloppy dangerous temporary wiring creating fire and shock hazards and continuous losses due to voltage drop and grounds. In the majority of such cases, these conditions could be prevented or remedied by a small amount of attention from an intelligent and competent maintenance *electrician at much less cost to the equipment owner than he is wasting otherwise in excessive power bills, unnecessary shutdowns and expensive repair bills.* But he may not give it much thought unless someone calls on him and suggests the repair of such matter.

If more electrical men in the neighborhood of these places would offer their services **ON A PART-TIME BASIS** to several such employers, many of them would find very profitable employment. This not only applies to independent individual electricians, but to many of the established electrical service shops, and contractors who are not giving these small maintenance jobs the attention they deserve.

The independent electrician who can go from plant to

plant with a moderate kit of tools, can often provide this preventive maintenance service at lower cost than some of the repair shops because of his lower overhead. Many equipment owners are quite willing to have MODERN INSPECTION AND MAINTENANCE SERVICE for their equipment WHEN SHOWN THE SAVING THAT IT CAN EFFECT AND THE SMALL MONTHLY COST AT WHICH IT CAN BE OBTAINED.

With a little effort you can line up five, ten, twenty or more small stores or plants. Some on written contracts and others on verbal agreement during a trial period. Some places may require only a few hours of your time each month to inspect, test and clean a few motors, controls and lights. Others may require several days per month to properly inspect, test and repair a larger group of machines and lights. Five to twenty-five dollars per month is not a very large amount for many shops to pay for this service even though their equipment may not justify paying a steady electrician a full monthly salary. However, it does not require many places at \$5, \$10, \$20, or \$30 per month to make a nice income for a busy maintenance contractor.

● *UNLIMITED FIELD FOR SERVICE*

Some equipment owners when offered such a service reply that they can't afford it even at \$5.00 a month, as their electrical repair bills have not averaged that amount so far. What these men are generally overlooking is the much heavier repair bills they are certain to have a little later when their machines start to burn out and fail in less than one-fourth their normal life because of the neglect on repairing small things before they become serious breakdowns. Regular inspection, cleaning, insulation testing, bearing lubrication, brush and commutator repairs, etc., can save much of this trouble and prolong the life of this equipment many years.

If large factories and plants find it profitable to maintain crews ranging from several dozen to several hundred electricians and provide this modern preventive maintenance service, then why can't the smaller shop owner profit by it on a smaller scale? There's your sales talk in going after this preventive maintenance service.

For a concrete example, we know of one recent case where a young man out looking for a job, offered his services part-time to a plant owner who had emphatically said he did not need an electrician. The employer however, agreed to let him put in 3 or 4 hours a week checking his equipment. Starting out at a few hours per week, this man showed such savings and improvements on the electrical equipment he maintained and repaired, that within a few weeks it developed into a full-time maintenance job. It was found that this plant was having quite frequent burnouts of their motors due to overloading, low line voltage, poor power factor, defective devices, improper fusing, etc. After a brief study of this condition by the Coyne man, *savings were effected in the repair bills and production delays that far more than paid a full-time electrician's salary.*

In another case, a serviceman offered this class of maintenance service to a small plant owner and made a few inspections and repairs when he was asked to rewind the armature of a burned-out 5 h.p. D.C. motor. After satisfactorily completing this job at a very reasonable cost to the owner and a fair profit to himself he was promptly shown several dozen burned-out machines of similar and larger sizes which had been held in a storeroom unrepaired because this owner had received one or two exorbitant estimates on rewinding them at outside shops. This resulted in a steady service work for the electrician who originally offered this service on a strictly part-time basis.

● *RADIO SERVICING*

Radio servicing alone is an excellent field to specialize in. Practically every town or community of any size has hundreds or thousands of household radios which need occasional service and adjustment, new tubes, condensers, resistors, etc.

Auto radios are being sold and installed by the thousands and provide more profitable jobs for the trained man with his own radio shop.

Many garages are willing to contract their auto radio installation and servicing to some competent local radio serviceman.

Sound cars and trucks and portable public-address systems to rent for speeches, games and advertising, provide many more profitable jobs for the trained man who has his own radio shop.

● *REFRIGERATOR SERVICE WORK*

With the great number of new refrigerators being made and sold each year in normal times there is an actual shortage of competent refrigerator servicemen in many communities, and many refrigerator service shops are busy night and day with this work.

It is a simple matter for the trained electrical man to fix the troubles in the electric motors and controls of these units.

● *AIR CONDITIONING*

Air conditioning is growing by leaps and bounds and the sale, installation and servicing of air-conditioning units or systems is a very profitable field for a business of your own.

● *AUTO ELECTRICAL SERVICE*

The many millions of automobiles, trucks and tractors in use, require thousands of small ignition and battery shops to service their electrical equipment. This is true today more

than ever before. Repairing and rewinding auto generator and starter armatures is also often handled by these shops.

New type electrical automotive test units now on the market require men with a thorough knowledge of Electricity to operate them, and provide you with another opportunity to offer your customers something new and different if you start an ignition service business or shop of your own.

● *ELECTRIC WELDING*

Many shops specialize in electric welding for repairing of factory and farm machinery and equipment, automobile frames and fenders, metal furniture and household articles, etc.

● *ELECTROPLATING*

Other shops do electroplating of tarnished automobile parts, household articles, etc. Because of the limited number of such shops, there are splendid opportunities for profitable jobs in this line in many localities.

● *SIGNAL AND ALARM WORK*

Some contractors and owners of radio and electric shops overlook a lot of good jobs installing door bells, office, store and shop signal systems, burglar alarms, etc. In some towns, this work alone will keep one or more men busy full time, while in other localities this work provides a substantial part of the work and business for a live wire shop owner.

By obtaining an agency or dealership for some manufacturer of electric appliances, fixtures, supplies, refrigerators or radios, you can often get much of your needed stock of these items on consignment without any or at least very little money down or on monthly payment plans so that very little capital is needed to start your business in the sale and service of these items.

We have listed a few of the most common types of electrical work or service in which you may wish to start your

business. A careful survey of the community or town in which you live, as well as a check up on the number and type of electric shops that may already be there, should help you decide the type of shop or business you wish to start.

● *HERE'S ANOTHER IMPORTANT POINT*

Always keep in mind that when you offer a variety of services, generally one will lead to another. As an example, you may call at a person's home to fix a vacuum cleaner when at the same time you can make inquiry concerning the electrical wiring in the home. You may find that a few more outlets are desired, or special extension light on a stairway is desired. Many times, you'll find the lamps badly in need of some repairs and just by simple observation, you can see many additional electrical or radio jobs you could do.

There is also the possibility that in a simple inexpensive service call of this kind, you could note the need for a new radio, a refrigerator, or an electrical washing machine. You might likewise make inquiries as to whether or not the heating plant in the home is thermostatically controlled. If not, there is another good opportunity for the sale of these modern coal-saving thermostatic draft controls.

The point I'm trying to make clear in this illustration is the fact that when you offer service covering various branches of Electrical or Radio work, *many times you will get an opportunity to do other electrical jobs from what at first appeared to be an inexpensive, simple service call.* That is one of the advantages of giving a broad service on electrical repairs. There is also the advantage of having many branches which would overcome the problem of seasonal service work. Anyone knows that during the winter time, in certain parts of the country, refrigeration service is not a very thriving business. However, in the summer time, it is going full blast. You can readily see that if a man limited himself to a strictly refrigeration service shop, there is a certain "lull" during the winter

months when he would not have a great deal of service work. However, during this period, radio servicing would be a thriving branch of the business, because most folks are spending more time around their radios during the cold winter months. Specialization in a large city is a fine thing because, there, the amount of work in any one particular line is adequate to maintain many shops, but in many localities in the country, a man has to have a broad "coverage" of service work in order to have a full year around business.

Now is the very time you should be in touch with people in your community acquainting them with what you have to offer and making suggestions for improvements in their equipment. *If you do it will pay you big dividends.*

The world is made up of two great classes of people—those who want success and wish for it and those who want success and wade right in and *work* for it.

WORK is the net price all must pay to travel the highway of progress.



Chapter VII

Choosing A Name

Your business must have a name so it will be readily identified in the mind of your customers. Before choosing a name, *remember that you expect to use it for the life of your business.* A good name should be descriptive of your enterprise. Here are a few suggestions:

- Jones Electrical Appliance Co.
- Jones Electrical Repair Co.
- Jones Radio Shop.
- Jones Refrigeration Service Co.
- Jones Ready Service Co.

In the above, you would use your own name so that the business is personally identified. Your name lends a personal touch and generally customers like to do business with the owner. In small communities particularly, the use of your name has added advertising value. *Don't ever use intricate or high sounding names.* The simpler the company name, the

more readily it is recognized and remembered. Some fellows use the name of the city in which the business is located instead of their own name. This is important in localities where your service business may extend to many other smaller towns for miles around. The fact that your business name is as an example, *Sedalia Electrical Service Company*, immediately gives the location of the company by the mere name that it carries. Sometimes a fellow will use the section of the town in which his shop is located as part of the name of his company. As an example, in Chicago we have service shops with the following names:

South Side Electric Works
Uptown Electrical & Radio Service
Grand & Noble Electric Shop
Logan Square Appliance Repair

These companies are located in the sections of our city designated by their name. In larger cities this is common practice but in smaller towns a name of this type is seldom used.

Although the name of your company need not be of paramount importance nevertheless, you should try to select the BEST possible name—one that can be remembered and one that is descriptive of the service you have to offer. Here is a sizable list of electrical and radio companies in Chicago taken from the phone book—it should give you some ideas to help you select a good name for your service shop. The list should also provide you with helpful information toward planning an attractive, attention getting classified telephone advertisement.

Aetna Radio Serv Co 2846N Milwaukee ... ALB ny-6460
950W Wilson ... LON gbch-2922

AIRLINE RADIO SERV—

A Open To 7 PM Thru Saturday
Insist On Genuine Factory Parts
1300 E 47 ... OAK Ind-0046

A & A
Factory Specifications—Guar. One Year
6321 S Univ ... FAI Hx-9000

A A A
Airline Authorized City-Wide Service
454W North ... MOH awk-7020
1305E63 ... HYD Pk-3100
9 SKedze ... KED ze-7766

Aki's Radio & Appliance Shop
4904 N Kedze KEY ston-5532

ALAN RADIO & APPLIANCE CO
4027 N Lincoln GRA clnd-7528

ALCON RADIO SERV 3404 1/2 W Lawr. KEY ston-8100
(See Advertisement Page 839)

ALERT ELECTL APPLIANCE CO
NORTH SIDE
ROGERS PARK - EVANSTON
Service on All Makes
7611 N Paulina ... AMB assador-0170

All Elect Repr Co 51WChgo ... SUP rior-7536

ARGMORE RADIO SHOP
1052W Argyle SUN ysde-1915

ALLADIN RADIO & ELECTRONIC LABTRY
5002 S Justin YAR ds-6769

Allen Elect Co 3447 1/2 W Madsn ... SAC imnto-3691

Allen's Radio Serv
All Work Guaranteed
359E61 ... ENG lwd-1424

Allen's Radio Serv 135 N Westrn ... MON ro-1976

Allen's Radio Shop 2012W Divsn ... HUM bldt-7011

Almqvist Radio & Electrical Appliance Co
7445 SCotGrv VIN cns-2423

AL'S RADIO SERV 1627 N Larabe ... MIC hign-9133

AL'S RADIO SERVICE
Auto & Home Radios Repaired—All Makes
Pick Up & Delivery Service
119 E Pershng ... BOU lvrdr-2037

Al's Radio Serv 4018 N Bway ... BIT rswt-7133

Ambassador Radio Serv 5921W Divsn ... COL umbs-1416

AMERICAN RADIO LABORATORY
WE HAVE TUBES
THOUSANDS OF PARTS
FOR REPAIRS ON
ANY MAKE OR MODEL
"Guarantee"
OPEN EVENINGS
6321 S University Av ... MID way-9111

ANCEL RADIO CO 4644N Bway ... LON gbch-0300

ANCEL RADIO SALES & SERVICE
BROADWAY & SURF STS
SAME LOCATION 16 YEARS
Complete Guaranteed Service
2845 N Broadway ... WEL lington-8008

ANDREWS JOS
If It Wont Say A Thing—Give Us A Ring—We
Will Soon Make It Sing—Guaranteed Repairs
5615 S Prairie ... NOR ml-7082
Andrews Jos 47 E 51 ... KEN wd-8801

ANGLO-AMERICAN RADIO CO
ALL MAKES RADIOS
RECONDITIONED
Car Radios a Specialty
2528 E 75th ... SAG inaw-8780

APEX MUSIC SHOP 135 E 51 ... LIV ngstn-1414
(See Advertisement Page 839)

Appleton Radio Serv 5670N NewHamp NEW casl-7130

APPROVED RADIO & APPLIANCE SHOP
1018W63 WEN twth-2246

Arbet Radio & Refrgtrr Store 1746W47 VIR gnia-3377

Arcade Appliance Store 2049 N Milwaukee BRU nswk-1148

Archer Radio & Elect Repr Shop
3562 S Archr. LAF ayet-1622

Armitage & Pulaski Radio Serv
4002W Armitage ALB ny-4834

Armitage Radio & Appliance Serv
Expert Repairs On All Makes
2143 N Armitage ... HUM bldt-8767

Armory Radio & Appliance Co
3538 W North BEL mnt-4433

ARROW RADIO SERVICE
NORTHWEST SIDE
NAT ional 2633
ALL MAKES REPAIRED
"SERVICE THAT SATISFIES"
ALL WORK GUARANTEED
5646 W Diversey Av ... NAT ional-2633

Art's Radio Serv 3300 W North ... SPA ldn-0026

Art's Repr Shop 1309N Clark ... DEL awar-1600

Ashland Radio Serv 5147 S Ashlnd ... YAR ds-0311

ATLAS RADIO STORES
Austin Furntr Co 5524 W North ... MER mac-7539

AUTHORIZED SALES & SERV
3205W Fulrn ALB ny-0440

AVON RADIO SERV
We Repair All Makes—Tony Rasmussen Prop.
3329 W Fulrn ... ALB ny-4959

B&R Radio Serv 3205 1/2 N Cicero ... KIL dar-1795

BACA RADIO
Modern Equipment—22 Years Experience
1040W BrynMawr ... LON gbch-5983

Baldite Appliance Sales & Service
4214 N Milwaukee MUL bery-4212

Batcha's Radio & Electl Appliance Shop
Reprs—All Makes Of Radios & Appliances
3017 N Clark ... DIV rsy-8877

BEACHVIEW RADIO SALES & SERV
Radio Service On All Makes—Southeast Side
7939 S Exch ... BAY port-2663

BECKER BOB HOME APPLIANCE SHOP
5847 W Irving Pk PAL isad-5750

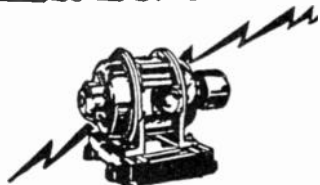
Beckhoff Frank J
Expert Repair On All Makes
1633N Daytn ... MIC hign-8562

MAIN ELECTRIC CO
Wm. Kamen - Established 1918
INDUSTRIAL - COMMERCIAL
WIRING
 Fluorescent Lighting - Motors
MON roe 8635
 741-43 N Milwaukee Av ... MON roe-8635

Malelo Peter K 3336 S Halst ... YAR ds-6067
 Malko Elect Co 840N Calif ... BRU nswk-0163
 Maron Elect Co 1522 SKedze ... LAW ndal-9257
 Marrano Elect Shop 622 S Pulaski ... SAC rmnto-2666
 Marsh Elect Co 1449W Van Burn ... MON ro-2711
 Martin Elect 4704N Kennicott ... PEN scola-8097

MARTIN ELECTRIC CO
 EMERGENCY SERVICE TO LOOP
 or Anywhere. Motors, Lights, Fans
 Shop 667 W Lake ... AND over-5022
 1317 W Touhy Av ... ROG ers Park-2228

MAYER ELECT CO 3827 N Hamlin ... IRV no-1647



Marwood Electric Co.
NEW AND REBUILT MOTORS
 Bought, sold, rented, ex-
 changed. Rewinding and
 repairing.
24-HOUR SERVICE
CRA wford 2495
 3539 W. Cermak Rd.



GORSKI ELECTRIC
INDUSTRIAL
COMMERCIAL
 and
INSTITUTIONAL
 Specialists Exclusively
 for Light & Power
 Registered Contractors
2913 W. CERMAK
ROC kwell 4947


FOR STAR PERFORMANCE CALL
CORBIN ELECTRIC
COMPANY
 ESTABLISHED 1904
GUARANTEED
SERVICE & WORKMANSHIP
MOTORS & GENERATORS
REWOUND & REBUILT
CEN tral 2710
309 S. DESPLAINES

ROBBINS & MYERS MOTORS
 Expert maintenance
 and repair on all
 types of R&M fans
 and motors. Rewind-
 ing, balancing, Rewind-
 ing, balancing, adjust-
 ment, finishing,
 lubricating and cleaning of complete
 units and parts.
"WHERE TO GET SERVICE"
 Queen City Elect Co Inc
 515 S Calif VAN burn-5232



A & A RADIO & ELECTRIC SHOP
NORTH SIDE
 Home and Auto Radio
 Servicing Since 1924
 All Makes and Models
 All Work Guaranteed
 1139 W Wilson Av ... LON gbeach-0002

MOTORS



REWINDING REPAIRING

Generators — Starters
All Electric Equipment

EBLING ELECTRIC CO.
410 S. CLINTON
WAB ash 3483

REWINDING · REPAIRING SPECIALISTS



NEW GUARANTEE
ON
REPAIRED
MOTORS

ANY SIZE ELECTRIC MOTORS
• MOTOR —
GENERATORS
• GENERATORS

We Buy, Sell, Rent, Exchange

QUEEN CITY ELECTRIC CO., INC.
VAN buren 5232
515 S. CALIFORNIA AVE.



Emergency Service
CITY-WIDE

Maintenance by Contract

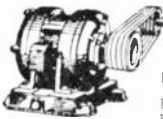
Call **HAY market 0608**
Night Telephone **LAK eview 0092**

Temporary Motors Furnished.
Dependable guaranteed repairing of all types of motors. Maintenance by regular contract

ABLE ELECTRIC MAINTENANCE INC.
18 SOUTH RacINE

SIEVERT

ELECTRIC CO. INC.



New and Rebuilt
**MOTORS
GENERATORS**

BOUGHT - SOLD
RENTED - EXCHANGED

- EXPERT REPAIRING & REWINDING
- ELEVATORS REPAIRED
Inspected - Installed
- INDUSTRIAL WIRING
- Factory Distributor ALLIS-CHALMERS Motors — V-Belt Drives & Belt Replacements — All Work Guaranteed

For Service and Information Call **ARMitage 8300**
1349 BAUWANS STREET

R. N. CUSTER RADIO SERVICE

400 S. Holmes Street

Phone 50017 — LANSING, MICH.

Horn Elect Co 547WLake DEA rbn-1239

HUBRELL ELECTRIC CO
FRA nklin 3696
 24-HR. BREAKDOWN SERVICE
 ANY PLACE - ANY TIME
*Repairs and Parts for All
 Standard Motors and Equipment*
 New and Rebuilt Motors Available
 422 W Randolph FRA nklin-3696

HYGRADE ELECT CO 4353 SHalstd BOU lvrld-7432
HYRE ELECTRIC CO 741 W Jacksn. CEN trl-5970
 (See Advertisement Preceding Page)
 Ideal Elect&Mfg Co 407 SDearb. WAB sh-6458

INLAND ELECTRIC CO
 Sales - Service - Repairing
 Rewinding Motors, Generators,
 Industrial Equipment
 2521 S Halsted CAL umet-1623

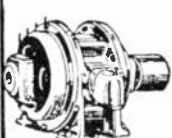
J&L Elect Co 3743WGrand SPA ldnng-2647
 Kil-Bar Elect Co 2263NClybrn LIN cin-2200
 L-M Products 610 W Randolph AND ovr-3196

LAMBERT ELECTRIC & MACHINERY CO
 NEW AND USED MOTORS
 ALL TYPES - ALL SIZES
 BOUGHT - SOLD - EXCHANGED
 115 N Desplaines STA te-3554

LARSON ELECT CO 1630E86 SAG inw-1464
LEA ELECTL EOPMNT CO
 359WChgo SUP rior-0747

LEHMAN ELECTRIC CO
 High Grade Repairing and Rewinding
 Temporary Motors Furnished
 Electrical Maintenance
 Machine Work
25 YEARS' EXPERIENCE
 Fairbanks Morse Motors and Pumps
Authorized Sales and Service
REASONABLE PRICES
 108 N Jefferson RAN dolph-7400
 Night Phone SUN nys de-5863


MOTORS • GENERATORS
 Chicago's Largest and Most Complete Stock
 of Electric Power
 Equipment
 Buying • Selling
 Rewinding
 Renting Exchange
 •
ROCKWOOD: Paper
 Pulleys, V-Belt Drives, Pivoted Drives
FALK-COUPPLINGS
1328-32 W. CERMAK RD.
CHICAGO ELECTRIC
CAN. NO. 2900



WE
BUY=SELL
ELECTRIC MOTORS
& FANS

FRA nklin 4356

MONARCH
ELECTRIC SERV.
 Div. of A-Abart
 Electric Co.
 121 N. Halsted St.





Chapter VIII

How To Buy—What To Buy Where To Buy

One of the questions confronting a man starting his own business is, "Where will I purchase supplies and equipment?" This is a very important question because it is vitally essential to the life of any business to have a good reliable, prompt source of materials and supplies.

● *EQUIPMENT AND SUPPLIES!*

Most larger Electrical or Radio supply houses are normally equipped to render fast, efficient service.

The following Directory of Radio and Electrical Appliance manufacturing companies is furnished to aid you in making your purchase arrangements.

After you decide which lines you want to handle write to the companies direct. In some cases you may be able to get the dealership on the product—in other cases you will be directed to the established dealer in your state. Through their dealer can then be developed some basis upon which you can handle the equipment.

DIRECTORY OF RADIO MANUFACTURERS		Home AM-FM	Combinations	Television	Auto Radio	Amateur	Commercial [®]
Admiral Corp., 3800 W. Cortland St., Chicago, Ill.	•	•	•	•			
Air Communications Co., 2233 Grand Ave., Kansas City, Mo.	•	•	•	•			
Aireon Corp., Fairfax & Funston Rds., Kansas City, Mo.	•	•	•	•			•
Air King Prod. Co., Inc., 1523 63rd St., Brooklyn, N. Y.	•	•	•	•			•
American Communications Co., 306 Broadway, New York, N. Y.	•	•	•	•			•
Andrea Radio Corp., 43-20 34th St., Long Island City, N. Y.	•	•	•	•			•
Anslay Radio Corp., 21-10 49th Ave., Long Island City, N. Y.	•	•	•	•			•
ARF Products, 7713 Lake St., River Forest, Ill.	•	•	•	•			•
Autocrat Radio Co., 3855 N. Hamilton Ave., Chicago	•	•	•	•			•
Automatic Radio Mfg. Co., Inc., 122 Brookline Ave., Boston	•	•	•	•			•
Aziola Radio Corp., 703 Ivy St., Glendale, Calif.	•	•	•	•			•
Bell Radio Co., 125 E. 46th St., New York, N. Y.	•	•	•	•			•
Belmont Radio Corp., 5921 W. Dickens Ave., Chicago, Ill.	•	•	•	•			•
Bendix Radio, Div. of Bendix Aviation Corp., Baltimore, Md.	•	•	•	•			•
Browning Laboratories, Inc., 750 Main St., Winchester, Mass.	•	•	•	•			•
Collins Radio Co., 2920 First Ave., Cedar Rapids, Iowa	•	•	•	•			•
Colonial Radio Corp., 254 Rano St., Buffalo, N. Y.	•	•	•	•			•
Columbia Electronic, Inc., 185 E. 122nd St., New York, N. Y.	•	•	•	•			•
Communications Equip. Co., 300 Greco Ave., Coral Gables, Fla.	•	•	•	•			•
Concert Master Rad. & Tel. Co., 1800 Winnemac Ave., Chicago	•	•	•	•			•
Concord Radio Corp., 901 W. Jackson Blvd., Chicago	•	•	•	•			•
Coronet Radio & Television Corp., Front St., Hempstead, L. I.	•	•	•	•			•
Crosley Corp., 1329 Arlington St., Cincinnati, Ohio	•	•	•	•			•
Crystal Products Co., 1519 McGee Trafficway, Kansas City, Mo.	•	•	•	•			•
Daleo Radio, Div. of General Motors Corp., Kokomo, Ind.	•	•	•	•			•
DeWald Radio Mfg. Corp., 440 Lafayette St., New York, N. Y.	•	•	•	•			•
Allen B. DuMont Laboratories, 515 Madison Ave., New York	•	•	•	•			•
Dynavox Corp., 40-35 21st St., Long Island City, N. Y.	•	•	•	•			•
Ekstein Radio & Television Co., 1400 Harmon Pl., Minneapolis	•	•	•	•			•
Echophone Radio Co., 2611 So. Indiana Ave., Chicago, Ill.	•	•	•	•			•
Electrical Research & Mfg. Co., 3001 E. Pico Blvd., Los Angeles	•	•	•	•			•
Electromatic Mfg. Co., 88 University Pl., New York, N. Y.	•	•	•	•			•
Electronic Corp. of America, 15 W. 18th St., New York, N. Y.	•	•	•	•			•
Electronic Devices Co., 601 W. 26th St., New York, N. Y.	•	•	•	•			•
Emerson Radio & Phono. Corp., 111 8th Ave., New York, N. Y.	•	•	•	•			•
Expy Mfg. Co., Inc., 33 W. 46th St., New York, N. Y.	•	•	•	•			•
Fada Radio & Electric Co., Inc., Long Island City, N. Y.	•	•	•	•			•
Farnsworth Television & Radio Corp., Ft. Wayne, Ind.	•	•	•	•			•
Federal Telephone & Radio Corp., 591 Broad St., Newark, N. J.	•	•	•	•			•
Flush Wall Radio Co., 15 Washington St., Newark, N. J.	•	•	•	•			•
Franklin Photographic Industries, 223 W. Erie St., Chicago	•	•	•	•			•
Freed Radio Corp., 200 Hudson St., New York, N. Y.	•	•	•	•			•
Galvin Mfg. Corp., 4515 Augusta Blvd., Chicago, Ill.	•	•	•	•			•
Garod Radio Corp., 70 Washington St., Brooklyn, N. Y.	•	•	•	•			•
General Electric Co., Bridgeport, Conn.	•	•	•	•			•
General Television & Radio Corp., 2701 Lehmann Ct., Chicago	•	•	•	•			•
Giffillan Bros., 1815 Venice Blvd., Los Angeles, Calif.	•	•	•	•			•
Globe Electronics, Inc., 225 W. 17th St., New York, N. Y.	•	•	•	•			•
Gray Radio Co., W. Palm Beach, Fla.	•	•	•	•			•
Halliferafters Co., 2611 S. Indiana Ave., Chicago, Ill.	•	•	•	•			•
Hamilton Radio Corp., 510 6th Ave., New York, N. Y.	•	•	•	•			•
Hammarlund Mfg. Co., 460 W. 34th St., New York, N. Y.	•	•	•	•			•
Harris Mfg. Co., 2122 W. 7th St., Los Angeles	•	•	•	•			•
Harvey Machine Co., Inc., 6200 Avalon Blvd., Los Angeles	•	•	•	•			•
Harvey-Wells Electronics, Inc., Southbridge, Mass.	•	•	•	•			•
Herbach & Rademann Co., 522 Market St., Philadelphia, Pa.	•	•	•	•			•
Hoffman Radio Corp., 3130 So. Hill St., Los Angeles, Calif.	•	•	•	•			•
Howard Radio Co., 1735 Belmont Ave., Chicago, Ill.	•	•	•	•			•
Hudson American Corp., 25 W. 43rd St., New York, N. Y.	•	•	•	•			•
Industrial Tool & Dye Works, Inc., Minneapolis, Minn.	•	•	•	•			•
International Detrola Corp., Beard Ave., Detroit, Mich.	•	•	•	•			•
Jefferson-Travis Radio Mfg. Corp., 245 E. 23rd St., New York	•	•	•	•			•
Ray Jefferson, Inc., 40 E. Merrick Rd., Freeport, L. I., N. Y.	•	•	•	•			•
Kaar Engineering Co., 619 Emerson St., Palo Alto, Calif.	•	•	•	•			•
Keith Radio Products, Bedford, Ind.	•	•	•	•			•
Kingston Radio Co., Inc., Kokomo, Ind.	•	•	•	•			•
Laurehk Radio Mfg. Co., 3931 Monroe Ave., Wayne, Mich.	•	•	•	•			•
Lear, Inc., 230 E. Ohio St., Chicago, Ill.	•	•	•	•			•
Lincoln Electronics Corp., 653 11th Ave., New York, N. Y.	•	•	•	•			•

<p style="text-align: center;">DIRECTORY OF RADIO MANUFACTURERS</p>	Home AM-FM	Combinations	Television	Auto Radio	Amateur	Commercial [Ⓢ]
Fred M. Link, 125 W. 17th St., New York, N. Y.	•	•	•	•	•	•
Magnavox Co., 2131 Buier Rd., Ft. Wayne 1, Ind.	•	•	•	•	•	•
Maguire Industries, Inc., W. Putnam Ave., Greenwich, Conn.	•	•	•	•	•	•
Majestic Radio & Television Corp., St. Charles, Ill.	•	•	•	•	•	•
Marco Industries, 245-A So. Beverly Dr., Beverly Hills, Calif.	•	•	•	•	•	•
Mason Radio Products Co., Kingston, N. Y.	•	•	•	•	•	•
E. W. McGrade Mfg. Co., 106 W. 34th St., Kansas City, Mo.	•	•	•	•	•	•
John Meek Industries, Plymouth, Ind.	•	•	•	•	•	•
Medco Mfg. Co., 5 W. 45th St., New York, N. Y.	•	•	•	•	•	•
Megard Corp., 1601 S. Burlington Ave., Los Angeles, Calif.	•	•	•	•	•	•
Meissner Mfg. Co., 936 N. Michigan Ave., Chicago, Ill.	•	•	•	•	•	•
Midland Mfg. Co., Decorah, Iowa	•	•	•	•	•	•
Midwest Radio Corp., 909 Broadway, Cincinnati, Ohio	•	•	•	•	•	•
James Millen Mfg. Co., 150 Exchange St., Malden, Mass.	•	•	•	•	•	•
Minerva Corp. of America, 238 William St., New York, N. Y.	•	•	•	•	•	•
Music Master Radio Corp., 750 Main St., Hartford, Conn.	•	•	•	•	•	•
National General Corp., 624th St., New York, N. Y.	•	•	•	•	•	•

<p style="text-align: center;">DIRECTORY OF ELECTRICAL APPLIANCE MANUFACTURERS</p>	Refrigerators	Laundry Equip.	Vac. Cleaners	Elec. Ranges	Gas Ranges	Freezers	Traffic Appl.
Adel Precision Products Co., No. Hollywood, Calif.							
Admiral Corp., 3800 W. Cortland St., Chicago.	•			•		•	•
Airmaster Corp., 4317 Ravenswood Ave., Chicago, Ill.							
Air Way Electric Appliance Corp., Toledo, Ohio.							
Altorfer Bros. Co. (ABC), East Peoria, Ill.			•				•
Amana Society, Refrigeration Division, Amana, Iowa.		•					•
American Electrical Heater Co., Detroit, Mich.						•	•
American Ironing Machine Co., Algonquin, Ill.		•					•
American Refrigerator & Machine Co., No. Minneapolis.		•				•	•
American Stove Co., 4301 Perkins Ave., Cleveland.					•		•
Apex Electric Mfg. Co., Cleveland, Ohio.		•	•				•
Appliance Industries of America, Chicago.		•					•
Appliance Mfg. Co. (Duchess), Alliance, Ohio.		•					•
Aristocrat Clock Co., 245 5th Ave., New York, N. Y.		•					•
Armstrong Products Co., Huntington, W. Va.		•					•
Automatic Washer Co., Newton, Iowa.		•					•
Barlow & Seelig Mfg. Co. (Speed Queen), Ripon, Wis.		•					•
Barr Mfg. Co., Weedsport, New York.							•
Barton Corp., West Bend, Wis.							•

Noblitt-Sparks Industries, Inc. Columbus, Ind.
 Northern Radio Co., 2208 4th Ave., Seattle, Wash.
 Packard-Bell Co., 3143 Wilshire Blvd., Los Angeles, Calif.
 Packard Mfg. Corp., 2900 Columbia Ave., Indianapolis, Ind.
 Pan American Electric Co., Inc., 132 Front St., New York, N. Y.
 Philco Corp., Tioga & C Sts., Philadelphia, Pa.
 Philharmonic Radio Corp., 628 E. 72nd St., New York, N. Y.
 Pilot Radio Corp., 37-06 36th St., Long Island City, N. Y.
 Precision Specialties, 210 N. Western Ave., Los Angeles, Calif.
 Radio Craftsmen, Inc., 1341 S. Michigan Ave., Chicago
 Radio Engineering Laboratories, Inc., 36th St., L. I. City, N. Y.
 Radio Process Co., 7618 Melrose Ave., Los Angeles, Calif.
 Radio & Television, Inc., 244 Madison Ave., New York, N. Y.
 Ray-Energy Radio & Television Corp., 32 W. 22nd St., New York
 RCA Victor Div., Radio Corp. of America, Camden, N. J.
 Regal Electronics Corp., 20 W. 20th St., New York, N. Y.
 Remler Co., Ltd., 2101 Bryant St., San Francisco, Calif.
 Rex Products Co., 1313 W. Randolph St., Chicago, Ill.
 E. M. Sargent Co., 219 9th St., Oakland, Cal.
 Schuttig & Co., 9th & Kearny St., N.E. Washington, D. C.
 Scophony Corp. of America, 527 5th Ave., New York, N. Y.
 Scott Radio Labs., Inc., 4450 Ravenswood Ave., Chicago, Ill.
 Sentinel Radio Corp., 2020 Ridge Ave., Evanston, Ill.
 Setchell-Carlson, Inc., 2233 University Ave., St. Paul, Minn.
 Sheridan Electronics Corp., 2850 S. Michigan Ave., Chicago
 Signal Electronics, Inc., 111 E. 16th St., New York, N. Y.
 Sonora Radio & Television Corp., 325 N. Hoyne Ave., Chicago
 Sonotone Corp., 570 5th Ave., New York
 Sparks-Withington Co., Jackson, Mich.
 Stewart-Warner Corp., 1826 Diversey Pkwy., Chicago, Ill.
 Stromberg-Carlson Co., 100 Carlson Rd., Rochester, N. Y.
 Symphonix Radio & Electronic Corp., Main St., Cambridge, Mass.
 Taybern Equipment Co., 120 Greenwich St., New York, N. Y.
 Tech-Master Products Co., 123 Prince St., New York, N. Y.
 Teletone Radio Co., 609 W. 51st St., New York, N. Y.
 Telicon Corp., 351 Madison Ave., New York, N. Y.
 Tomplateone Radio Mfg. Corp., New London, Conn.
 Trav-Ler Karenola Radio & Tel. Corp., 571 W. Jackson, Chicago
 Trebor Radio Co., Box 497, Pasadena, Calif.
 United Cinephone Co., Torrington, Conn.
 United States Television Mfg. Co., 106 7th Ave., New York, N. Y.
 Viewtone Co., 203 E. 13th St., New York, N. Y.
 V-electrical Engineering Co., 328 N. Highland Ave., Los Angeles
 Walker, Inc., 303 W. 3th St., Los Angeles, Calif.
 Warwick Mfg. Corp., 4610 W. Harrison St., Chicago, Ill.
 Watterson Radio Mfg. Co., 2700 Swiss Ave., Dallas, Texas
 Wells-Gardner & Co., 2701 N. Kildare Ave., Chicago, Ill.
 Western Electric Co., 120 Broadway, New York
 Westinghouse Electric Corp., Receiver Div., Sunbury, Pa.
 Whiting & Davis, Inc., 23 W. Bacon St., Plainville, Mass.
 Wilcox Electric Co., Inc., 1400 Chestnut St., Kansas City, Mo.
 Zenith Radio Corp., 6001 Dickens Ave., Chicago, Ill.

Beam Mfg. Co., Webster City, Iowa
 Bell Appliance & Radio, 125 E. 46th St., New York, N. Y.
 Bendix Home Appliances, Inc., South Bend, Ind.
 Ben-Hur Mfg. Co., 634 E. Keefe Ave., Milwaukee, Wis.
 Berger Electric Co., 109-01 72nd, Forest Hills, N. Y.
 Bersted Mfg. Co., Fostoria, Ohio
 Birzman Electric Co., 4140 Fullerton Av., Chicago, Ill.
 Blackstone Corp., Jamestown, New York
 Buffalo Forge Co., 205 Mortimer St., Buffalo, N. Y.
 Balkins Appliances Corp., South Bend, Ind.
 Camco Products, Inc., 57 William St., New York, N. Y.
 Campbell Mfg. Co., Grand Haven, Mich.
 Caseo Products Co., 512 Hancock Ave., Bridgeport, Conn.
 Central Rubber & Steel Corp., Findlay, Ohio
 Chicago Dryer Co., 2210 No. Pulaski Road, Chicago, Ill.
 Chicago Electric Mfg. Co., 6333 W. 65th St., Chicago, Ill.
 Chicago Flexible Shaft Co. (Sunbeam), Chicago, Ill.
 Circulators & Devices Mfg. Corp., 100 Prince St., New York, N. Y.
 Clayton & Lambert Mfg. Co., 1427 Tireman, Dearborn, Mich.
 Clements Mfg. Co. (Cadillac), Chicago, Ill.
 Cloek Products Co., 55 E. Washington St., Chicago, Ill.
 Condon Corporation, 1821 So. 52nd Ave., Chicago, Ill.
 Coolerator Co., Duluth, Mich.
 Copeland Refrigeration Corp., Sidney, Ohio
 Cory Glass Coffee Brewer Co., 221 N. LaSalle St., Chicago
 Cribben & Sexton Co., 700 No. Sacramento Blvd., Chicago
 Crosley Corporation, Cincinnati, Ohio
 Deepfreeze Division, Motor Products Corp., No. Chicago, Ill.
 Delco Appliance Division, General Motors, Rochester, N. Y.
 Dejour Electric Works, 124 Bleecker St., New York, N. Y.
 Detroit Michigan Stove Co., 6900 E. Jefferson, Detroit
 Dexter Company, Fairfield, Iowa
 Dominion Electric Mfg. Co., Mansfield, Ohio
 F. A. Dormeyer Mfg. Co., 4316 N. Kilpatrick Ave., Chicago
 Maurice Duts & Co., 5220 16th Ave., Brooklyn, N. Y.
 Dual-Air Fan Co., So. Elgin, Ill.
 Easy Washing Machine Co., Syracuse, N. Y.
 Economaster Products Co., 9th Ave., Nashville, Tenn.
 Edison G. E. Appliance Co. (Hotpoint), Chicago, Ill.
 Edwards Company, Norwalk, Conn.
 Electric Steam Prods. Corp., Detroit, Mich.
 Electro-King Mfg. Co., 503 N. LaSalle St., Chicago, Ill.
 Electromaster, Inc., 1803 E. Atwater St., Detroit, Mich.
 Electromode Corp., Div. Am. Foundry Eq. Co., Mishawaka, Ind.
 Emerson Electric Mfg. Co., 1824 Washington Ave., St. Louis, Mo.
 Empire Appliances Co., 480 Lexington Ave., New York
 Empire Ironer, Inc., 817 Main, Cincinnati, Ohio
 Ecco Cabinet Co., Ecco Bldg., W. Chester, Pa.
 Estate Stove Co., Hamilton, Ohio
 Eureka Vacuum Cleaner Co., 6060 Hamilton Ave., Detroit
 Expert Die & Stamping Co., Grand Rapids, Mich.
 Faraday Electric Co., 11 S. LaSalle St., Chicago, Ill.
 S. W. Farber, Inc., 141 S. 5th St., Brooklyn, N. Y.
 Finders Mfg. Co., 3669 S. Michigan Ave., Chicago
 Florence Stove Co., Gardner, Mass.
 Fogel Refrigerator Co., Eadon & Kennedy Sts., Philadelphia, Pa.
 Franklin-McAllister Corp., 135 S. LaSalle St., Chicago, Ill.

DIRECTORY OF
ELECTRICAL APPLIANCE
MANUFACTURERS

	Refrigerators	Laundry Equip.	Vac. Cleaners	Elec. Ranges	Gas Ranges	Freezers	Traffic Appl.
Ed. Friedrich, Inc., San Antonio, Texas	•						
Frigidaire Div., General Motors Corp., Dayton, Ohio	•						
P. A. Geier Co. (Royal), 540 E. 105th St., Cleveland, Ohio	•						
General Aircraft Equipment, Inc., So. Norwalk, Conn.	•						
General Die & Stamping Co., 262 Mott St., New York, N. Y.	•						
General Electric Co., Appl. & Merch. Dept., Bridgeport, Conn.	•						
General Mills, Inc., Chamber of Com. Bldg., Minneapolis, Minn.	•						
Getz Power Washer Co., 1025 Walnut St., Morton, Ill.	•						
Gibraltar Mfg. Co., 403 Communipaw Ave., Jersey City, N. J.	•						
Gibson Refrigerator Co., Greenville, Mich.	•						
A. C. Gilbert Co., 319 Peck St., New Haven, Conn.	•						
William L. Gilbert Clock Co., Winsted, Conn.	•						
Gillfillan Bros., Inc., 1845 Venice Blvd., Los Angeles	•						
Gilson Electric Mfg. Co., 216 No. Clinton St., Chicago, Ill.	•						
Glenwood Range Co., Taunton, Mass.	•						
Globe-American Corp., 101 E. Broadway, Kokomo, Ind.	•						
Go Electric Corp., 200 William St., New York, N. Y.	•						
Grand Home Appliance Co., 2323 E. 67th St., Cleveland, Ohio	•						
Gray & Dudley Co., 222 3rd Ave., Nashville, Tenn.	•						
Hamilton Beach Co., Div. of Scovill Mfg. Co., Racine, Wis.	•						
Hamilton Mfg. Co., Two Rivers, Wis.	•						
Hammond Instrument Co., 2915 N. Western Ave., Chicago, Ill.	•						
Hardwick Stove Co., Cleveland, Tenn.	•						
Health-Mor, Inc., 203 N. Wabash Ave., Chicago	•						
Heinz & Munschauer, 30 Superior St., Buffalo, N. Y.	•						
Hill-Shaw Co. (Vacuator), 311 No. Desplaines St., Chicago	•						
Hobart Mfg. Co. (Kitchen Aid), Troy, Ohio	•						
Hovver Co., 8 So. Michigan Ave., Chicago, Ill.	•						
Horton Mfg. Co., 131 Osage St., Ft. Wayne, Ind.	•						
Hunter Fan & Ventilating Co., 92 Warren St., New York	•						
Hurley Mach. Div. (Thor), Elec. Household Util. Corp., Chicago	•						
Hydro-Aire Co., 626 N. Robertson Blvd., Los Angeles, Calif.	•						
Ilg Electric Ventilating Co., 2874 N. Crawford Ave., Chicago	•						
E. Ingraham Co., Bristol, Conn.	•						
International Appl. Corp., 1027 Metropolitan Ave., Brooklyn	•						
International Detrola Corp., 1501 Beard St., Detroit, Mich.	•						
International Harvester Co., 180 N. Michigan Ave., Chicago	•						
Ironrite Ironer Co., 38 Piquette St., Detroit, Mich.	•						
F. L. Jacobs Co. (Launderall), 1043 Spruce St., Detroit	•						
Jewett Refrigerator Co., 10 Leitchworth St., Buffalo, N. Y.	•						
Jordan Refrigerator Co., 235 N. Broad St., Philadelphia, Pa.	•						
Kalamazoo Stove & Furnace Co., Kalamazoo, Mich.	•						
Kalaminator Leonard Div., Nash Kalamazoo Corp., Detroit, Mich.	•						
Knapp Monarch Co., 3501 Beat Ave., St. Louis, Mo.	•						
Koral Elec. Mfg. Co., 43-22 Van Dam St., L. I. City, N. Y.	•						
Landers, Fray & Clark, 47 Center St., New Britain, Conn.	•						
Larson Mfg. Co., 9819 Hearmain St., Oakland, Cal.	•						
Leach Relay Co., 5915 Avalon Blvd., Los Angeles, Calif.	•						
A. G. Lindemann & Hoverson Co., Milwaukee, Wis.	•						
Lowell Mfg. Co., 589 E. Illinois Ave., Chicago, Ill.	•						
Lydon-Bricher Mfg. Co., St. Paul, Minn.	•						
Magic-Aire, Inc., 1730 Ivanhoe Rd., Cleveland, Ohio	•						
Majestic Electric Appliance Co., Inc., Gallion, Ohio	•						
Malleable Iron Range Co. (Monarch), Beaver Dam, Wis.	•						
Manning Bowman & Co., Meriden, Conn.	•						
Marlin Mfg. Co., 37 E. 21st St., New York, N. Y.	•						
Martin-Parry Corp., York, Pa.	•						
Mastag Co., Newton, Iowa	•						
Menasco Mfg. Co., Burbank, Calif.	•						
Merit-Made, Inc., 94 Elm St., Buffalo, N. Y.	•						
Herman Miller Clock Co., Zeeland, Mich.	•						
Miracle Electric Co., 36 So. State St., Chicago, Ill.	•						
Mon-Bridges Corp., 1415 Illinois Ave., Sheboygan, Wis.	•						
Montag Stove Works, 2011 N. Columbus Blvd., Portland, Ore.	•						
Morrow Co., 400 W. Madison St., Chicago, Ill.	•						
National Die Casting Co., Touhy & Lawndale Ave., Chicago, Ill.	•						
National Motor Co., 5500 Cene St., Detroit, Mich.	•						
National Stamping & Elec. Wks. (White Cross), W. Lake, Chicago	•						
Naxon Util. Corp., 2101 W. Walnut St., Chicago, Ill.	•						
Newark Stove Co., Newark, Ohio	•						
New Haven Clock Co., 133 Hamilton St., New Haven, Conn.	•						
Nineteen Hundred Corp., St. Joseph, Mich.	•						
Noblitt Sparks Industries (Arvin), Columbus, Ind.	•						
Norge Div., Borg-Warner Corp., E. Woodbridge, Detroit, Mich.	•						
Nu-Tone Co., 821 E. 3rd St., Cincinnati, Ohio	•						
Ohio Electric Co., 629 9th Ave., New York, N. Y.	•						
One Minute Washer Co., Kellogg, Iowa	•						

DIRECTORY OF ELECTRICAL APPLIANCE MANUFACTURERS		Refrigerators	Laundry Equip.	Vac. Cleaners	Elec. Ranges	Gas Ranges	Freezers	Traffic Appl.
Panelectric Products Div., Gen. Airc. Eq., South Norwalk, Conn.	•							
Philco Corp., Tioga & C Sts., Philadelphia, Pa.	•							
Portable Elevator Mfg. Co., Refrig. Div., Bloomington, Ill.	•							
Portable Products Corp., 420 Blvd. Allies, Pittsburgh, Pa.	•							
Premier Div., Electric Vacuum Cleaner Co., Inc., Cleveland, Ohio	•							
Pressed Steel Car Co., 122 S. Michigan Ave., Chicago, Ill.	•							
Prevore Elec. Mfg. Co., 122 18th St., Brooklyn, N. Y.	•							
Proctor Elec. Co., Div. Proctor & Schwartz, Inc., Philadelphia	•							
Quillen Bros. Refrig. Co., 1639 Lafayette Rd., Indianapolis, Ind.	•							
Redi-Electric Co., 141 W. 24th St., New York, N. Y.	•							
Refrigeration Corp. of America, 225 W. 57th St., New York, N.Y.	•							
Regina Corp., Rahway, N. J.	•							
Revere Clock Co., McMillan at Dover, Cincinnati, Ohio	•							
Reynolds Elec. Co., 2650 W. Congress St., Chicago, Ill.	•							
A. E. Rittenhaus Co., Inc., Honeoye Falls, N. Y.	•							
Rival Mfg. Co., 2415 E. 15th St., Kansas City, Mo.	•							
Robbins & Burke, Inc., 29 Lansdowne St., Cambridge, Mass.	•							
Robbins & Myers, Inc., Springfield, Ohio	•							
Roberts & Mander Stove Co., Hatboro, Pa.	•							
Geo. D. Roper Corp., Blackhawk Div., Rockford, Ill.	•							
Rotor-Beam Corp. of America, Inc., 1008 Dakin St., Chicago, Ill.	•							
Round Oak Co., Dowagiac, Mich.	•							
Rutenber Electric Co., Marion, Ind.	•							
Samsom United Corp., 1700 University Ave., Rochester, N. Y.	•							
Sanitary Refrigerator Co., Fond du Lac, Wis.	•							
Savage Arms Co., Turner St., Utica, N. Y.	•							
Schaefer, Inc., 801 Washington Ave., Minneapolis, Minn.	•							
Schelm Bros., East Peoria, Ill.	•							
Scott & Fetzer, 11401 Locust Ave., Cleveland, Ohio	•							
Seeger Refrigerator Co., Arcade & Wells Sts., St. Paul, Minn.	•							
Seeger Sunbeam Elec. Mfg. Co. (Coldspot), Evansville, Ind.	•							
Servel, Inc., Evansville, Ind.	•							
Sessions Clock Co., Forestville, Conn.	•							
Seth Thomas Clock Co., Div. Gen. Time Inst. Corp., Thomaston, Ct.	•							
Sheridan Electronics Corp., 2850 S. Michigan Ave., Chicago, Ill.	•							
Signal Electric Mfg. Co., Menominee, Mich.	•							
Silcox Co., 80 Pliny St., Hartford, Conn.	•							
F. A. Smith Mfg. Co., 801 Davis St., Rochester, N. Y.	•							
Sparks-Withington Co., Jackson, Mich.	•							
Sperti, Inc., Beech & Kenilworth Sts., Cincinnati, Ohio	•							
Standard Gas Equip. Corp., Bayard & Hamburg, Baltimore, Md.	•							
Stern Brown, Inc., Long Island City, N. Y.	•							
Stiglitz Furnace & Foundry Co., Portland Ave., Louisville, Ky.	•							
B. F. Sturtevant Co., Hyde Park, Boston, Mass.	•							
Sun Chief Electric Co., Winsted, Conn.	•							
Sun Kraft, Inc., 213 W. Superior, Chicago, Ill.	•							
Superior Electric Prod. Corp., Cape Girardeau, Mo.	•							
Swartzbaugh Mfg. Co. (Everhot), 1336 W. Bancroft St., Toledo	•							
Tappen Stove Co., Inc., Mansfield, Ohio	•							
Thermador Electric Mfg. Co., S. Riverside Dr., Los Angeles, Calif.	•							
Timm Aircraft Corp., Van Nuys, Calif.	•							
Toastmaster Prod. Div., McGraw-Electric Co., Elgin, Ill.	•							
Toastwell Co., 620 Tower Grove Ave., St. Louis, Mo.	•							
Trilmont Prod. Co., 21th at Walnut, Philadelphia, Pa.	•							
Tyler Fixture Co., Niles, Mich.	•							
United States Time Corp., 630 5th Ave., New York, N. Y.	•							
Victor Electric Prod., Inc., 2950 Robertson Ave., Cincinnati	•							
Victor Products Corp., Hagerstown, Md.	•							
Vidrio Prod. Corp., 134 W. 54th St., Chicago, Ill.	•							
Voss Bros. Mfg. Co., Davenport, Iowa	•							
Wauze Mfg. Co., 632 N. Albany Ave., Chicago, Ill.	•							
Ward Refrigerator & Mfr. Co., 6601 So. Alameda, Los Angeles	•							
Waring Products Corp., 331 Madison Ave., New York, N. Y.	•							
Warren Telechron Co., Ashland, Mass.	•							
Waverly Tool Co. (Steam-O-Matic), Grove St., Irvington, N. J.	•							
Weber Showcase & Fixture Co., Avalon Blvd., Los Angeles, Calif.	•							
Welbilt Stove Co., Maneth, L. I., N. Y.	•							
Westclox Div., General Time Instrument Co., LaSalle, Ill.	•							
Western Stove Co., Culver City, Calif.	•							
Westinghouse Electric Corp., Appliance Div., Mansfield, Ohio	•							
Whisk-Brush Vacuum Mach. Co., 571 8th Ave., New York, N. Y.	•							
Wilson Cabinet Co., Smyrna, Del.	•							
Winnpower Mfg. Co., Newton, Iowa	•							
Winsted Hardware Mfg. Co., Winsted, Conn.	•							
Wittie Sales & Mfg. Co., 1114 S. Wabash Ave., Chicago, Ill.	•							
Zenith Machine Co., Duluth, Mich.	•							

We have found these companies in the Electrical and Radio field to be very co-operative with small businesses. Many times they will go "out of their way" to complete an order. We, therefore, suggest that you get in touch with these as well as other companies you know of for information on the supplies and equipment they handle.

The question of whether or not they can appoint you as a distributor will depend on just how well they are represented in your State. If you wish to handle their line, however, they can generally work out some plan for you either directly or through their established dealers.

- *GET MERCHANDISE ON THE CONSIGNMENT PLAN IF POSSIBLE*

There are a number of manufacturers, that are willing to *consign* or *supply* radios, refrigerators, electrical equipment and appliances if they find a shop owner who can furnish good references. You merely sign receipts and agree that you will not allow this material to be moved from your premises except as sold goods and upon such sale, you will immediately turn over the agreed net cost price to the company. Sometimes you can get a company that will supply you with quite a lot of merchandise. Many concerns are often willing to go out of their way to arrange for a display and a consignment of their equipment.

- *BUY TOOLS AND MERCHANDISE ON A TIME PAYMENT PLAN*

Many new businesses starting out, arrange to pay for merchandise or tools on a payment plan. Most manufacturers are willing to "go along" with any man who can furnish evidence that he has a good credit rating in his locality and many hundreds of dollars equipment quite often is furnished with a very small down payment and as much as two years

for payment of the balance. Of course, on an arrangement of this kind, you pay a certain added fee to cover the cost of carrying the account, but in many cases, this is more than offset by the profit you can make and the advantage of having many months in which to pay for this equipment.

An important point to keep in mind is to buy just the essential tools and supplies you need to get started. It is always wise to buy good tools because in the long run they enable you to do better work and they last much longer than cheap, inexpensive tools. It is not our purpose to mention what the essential tools are because any man who is planning to start a business of his own has a pretty good idea of what he needs in the way of Electrical, Radio or Refrigeration tools. If you are not quite set on all the tools you need, I'm sure the catalogs you can secure from the companies mentioned in the previous pages, would give you an idea of what you might need to add to the tools you already have on hand.

Another caution is to keep in mind that it is inadvisable to buy too much merchandise of a certain type at any one time. Many salesmen will try to sell you quite a number of a single item, but where you have to spread your capital over as much equipment as possible, it is not advisable to stock too heavy on certain items.

Always have a small quantity to start with but have a variety of popular items. Don't invest your money in anything that will take a long time to move—this is "dead" stock. *Always try to put your money into materials and items that will bring you a quick turnover*, even though the particular profit on these items might be less than those on which there would be only occasional sales. Many of these things you will learn as you go along in getting your business established but we mention them here because in starting out you will be faced with the problem of buying equipment and we don't want you to make the mistake that many concerns make, of stocking up on a lot of items that remain on their shelves for

years, and on which they eventually take a loss in order to sell the merchandise.

● *PLANNING THE SERVICE SHOP*

As a portion of the material in this chapter we would like to give you some suggestions on the actual planning and layout of a good electrical or radio service shop.

In an earlier chapter I mentioned that the first step in planning a service shop is to decide just where the shop is to be located.

The beginner may set up in his kitchen or cellar, but when he has progressed to the point where he is able to go into business in earnest, we may assume that he is interested in a store site. Getting a business started is not always a simple matter. Details of electric light and power must be handled and arrangements for paying rent straightened out. As part of planning the shop, the serviceman finds it necessary to plan on stretching out his available capital. When first starting, he may not have a lot of money on hand, and what he does have may quickly be used up in buying test equipment, parts, and other things.

A telephone must be installed and someone must be on hand to answer the phone when he goes out on a job, for otherwise he will be greatly limited in what he can do. He should have a car, particularly if he lives in the country. In a city—for a while—he may be able to get by without a car or truck, but it will be “tough sledding”.

Getting a toehold is the hardest part. After the ball is rolling, things won't be so difficult. It's like getting a stalled car to roll; once you gather momentum, your own motion helps to carry you along.

In the beginning you may not be so choosy about the location selected for the simple reason that you can't afford to pay the rent in a “classier place”. You may be content with a “hole in the wall”, as the saying goes. Small stores don't cost so much

to rent, but they have to be cleaned up and painted, all of which costs money and takes time. Much can be done with ambition and a paint brush. A bright, shining store front is an inducement to a customer to come in and find out what you have to offer. An attractive store front will help in attracting trade, and in "bucking" competition. The man who is able to sell himself and his service will be the successful man, while the slovenly individual who allows his shop to look like a junk shop will find he doesn't get as much business as he should and is soon out of business.

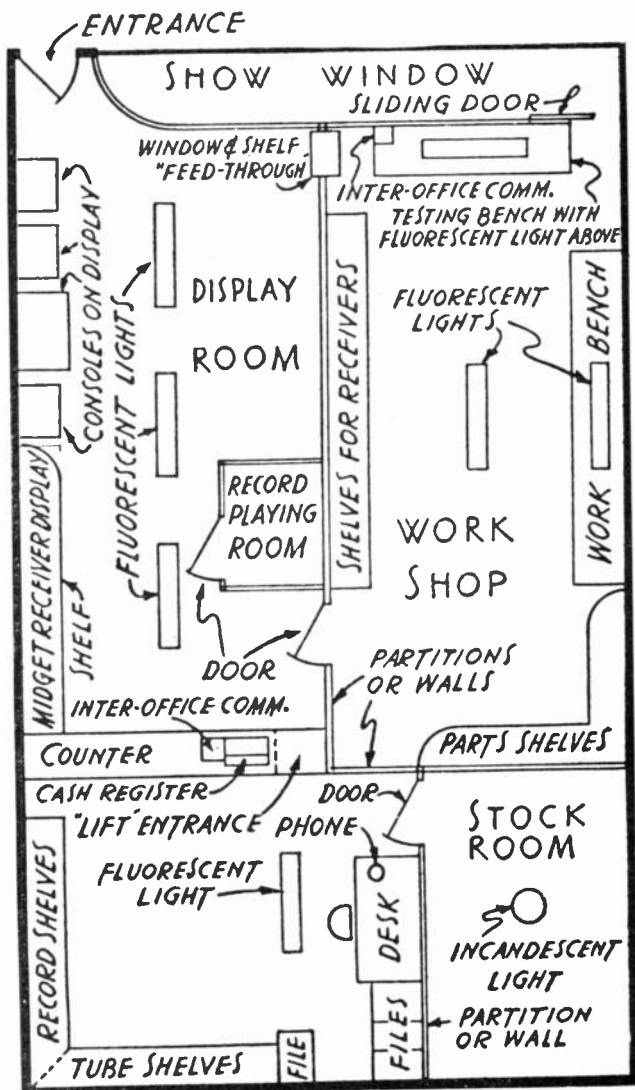
The windows or window if there is only one window, should be periodically washed free of dirt, so that the public can look into the window and see something worth seeing.

There are certain fundamental rules and considerations which should act as a guide irrespective of the size, shape or location of the repair shop. Such things as safety, good lighting, fire hazards, protection against damage to or theft of equipment under repair must all be considered, but the greatest factor of all is the determination of whether your service business is to be merely the "necessary evil to sales" or whether you intend to build it up into a money maker.

If sales is your principle source of business with only sufficient service to maintain your sales, you will not want to place too much emphasis on a service shop. If you plan on building up your service and expect it to make money for you, even though you are also engaged in sales, your shop should be given just as much prominence and careful consideration as a sales show room.

One of the best salesmen of service work is a clean orderly efficient looking shop to which you can proudly invite your prospective customer and show him your method of operation and the manner in which his equipment will be handled.

Before anyone will want you to handle their service work, they will want to know if you are reliable and firmly estab-

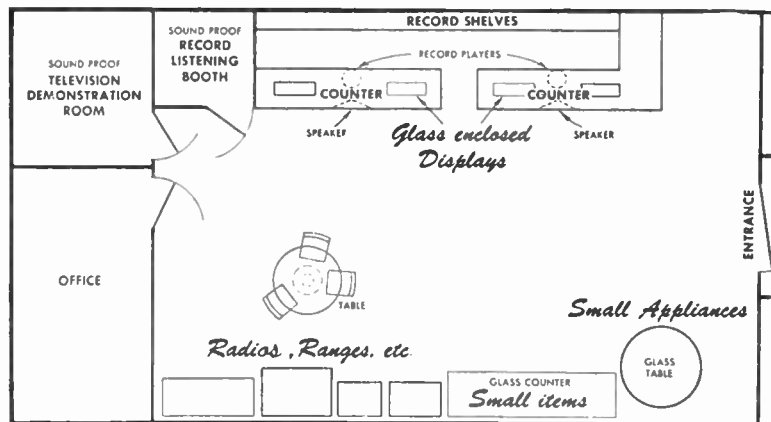


A floor plan layout for shop and salesroom where both are given same prominence.

lished. An efficient clean looking shop will do as much to convince him as anything else you can say or do.

Many service shops give too much prominence to the office space, hoping apparently that their customer will not want to go any further because their shop hidden away somewhere behind the office is anything but pleasant to look at.

LAYOUT FOR RADIO-MUSIC STORE

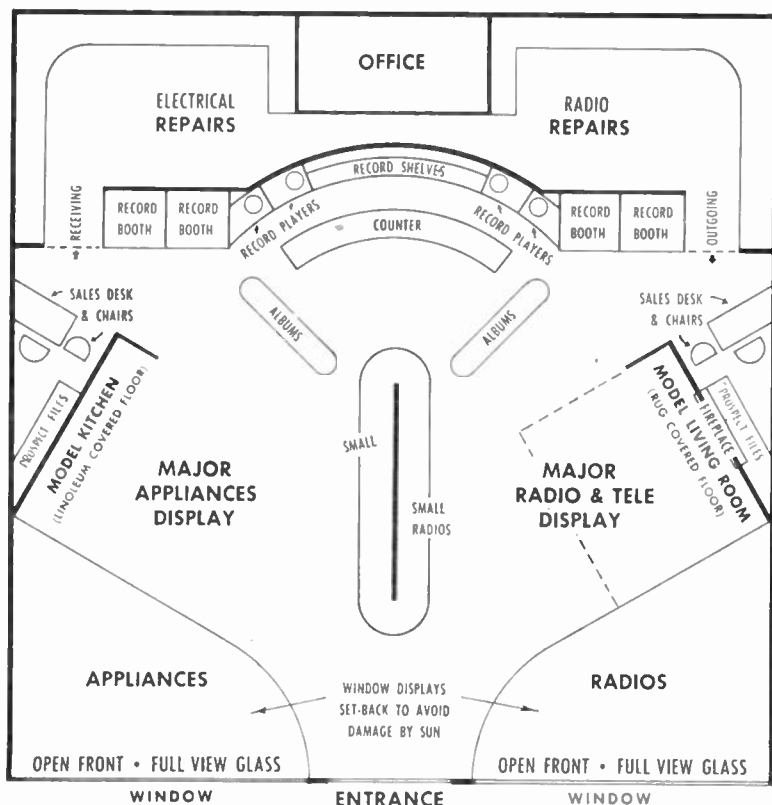


Because in a radio-music store the sale of radios, records and television sets is paramount, this layout for a 75 × 40 store has devoted considerable space to the demonstration of these products. Service is relegated to the basement which is not shown.

Offices are seldom very impressive or interesting. They are too common and it is probable that your customer has a nicer one that you can provide and is not easily impressed. Your shop can and should be both impressive and interesting and it does not require a lot of fancy equipment to do it. It may not be interesting to a service man who has seen a lot of shops but it can be to your customer. A good coat of paint on any shop fixture will immediately enhance its appearance 100%. If you specialize in service rather than sales it is recommended that the shop be placed in full view of the entering customer, while

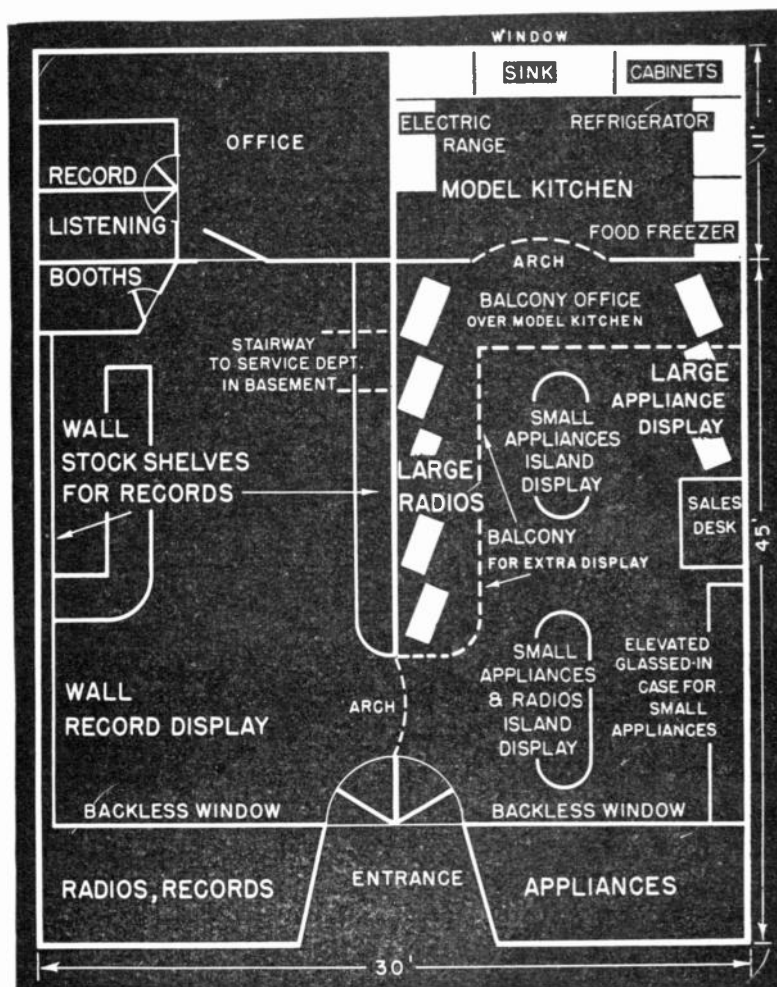
the office be placed in some quiet corner where the customer may be taken after he has seen what you have to offer.

LAYOUT FOR A SQUARE STORE



If your store is as wide as it is deep, you may be able to use the display-in-depth idea shown here. This great width permits both a model living room area and a model kitchen area.

If you are engaging in a sales and service business, and a sales room is to be included in the layout, it is not always possible to give equal prominence to both the sales room and shop. In such cases, it is evident that the sales room must come



first. However, the opportunity of giving an equal break to both is often overlooked and the service business and perhaps sales through service, suffers accordingly. The layout shown on page 89 is an example of how both can be given an equal break even in some smaller stores where there is considerable show window space. Several ways of practical store layouts are included on the following pages to enable you to select one that fits the physical size and specifications of your store.

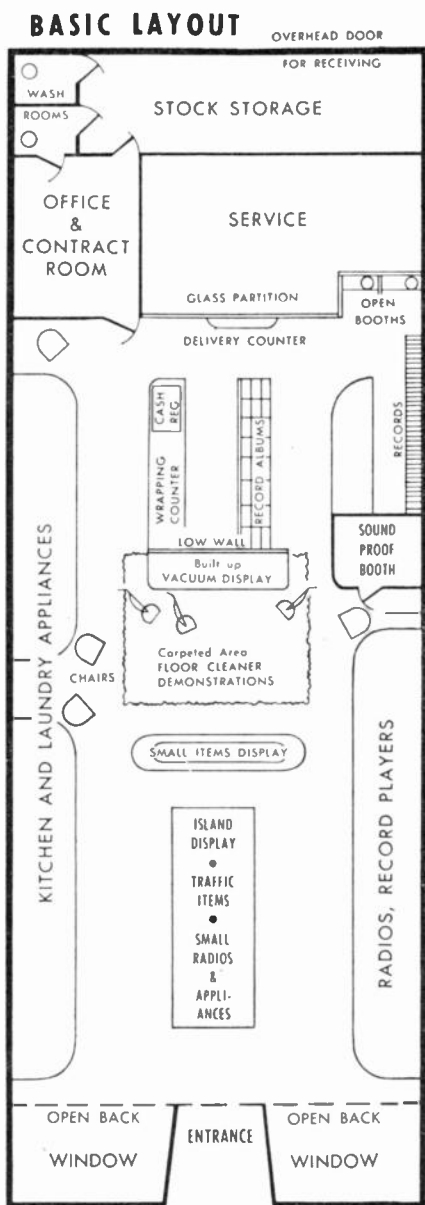
● *STOCK ROOMS*

No matter how small the service business, (except where no parts are kept in stock) an enclosed space designated as a stock room will pay dividends. Where no means of storing parts on shelves, in bins or other segregated arrangements are provided, there are too many parts that become soiled, damaged or lost. The stock room does not have to be more than a wired enclosure and can usually be placed in an obscure out of the way place, but easily accessible to those engaged in the shop.

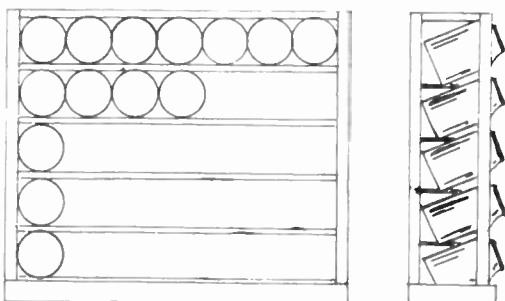
The stock room should be equipped with metal or wood shelves and bins for the larger parts, hooks and racks for such items as belts, wiring and tubing. An arrangement such as shown on page 95 for the small nuts, bolts, screws, fittings, switch parts, etc., is both economical and convenient. You need only save the larger size cans that the family vegetables come in and arrange them in a rack as shown. Be sure though that the cans are large enough to get your hand in them when reaching for parts.

● *STORAGE ROOM*

Most important to a clean orderly shop is a dead storage room which should be located out of sight somewhere in the back of the building. This room should be totally enclosed and provided with a door. It is a place where all the old elec-



trical or radio units, condensing units, motors, evaporators, compressors and other miscellaneous electrical, radio or refrigerator equipment awaiting eventual repair can be hidden away out of sight. Such a room will eliminate the unsightly piles of old equipment stacked against the walls or lying around the floor of the average shop. It will transform the place of business from a junk shop to a repair shop in the eyes of your customer. Shelves for motors, etc., can be provided around the walls.



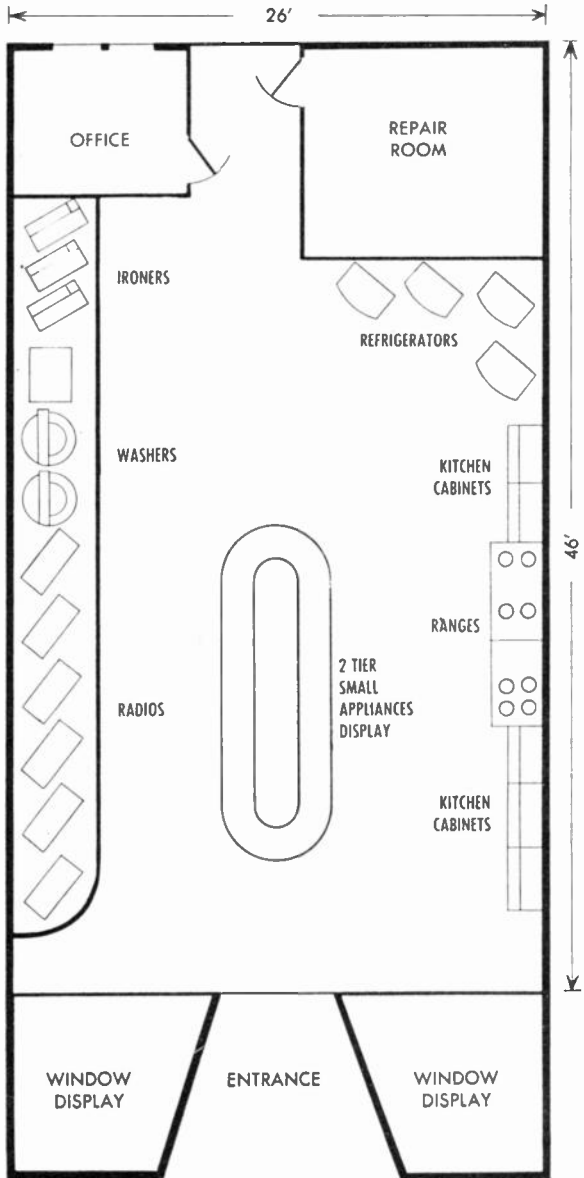
PARTS BIN MADE OF TIN CANS

● REPAIR WORK LIMITED WITHOUT SHOP

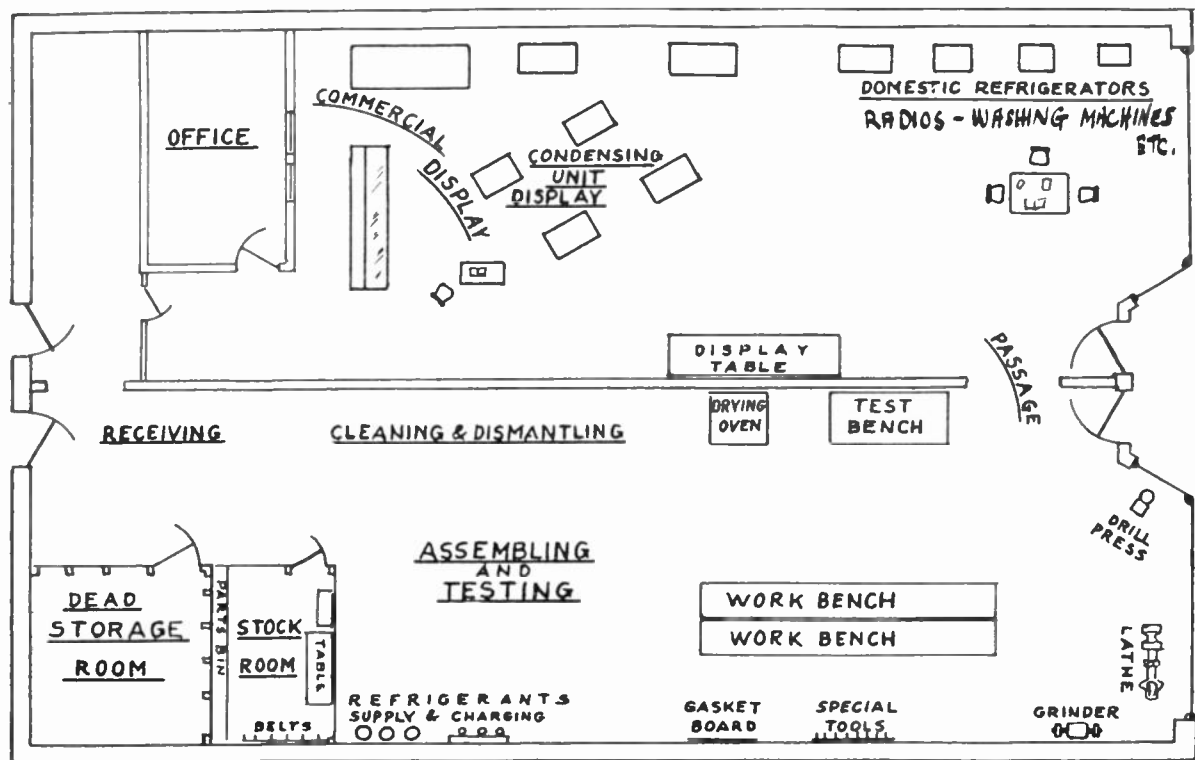
Much of the equipment required in a service shop is of a special nature and must, to some extent, be home made. Some of the equipment may be purchased on the market.

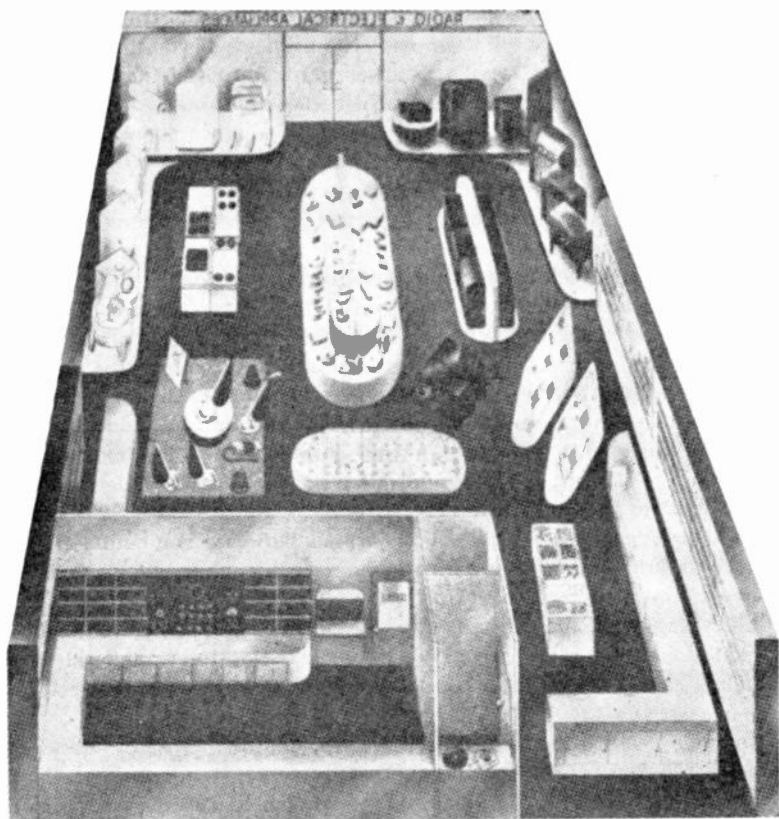
The very first thing that every shop, large or small, must have is one or more work benches. Steel benches may be purchased, if you prefer, or wooden benches may be constructed in your shop. The usual dimensions are 30 inches wide, 33 inches high and 5 feet long for each man working at the bench. Two to four drawers and one vise are provide for each five feet in length. A light for each five foot space is a very convenient refinement but not a necessity. These recommendations are for work benches only and not for test or run-in benches.

ELECTRICAL APPLIANCE AND RADIO STORE LAYOUT



The dealer who emphasizes electrical appliances will usually place these products on the right as the customer enters. He will also devote floor space to these products in proportion to their sales volume in his store.





Store equipment properly placed sets off your products. Shown here are such fixtures as a step-up table for traffic appliances, a flat table for demand items, a platform-and-background setting for floor radios, album display units counters and shelves.

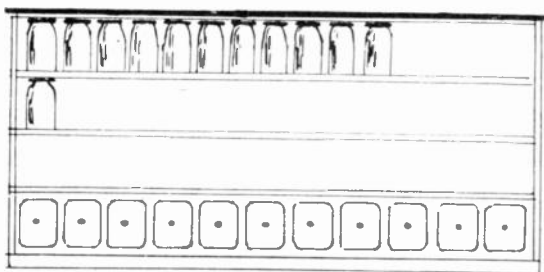
● KEEP BENCH CLEAR

Many service shops make a practice of mounting grinding wheels, drill presses, compressor run-in stands and other motor driven tools on the work bench, but this is a practice which can be considered neither safe nor efficient. The work bench should contain no permanently mounted equipment apart from a vise. If it is necessary to mount motor driven

tools on a bench, a separate bench or stand should be provided for them. Many trick racks and containers for tools, nuts, bolts and small parts have been suggested and used on work benches but such arrangements usually become an unsightly "catch-all". A far better appearance is attained when such items are conveniently arranged in jars, drawers or racks under the bench, keeping the top clean of everything but the work on hand as illustrated below.



PARTS JARS UNDER BENCH

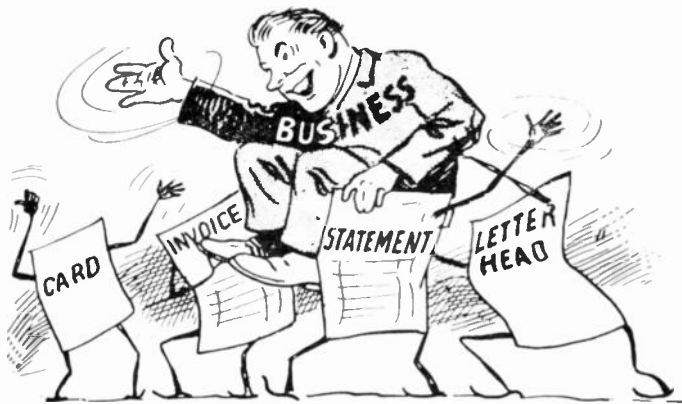


PARTS BIN FOR JARS & SMALL DRAWERS

THERE is no such thing as luck as the term is generally used.

Those who appear to be lucky usually climb and succeed through a constant observance of care and thoroughness in everything they do.

Luck is not a mysterious agent that will some day bring good fortune to those who watch and wait—but a condition that is created through energy, honesty and ambition.



Chapter IX

Letterheads—Invoices—Receipts Statements—Business Cards, Etc.

Any good business, whether it be large or small, must have a certain amount of business stationery. By this term, we do not mean just letterheads and envelopes, but also invoices, statements and receipt blanks.

Before going into the outline of the various types of attractive and effective letterheads and forms, let me explain what the relative difference is between some of the standard business forms.

LETTERHEAD: The letterhead of your business should be the standard form on which any correspondence is handled. By this I mean that if you were getting out a circularized mailing to home owners in your locality, you would use a letterhead bearing the name and address and especially the telephone number of your company. A letterhead should be neat, attractive and a concise statement of the service you have to offer. Some fellows personalize a letterhead by having

COMPLETE ELECTRIC
MOTOR REWINDING
PASSENGER AND FREIGHT
ELEVATOR SERVICE
KIDDER V BELTS
FOR FRACTIONAL HORSEPOWER
AND COMMERCIAL DRIVES
NEW AND USED MOTORS

SEAMAN & MOULSON
Electric Motor and Refrigeration
Sales and Service
TELEPHONE NORTH ONE
192 PARK STREET
PORT ARTHUR, ONTARIO

DOMESTIC AND COMMERCIAL
REFRIGERATION SERVICE &
INSTALLATION ON ALL
MARKS
AIR CONDITIONING AND
VENTILATING SYSTEMS
ALL TYPES OF FANS
AND BLOWERS

RCA VICTOR
MOTOROLA
PHILCO

MIHLBAUGH RADIOELECTRIC SERVICE
EVERYTHING ELECTRICAL FOR THE HOME
PHONE 9117 R2
Box 34
BROOKFIELD OHIO

PHOTO ELECTRIC
APPARATUS
PHONE 456

LEVINSON RADIO SUPPLY
JOBBER AND DISTRIBUTORS OF
STANDARD RADIO PARTS
142 S FIFTH STREET
STUEBENVILLE OHIO

PRECISION INSTRUMENTS
SOUND EQUIPMENT

ELECTR. APPL. AND
REPAIRED

OLD LABORERS

LASEKE ELECTRIC
WIRING - REPAIRING
428 N. EASY ST.
PALATINE ILL.

PRIVATE TELEPHONE
MOTORS

PHONE PALATINE 262

PHONE 24

WILLIAMSON ELECTRIC CO.
ELECTRICAL CONTRACTING
MADISON, FLORIDA

DIAMOND TON SERVICE
VERDUN LIGHTING FIXTURES
1 & 2 H. RANGES & WATER HEATERS

PHONE 68

MASON ELECTRIC CO.

CORNER MASON AND MAIN 515 TELEPHONE 8023
TORRINGTON, CONN.



TELEPHONE DAY 113
NIGHT 126



SALES AND SERVICE
ALL MAKES

M & S RADIO SHOP

ELECTRICAL APPLIANCES

YOUR SATISFACTION IS OUR SUCCESS

P. O. BOX 12

PORTAGEVILLE, MO.

Schroeder's Electric Shop

Motor and Generator Repairing and Reminding, Magnet Repairing
and All Other Electrical Appliances

Rugby, North Dakota

BEETS PHILCO COMPANY

Authorized Philco and Westinghouse Dealers

TELEPHONE 280 208 N. FRANKLIN ST.

KIRKSVILLE, MISSOURI

**MARTIN'S**

BRAKE AND ELECTRIC

SERVICE

421 423 W. WASHINGTON BOULEVARD
PHONE A-9292
FORT WAYNE, INDIANA



SKELETON-PRINTED STATEMENTS & BILLHEADS

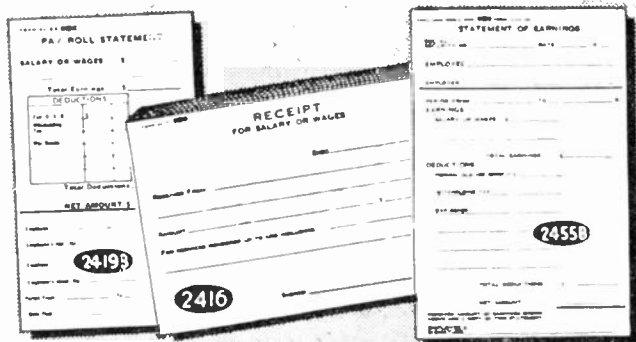


No. 409 Statements: Pad of 50 sheets 5x8 in. with 19 listing spaces.

No. 459 Billheads: Cover of pad 147 sheets 5x8 in. with 7 spaces.

No. 2455B Statement of Earnings: For use in the statement of Earnings and Deductions with a grid for deductions. May be used in duplicate size 4x6 on a pad of 100 sheets.

WORLD-WIDE FORMS for PAYROLL RECEIPTS and STATEMENTS



No. 2419B Payroll Statement: A bill of statement of earnings with a check payment of wages. 100 sheets 4x4 1/2 in.

No. 2416 Receipt: For use in the statement of Earnings and Deductions. 100 sheets 4x6 in. a pad of 100 in a separate listing pad.

their own photograph at the heading, or they have a picture of their store or the building in which the store may be located.

There are dozens of ways that letterheads can be prepared and it has been my experience that in many cases a letterhead is "overdressed". It has too much reading on it and loses its effectiveness.

On the following pages, we have reproduced several types of letterheads used by graduates of our school and from these you might get some practical ideas about your own letterhead. It is well to take a matter of this kind up directly with the local printer who is a specialist in matters of this kind. Consult him with confidence and he, in most cases, would have a collection of effective letterheads that he or other printing companies have produced from which you can be further guided in making a selection.

Don't skimp on the price of letterheads. An attractive letterhead on a good grade of paper will reflect favorably your company. On the other hand, a poorly prepared letterhead on inexpensive, drab paper gives a very negative impression on the person who receives the letter. These are points that many times are overlooked by business organizations but actually there is such a small difference between having a good, attractive letterhead instead of one that gives a bad impression of the company, that it is foolish not to spend the small additional sum to get the best letterhead you can.

INVOICE: An invoice is generally issued when the work is completed if the bill is not to be paid in cash *at that time*. By this, I mean, suppose you do a Radio Service job that amounts to \$25.00 and by pre-agreement with the customer, you agree to accept payment within thirty days. You would issue an invoice to such a customer stating the points of the agreement, namely, that there will be \$25.00 due for services rendered which will be payable within thirty days of the date specified on the invoice. A thought to keep in mind at all times, regarding an invoice, is that it represents a notice

of a payment *to be made* and not a payment that is *past due*. An INVOICE and a STATEMENT are often confused, so here is a definition of a Statement, so that you will understand the relative difference between these two types of billing.

STATEMENT: A statement is a notice of a past due account. To get a picture of the difference between an invoice and a statement, suppose we take the above mentioned example of the service job of \$25.00, on which a 30 days payment period was allowed.

Now if the customer who had originally received your invoice, stating that payment was due thirty days from the date the work was completed, fails to pay this bill, then you send him a statement calling his attention to the fact that payment has not been received as agreed. On a statement, it is not essential to go into a great deal of detail relative to the work done or the merchandise sold, but in most cases, it is merely necessary to indicate the date on which the work or merchandise was sold.

Now quite often a small shop will use the same form for invoices and statements, but will make certain that the form is typed so it is readily identified as either an invoice or a statement.

The following pages also include samples of invoices and statements so that you might have an idea of how these forms look. Your local printer will also have suggestions on these forms and may be able to actually work out one form for you that can take care of the invoice, the statement or the receipt for payment. That brings us to an explanation of the receipt for payment.

RECEIPT FOR PAYMENT: A receipt for payment, of course, can be any form in which explanation is made of just what the payment has been made to cover. In other words, you could write a receipt on a billhead, on an invoice or a statement form, or as far as that is concerned, you could write it on a plain sheet of paper as long as it specified the work


Book Division
COYNE ELECTRICAL SCHOOL
 100 SOUTH PAULINA STREET
 CHICAGO

Pb. nr. Sreley 77.2

SOLD TO _____ Invoice No. _____
 Our Order No. _____
 Your Order No. _____
 Shipped From _____
 Terms _____ Via _____

QUANTITY	DESCRIPTION	CHARGES	CREDITS	BALANCE

This is the invoice used by the Book Division of Coyne. It is prepared in triplicate—each copy being different color for special record files.

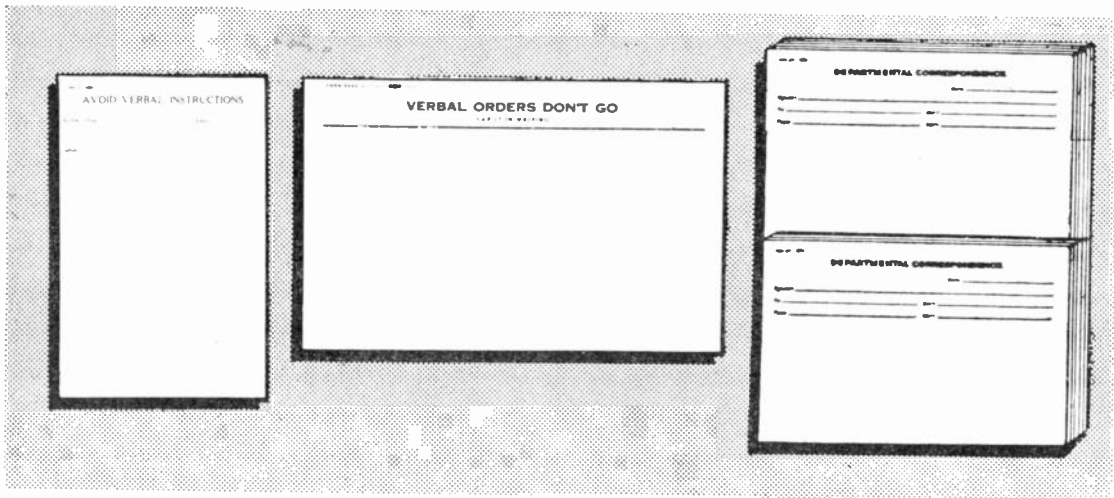


Chicago, Ill. *19*

Received of _____

\$ _____ *Dollars*

This is a receipt form that you can buy at most any stationery supply store. Many fellows in starting a business use this receipt to save money on printing until their business gets going. When properly filled in it is just as good as a specially printed form.



"AVOID VERBAL INSTRUCTIONS"

Avoid the misunderstandings of instructions given verbally. Be certain, write it down instead. A departmental or personal communication form. Can be used for pen, pencil or on the typewriter.

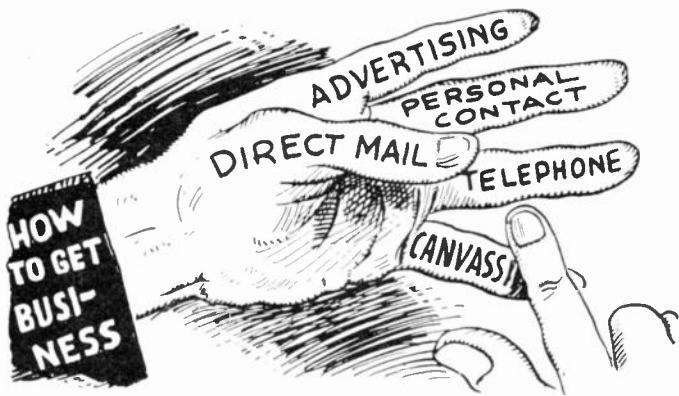
"VERBAL ORDERS DON'T GO"

Say it in writing. Every memorandum then becomes a signed document. Instructions become more specific as ample space is provided; forgetting or misquoting is avoided.

INTER-DEPARTMENTAL OR HOUSE MAIL

Identifies "house mail" instantly for prompt handling. Specially printed correspondence letter head. Carbon copies can be made in any number and a filed record kept of all inter-departmental correspondence.

situations created as a result of verbal agreements where the customer has an honest recollection of the price that was quoted, when in reality it may have been different. If you can produce a carbon copy of an agreement on the price quoted on service work, the original copy of which you gave the customer, then there is no doubt as to what the agreed price was. Here again I'd like to point out that it takes just a few minutes longer to give a written agreement on a quotation on a price and you eliminate the possibility later on of having trouble when you go to collect for the work you have done. Be sure to keep these things in mind in all dealings with the public and you'll not only have more respect from your customers, but you'll stand a far better chance of getting paid for the work or merchandise you sell.



Chapter X

How To Get Business

Up to this point, we have covered many of the preliminary points on starting a shop or your own. Now suppose we analyze some actual methods of getting business,—*that is after all what will prove most helpful to you in this book.*

There are many ways, of course, to get business, and to cover all of them in this booklet would be an impossible task. If, however, we can give you some practical ideas that have helped other fellows as a basis for you to work on, then I feel this will enable you to get the proper start in setting up your own shop. You should learn a number of things as you go along, but if you know in advance dozens of different ways that you can use to develop business, that should be a definite help to you. It should be especially encouraging to you to know that these ideas that we will outline, have been actually used by many fellows who are doing the same thing you are doing, namely, starting a shop of your own.

SAVE THIS CARD IN CASE OF TROUBLE

Complete Electric Refrigeration Service

When YOUR refrigeration unit goes "haywire"

PHONE 425 at WADENA - Collect

Experienced refrigeration service-man on duty 24 hours a day for complete motor and electrical service

HART ELECTRIC COMPANY

Wadena Authorized GE Appliance Dealer Minnesota
 Wiring Motor Service Commercial Lighting Air Conditioning
 See Us for bids on new refrigeration and air conditioning equipment

Complete Line of Commercial Boxes, Meat Counters and Beer Cooling Equipment



"LIT"

—And That's About All!

For when a tube will light in no time there is nothing else to do. It may be that the tube is not good or may be you will also be getting a problem. This tube is known as a vacuum tube. Please refer to the manual for more details.

W. B. Bannard
 RC 4 Radio-rite



Too Old to Fight?

Radio tubes don't stop a row of good to spend on one more tube. There is one all-time rule of thumb. If you see a vacuum tube, you may have it or you may not. It is the same rule. The vacuum tube will be the same after the vacuum is out of the tube.

W. B. Bannard
 RC 4 Radio-rite

—Two interesting direct mail pieces which dramatize the fact that tube wear out and should be tested periodically



You Will Want to Hear

W. B. Bannard
 RC 4 Radio-rite




Don't Miss Hearing

W. B. Bannard
 RC 4 Radio-rite

—Two direct-mail cards that use a particular future broadcast program as an attention getter and as a reminder to have the radio set checked over beforehand so that the program will be received satisfactorily on the prospect's set.

—A direct-mail card that uses the personality of the radio service man as a human-interest subject and tells about his progressiveness and radio education at the same time.



I want to school-

I want to school with being a good radio "technician". I want to know to support my education. So I want to know — I want to know about amplifiers, set amplifiers, radio amplifiers, laboratory frequency, vacuum tubes, electrical laboratory, radio-rite — well, to name a few. I want to know the latest information on the radio set. I want to know the latest information on the radio set.

W. B. Bannard
 RC 4 Radio-rite

Some more "attention getters"—brief and to the point. They have been used by many graduates to get business. With a little modification you can get them to fit your service and sales business.

There are basically six methods of sales promotion—six ways that individuals or large companies go after business. These are:

1. DIRECT MAIL
2. CIRCULARIZING
3. ADVERTISING
4. HOUSE TO HOUSE CANVASSING
5. TELEPHONE SELLING
6. WINDOW DISPLAY, ADVERTISING

Just how many of these you are or will be in a position to use, will depend somewhat on the amount of cash you have available, on which to start your shop. Some of these you will use immediately, others will undoubtedly be worked in on your sales program later on. One point should be kept in mind, however, and that is that many forms of sales promotion require initiative, rather than a lot of money. Taking the above methods of sales promotion in their order and explaining the proper procedure will no doubt, help you to choose those which will particularly fit your financial situation.

● *DIRECT MAIL*

The purpose of direct mail advertising is primarily to get immediate business—to build up acceptance of yourself and to establish your business. The cost of this type of advertising is very small and generally is handled by mailing out either first-class postcards which may be purchased at the Post Office in your town for a small sum above the regular postage rate of one cent. The message on the back of these cards should be in the form of either an announcement of your starting a business or some particular sales offer, such as a special rate on service work, or a special sale on some equipment you are handling. You should offer anything that will invite the immediate attention of your customers and potential customers. In addition to these regular U. S. Postal Cards, you can use a regular letter with an appropriate circular—in most cases if

**CALL THE SERVICE EXPERT
NEAREST TO YOU
FOR PROMPT EFFICIENT RADIO SERVICE**

COBURN & PETERSON
19 Main St. (over Crowell's) Plymouth, Mass.
TELEPHONE 1054

We Test Tubes Free and Service Sets At Fair Prices

ASSURANCES: National Union tubes have the lowest burn factor of any tube made. National Union tubes assure greater distance, purer tone, longest life and most quiet operation. National Union tubes are guaranteed electrically and mechanically perfect.

4



THE RADIO TROUBLE FINDER

WHEN YOUR RADIO MISBEHAVES

... Refer to This Folder ...

IT WILL TELL YOU WHAT TO DO

1

These are pages 1 and 4 of an interesting circular. It gives some valuable information and also does a good job of advertising for these two Cagne graduates.

you keep your message direct and to the point a letter will be the best means of sales promotion. You can also use hand bills, Fliers, Business Cards, which can be sent through the Mail or delivered in person. A handbill may be just a 4 x 6 inch circular with your name, location and the service you offer and a few words about your shop. A local printer or perhaps a newspaper editor would be glad to print up a few hundred or a thousand of these for you, for just a few dollars. You could distribute these yourself after hours, or over a week-end, and in this way, could actually select the location of your town in which you intended to concentrate and where you believe desirable prospective customers live. Don't make the mistake of giving these handbills or circulars out to youngsters to distribute for you, unless you know these young men personally and know that they will not throw half of them away.

Another very important point on which I'd like to caution you is that if these circulars are distributed house to house, do not place them in the mail box. This is against Postal regulations and you can actually be fined for it because mail boxes are reserved for employees of the U. S. Post Office Department. You can't put anything in a mail box without postage. It's a Government offense. You can place handbills or circulars under doors or on the side of doorknobs, or any place on a porch where they could be readily seen and picked up. But do not place them inside a mailbox, as this is definitely a violation of the U. S. Postal Laws.

Now there have been dozens and hundreds of ideas that have been tried out as copy for these circulars. We are reproducing several pages of what we believe are effective messages and possibly from these samples, you could prepare a circular that would fit your own line of business. Here again we refer you to your local printer who, after all, will do the printing job for you and is in a position to give you additional help on effective sales promotion messages that have

**Universal
Household Service**

•

Office and Shop at
1406 Portage Avenue
South Bend, Indiana

TELEPHONE 4-1671

•

WORKMANSHIP
Our Experts have a time-tested
repair shop experience.

Their workmanship is
— AT YOUR SERVICE —

**ANY JOB
ANY WHERE
ANY TIME**

We handle 34 different trades through our shop

Pages 1-4 of a circular used by a serviceman in Indiana offering a FULL line of service to the home owner. This man had arrangements so he could refer carpentry work, cement work, etc. to others in town and make a small commission for his effort. He handled all Electrical jobs.

Pages 2-3 of the same circular. Note the many types of service offered—it doesn't look like he missed anything.

We Repair Anything

HERE ARE A FEW SUGGESTIONS

Roofs
Screens
Windows
Eave Troughs
Carpenter Work
Cement and Brick Work
Kitchen Equipment
Interior Decorating
Furniture work
Furnaces
Stoves
Grinding

Automobile Work

Electrical Appliances

REPAIRING and INSTALLING of ALL HOUSEHOLD and COMMERCIAL APPLIANCES.
FIRST CLASS ELECTRICAL and PLUMBING WORK.

We are here to Give You a Complete Guaranteed Service for Your Home or Store at the Most Reasonable Price Possible.

—The Universal Household Service

Service is the Paramount Issue Today!

What could be more important than adequate service facilities for hard-working household appliances that must carry on economically for many years?

Housewives confronted with new problems of household maintenance are asking themselves that question and answering it by putting the entire household-servicing burden on the shoulders of the UNIVERSAL HOUSEHOLD SERVICE, today the largest, most effective service organization of its kind in South Bend.

It offers up-to-date service and that means lowest possible cost every step of the way as hundreds of South Bend home owners are learning to their lasting satisfaction.

We are especially equipped to handle every possible service need and emergency.

We assure you great savings; and great benefits at low costs.

IMPORTANT

To insure the genuine Universal Household Service demand the representative's credentials and our OK with signature on your statements. **ITN YOUR PROTECTION!**



Telephone 3-2414

J. P. Kennedy
418 West LaSalle Avenue
South Bend, Indiana

J. P. Kennedy's Radio Service

Dear Mrs. Riley:

The gentleman whose picture appears on this card will call on you in a few days to test and check your radio set.

This service is absolutely free. We want to know what type of set you have and what equipment it takes so that when you call for service we can serve you without delay. Please admit Mr. Kennedy when he calls.

J. P. Kennedy's Radio Service
418 West LaSalle Avenue,
South Bend, Indiana.

Ph. 3-2414

What's Wrong With Your Radio?
By J. P. Kennedy
Member of Radio and Service Clubs

My Order set was one of the best. It didn't operate using an A and BDC filament. The set has a good through the tubes, but the set will not work in the elimination test. I have an eliminator tube good or good - a sure sign of a bad set. I will make it work in a few days. I will make it work in a few days. I will make it work in a few days.

Profit by Experience
OF THE OTHERS, CALL
J. P. Kennedy's
Radio Service
Ph. 3-2414 418 W. LaSalle

OUR COMPLETE KNOWLEDGE OF RADIO MEANS MINIMUM LOSS OF REPAIR.
J. P. KENNEDY'S
Radio Service
Ph. 3-2414 418 W. LaSalle

What's Wrong With Your Radio?
By J. P. Kennedy
Member of Radio and Service Clubs

What problems are likely to be met with in installing a set in a radio? First it is an expensive job. The labor and finishing current the same. The set may in the 177 must be with and every line with 60 cycle supply instead of the 100 cycle supply.

\$1000 FREE!
If We Can't Repair Your Radio Set.
J. P. KENNEDY'S
RADIO SERVICE
Ph. 3-2414 418 W. LaSalle

What's Wrong With Your Radio?
J. P. KENNEDY'S
RADIO SERVICE
Ph. 3-2414 418 W. LaSalle

A combination of publicity and advertising with small space—"bulletins"—frequently repeated.

DANGER
from
LIGHTNING

Buying your radio set with a special lightning arrester installed at \$10.00. Guaranteed with your \$100.00. We have insurance for you. We have insurance for you. We have insurance for you.

YOU CAN LAUGH AT LIGHTNING
if you phone
3-2414
J. P. Kennedy's
RADIO SERVICE

Your Wife and Family Deserve Lightning Protection

Lightning Arrestors Installed
This Week Only
\$1.00

J. P. Kennedy's
Radio Service
Ph. 3-2414 418 W. LaSalle

19 Doctors, 12 Lawyers, 4 Presidents

Of local corporations and many other prominent men noted for their discrimination, judgment, consistency, employ.

J. P. Kennedy's
Radio Service
418 W. LaSalle
3-2414
For Unanimous Results.

The "ad" at the left may be as careful than that to the center, which introduces human interest.

This page shows several reproductions of sales circulars and advertising ideas for the Radio Shop. They could in some cases be changed to fit an Electrical shop.

Radio Club Novel Idea To Boost Sales

_____ & Co., Crosley dealers in Cincinnati, have what is believed to be the most novel radio club in the country. It is a plan to help increase radio sales, and has proven highly successful, according to _____, general manager of the store.

Known as the _____ Radio Club, members are entitled to ten privileges, all of which are very great aids to persons contemplating buying a radio. The plan might be summed up as an insurance policy issued without any additional charge to purchasers of radios from _____. The provisions of the plan, which are simple and self-explanatory, are as follows:

1. In event of death, the unpaid balance is cancelled; the radio becomes the property of your heirs.
2. If the radio is destroyed by fire, the unpaid balance is cancelled, you make no further payments.
3. Instant replacement of your radio if damaged by any electrical disturbance while in your home, within a one year period.
4. Privilege to exchange for any other radio within thirty days.
5. Member's tubes will be meter tested in our store any time within a one year period without charge.
6. Your radio is fully guaranteed for one year against all defective parts and workmanship. (Excepting tubes.)
7. Membership in _____ Honor Roll Club. (Note:—Mr. _____ explained that the members of the Honor Roll Club are customers of the store who have paid their accounts satisfactorily and whose credit is good.)
8. Tubes are guaranteed for 90 days for club members.
9. Radio installed in your home and attached to your aerial.
10. Ninety day free service on any radio purchased.

EDITOR'S NOTE:—The above plan sounds like a very "unusual" plan for the owner of a radio set purchased from _____ Co. **BUT IS IT REALLY SO UNUSUAL.** On item No. 1 there has been no unusual concession because ANY CONTRACT made with an individual is cancelled by the death of the individual. Items No. 2 and No. 3 seem to offer a "little" more than the usual service agreement—however, the chances of these things happening are VERY REMOTE. Items Nos. 4-5-6-7-8-9-10 don't offer any more than is usually found in any service agreement.

This entire club plan is nothing more than the regular service agreement "dressed up" in a more effective form. It makes the buyer think he is getting some "extras" when in reality he is not getting anymore than he would under any ordinary guarantee.

been used in the past. Just keep in mind that the men who prepare these sales stories have spent their lives in advertising and you can rely on the fact that if we have included samples of these various circulars in this booklet, they have been included only because we know they have worked effectively for dozens and hundreds of other men who have used direct mail advertising as one of the means of getting their business started.

The advantages of this methods of sale promotion are:

1. It is possible for you to select the people for your advertising message from selected sources. You can direct your entire efforts to one section of your city or you can get special mailing lists covering all customers or purchasers of any type of equipment that you would be in a position to service. You can consult your telephone directory for the names of those whom you wish to contact and the important point is that you can make your advertising pay by actually selecting your market in advance.
2. It is relatively low in cost for a selected audience.
3. You can tell your story very quickly.
4. If your card or piece of literature is attractive, it will be filed for future reference.

Now study those several pages on effective circulars and ideas on direct mail.

● *NEWSPAPER ADVERTISING*

By all means, arrange to have a small advertisement inserted in your local paper. This will be a constant reminder to the readers of the service you offer. Arrange for a special weekly or monthly rate on the advertisement and try to vary the message at least each week in the month. Very often, if you diplomatically approach a newspaper editor, he will give

EUGENE ALBERT LOWE

Honor Graduate of the

COYNE RADIO & ELECTRICAL SCHOOL OF CHICAGO, ILLINOIS

Wishes to announce the opening of

'The "Cosmopolitan" Radio Repair Shop, Inc.

Annex The Colon Theatre

On Monday, September 30, 1935.

*Installation and servicing of all Kinds of Radio
receiving sets in First Class Condition are
guaranteed. - It is also a specialty in serving
the SCOTT High Fidelity Radios*

97 Phone

COLON

Box 194

*A Coyne graduate distributed this card to announce
the opening of his business.*

STANDARD RATE CARD

CLASS A SERVICE—HOME RADIO—\$1.50

General inspection and test of set and associated equipment, lining up tuner and intermediate stages, cleaning and tightening chassis and speaker, polishing cabinet. No material supplied.

CLASS B SERVICE—HOME OR AUTO RADIO—\$2.50

Includes all of Class A service, plus the replacement of any minor defective part, such as resistors or by-pass condensers. Material included.

CLASS C SERVICE—HOME OR AUTO RADIO—\$4.00

Includes all of Class A service, plus the replacement of any major defective part, such as power transformers, filter condensers, speaker cones and the like. Material extra.

CLASS D SERVICE—AUTO RADIO—\$6.50

Installation of set with running board antenna or in cars already equipped with antenna. Car to be delivered to shop and called for. No material supplied.

CLASS E SERVICE—ANTENNA INSTALLATION

Roof antenna in automobiles	\$ 5.00
Unshielded antenna system for homes	5.00
Shielded broadcast antenna system for homes.....	10.00
Extra outlets for above, each	2.00
All wave doublet antenna system for homes	12.50

All material supplied with above, except poles.

CLASS F SERVICE—SPECIAL SERVICES

PER HOUR \$1.50

Includes such work as noise elimination in auto sets, tracing and removing interference in home radios and similar work. No material supplied.

All Work Unconditionally

GUARANTEED FOR 90 DAYS

If It's About Radio Call

LOUIS MARTIN

11 Central Avenue

New London, Conn.

Phone 2-4219

This special rate card was distributed throughout this fellow's neighborhood. It let people know what various jobs would run so they could determine in advance what the service charge would be.

I AM A GRADUATE OF THE
COYNE

Radio School
I CAN DIAGNOSE & CURE
YOUR RADIO TROUBLES

**ANDREW'S
RADIO SERVICE**
Phone 1722

A

PHONE MAGNOLIA 3317

SM Service Station

J. Pauley's Radio Service
334 East Breckinridge
Radio---Television---Sound Reproduction

5 Years Experience
Recent Graduate of Coyne Radio School
Repairs on all Makes of Radios

LOUISVILLE, KY

B



C

- (A) This is an Ad that ran daily in a hometown paper.
- (B) This was an ink blotter distributed house to house in the neighborhood of this graduate's store. It was very effective.
- (C) Here are 10 ideas for circular or cards for direct mail or house to house circularization.

you the benefit of a complete article without charge describing the opening of your business. This comes under the heading of "News for the Community" and if the newspaper editor sees a possibility of long time advertising with you, I believe you could get the benefit of this announcement at no cost to you. But regardless of whether or not you are given the benefit of a free announcement of your business, by all means make arrangements immediately to have your advertisement in your local paper. While on the subject of advertising, I'd like to make some additional comments. Some fellows feel that when they start a business of their own, they don't have to advertise. They feel they won't need it if they run a small service shop. You might also say I'm not an advertising man and I never liked advertising as a general rule. That's an impression I'd like to correct and would like to assure you that you don't have to be an advertising man and you don't have to know a lot about the psychology of advertising. Furthermore, you don't have to spend a lot of money and whether or not you like the general trend of advertising, is it my firm conviction that **YOU MUST DO SOME ADVERTISING IF YOU RUN A SERVICE SHOP OR STORE SUCCESSFULLY.**

Business is a matter of competition and you have to let your customers or prospective customers know what you have to offer. You can't set up a little shop in your home or a small store, and expect people to come and find you. You've got to let them know about your service, especially in order to get started. There has always been a place for legitimate advertising, simple, plain statements of fact about the merits and quality of products or services. If you feel your service has merit, has quality, has price advantage, there is nothing wrong with stating this in your advertising and letting your customers know about it. Advertising has always done a tremendous lot of good for every one of us in this country. For example, we couldn't buy an automobile for \$1200.00 today

(if we could get one) with all the durability and improvements for less than \$8,000 or \$10,000, if it weren't for advertising. Advertising has built the volume of sales for these machines. Only by volume sales and volume production can we sell any article for a minimum amount of money. Radio Companies could not do it if they had to build a few sets per day. Refrigeration manufacturers would have to charge a great deal more for their units, if they did not work on a volume basis.

You have only to take the example of your local newspaper. Without advertising in these newspapers, you couldn't buy a copy for a dollar or more. The actual ink that goes into the very copy that you get costs, in many cases, two or three times the amount you pay for the paper. The reason you get your local newspaper at the price you pay is because of advertising which tends to bring in sufficient additional revenue to a newspaper publisher, so that he can get the price down to rock bottom for the benefit of the thousands of readers who want the news.

Take the Radio Industry as another example of the benefits of advertising. Radio wouldn't be where it is today if it weren't for advertising for many stations in the earlier days went out of business before people realized that Radio advertising was profitable advertising and was thereby the means of bringing an income to these stations to cover their operation costs etc. From that time on, Radio Broadcasting Stations started all over the country because advertising was a way of supporting the cost of operation. This brought Radio into millions of homes and today Radio is supported 95% by advertising. You can readily see from this example how one of the greatest pleasures the people of this country and the world enjoy, was made possible only by advertising. The advertisers benefit by increasing the sale of their products and above all, the consumer benefits in the prices of products because of the volume business of the various manufacturing companies are

We Specialize in
NORGE
OUT OF WARRANTY

REPAIRS ON ALL MAKES INCLUDING


COLDSPOT

Let Our Selfed
Reparmen show
the efficacy of
your old or new
Crosley Coldspot
Unit.



CROSLLEY

Necessary Parts
Registered and Im-
munity Patented



WE SERVICE ALL
MAKES OF
**COMMERCIAL
& DOMESTIC
REFRIGERATING
UNITS**

CHICAGO & SUBURBAN
CITIES

Also Authorized Ben-
dix Automatic Home
Laundry Parts Service
& Installations.

AIR CONDITIONING

GRUNOW SPECIALIZED SERVICE CO. • DEL-PARK APPLIANCE CO.
Owned and Operated by

HAMILTON ELECTRIC CO.
3041 N. Cicero Ave. Phone **AVE nue 2664**

**REFRIGERATION
SERVICE**

HOMES-FACORIES-STORES

ONE OF OUR FACTORY TRAINED
SERVICE MEN IS IN YOUR VICINITY

Prompt • Reasonable • Guaranteed

**REFRIGERATION MAINTENANCE
CORPORATION**

MAIN OFFICE 321 E. GRAND AVE

NORTH
LONGBRIDGE
3434



SOUTH
515 - 5411
3420

Rounding Out Two Decades of Service for Chicagoland

PHONE SUPERIOR 4004

MILLS

SHERIDAN

PHILCO

COURTIS

GILSON

ROBERTS

FRIGIDAIRE

KELVINATOR

CROSLLEY

LEONARD

UNIVERSAL

COPPLAND

HOTPOINT

Service
on all
Makes

Here are some larger telephone Ads.
Both these Ads indicate careful planning
to tell an effective story.

able to do as a result of their increased sales through advertising.

Another important point on advertising is that when you do any advertising, try to keep a record of the results. It is not always possible to have a 100% record of the benefits of any particular type of advertising unless you can specifically identify the advertisement. As an example, if you had a special service rate effective for a period of two weeks, and advertised this rate in a local newspaper during that period, you could, by merely questioning the phone inquiries that are made, whether or not they are calling as a result of your special rate, advertised in your local paper. When you do general advertising, however, it is difficult to do this but at all times, it is possible for you to question the potential customer as to where he heard of your shop. You'll generally get some information that will help you determine the effectiveness of various advertising messages, if you make it a point to inquire on that particular point on any service calls you get.

I'd like to make one more important point that I urge you to keep in mind. This point is—advertise consistently and not spasmodically.

Some fellows get the idea that an occasional advertisement at indefinite intervals will save money on advertising and bring in as much business as regular consistent advertising. This point is subject to argument on both sides but it has been my experience that a service shop in a small community, where the advertising rates are extremely low, should consistently advertise in order to keep the name before the public. This is likewise true of large organizations who might be inclined to feel that name is so recognized in the field that they would not have to advertise. Companies like General Electric Company, Westinghouse, Zenith Radio Company, etc., might naturally feel that long as they are recognized as the leaders in their industry, it would not be necessary to advertise. It is, however, a matter of record that these companies

Office Follow-Up Card

Be sure of complete Sales Coverage: record all Calls and Letters on sales Follow-up cards. This card is filled out from information on salesmen's reports and kept in office files. 3x5 in. card is printed black on buff card stock. Red and blue horizontal rulings on back for remarks. Spaces for name, address, type of business, rating, and party to see. Vertical columns for date of calls or letters, and date and amount of orders received. Numbers across top of card from 1 to 31 to signal day of month when calls or letters should be followed up.

A 3x5 inch card with a grid at the top for dates 1-31. Below the grid are sections for 'NAME', 'ADDRESS', 'TYPE OF BUSINESS', 'RATING', and 'PARTY TO SEE'. The number '103' is printed in a large circle in the center of the card.

A 3x5 inch card with a grid at the top for dates 1-31. Below the grid are sections for 'NAME', 'ADDRESS', 'TYPE OF BUSINESS', 'RATING', and 'PARTY TO SEE'. The number '2118A' is printed in a large circle in the center of the card.

Salesman's Follow-Up Card

Keep a complete record of salesmen's calls for future reference and follow-up. This card is to be carried by salesmen and filled out after each call made. As reports are turned in, the information can be transferred from this card to the main sales record. Then the card is filed in the top of the pocket of the Visible Card Index along with the sales record. 4x6 in. card is printed blue on one side only of buff card stock. Has spaces for Name, Address, Kind of Business, Rating, Name of Buyer and Assistant Buyer, and best time to be seen.

Direct Mail Follow-Up

3x5 in. card printed brown, one side only, on white card stock. For direct mail or personal call selling. Spaces for Date and Remarks on "We Wrote" and "They Wrote." Complete Firm and Individual Name and Address with Key and Rating. Days of month scale across top for signaling follow-up. Panel for Orders, Date, and Amount.

A 3x5 inch card with a grid at the top for dates 1-31. Below the grid are sections for 'NAME', 'ADDRESS', 'KEY', 'RATING', and 'PARTY TO SEE'. The number '0353' is printed in a large circle in the center of the card. The card is shown with a handwritten note and a stamp.



**SERVICE
AND
REPAIR**

on

GENERAL ELECTRIC

REFRIGERATORS, RANGES, WATER
HEATERS, WASHERS, IRONERS,
DRYERS, DISHWASHERS, AIR
CONDITIONERS. COMMERCIAL EQUIPMENT.

CALL

R. COOPER JR., INC.

836 South Canal St.

WAB ash 7000

★ ★ ★

on

GENERAL ELECTRIC

Irons, Toasters, Mixers, Coffee Makers,
Roasters, Clocks, Sun Lamps, Fans,
Vacuum Cleaners, Electric Blankets, Etc.

Call the

G. E. Factory Operated

APPLIANCE SERVICE CENTER

847 South Clinton St.

WAB ash 5611

EXTENSION 578 or 579

Here is another Ad to give you some additional ideas. Many of these Ads can be used without additional changes as newspaper Ads.

spend millions of dollars each year in advertising to keep their name before the public. If they find it pays, then it certainly must follow that the psychology they apply also applies in the small town service shop.

An example of what can happen when a company takes the attitude that they do not have to advertise—that they are nationally recognized as a leader in their field and, therefore, business is assured, can be taken from a case of a company that was recognized as the largest and most outstanding producer of pineapple direct from the Hawaiian Islands, many years ago.

This company was one of the first to bring in pineapple from the Hawaiian Islands and within a surprisingly short time built up an industry valued in several million dollars sales each year, on the sale of this one commodity. The very name of the concern was synonymous with pineapple and people in thinking of pineapple thought immediately of this company. They had spent a great deal of money in an advertising campaign to sell the people on the quality of this newly imported fruit. They had brought their name before the public.

For years this company dominated that field to such an extent that very few other companies even ventured into it, presuming that it was practically controlled by this one concern.

For some reason or other, the management of the company decided that they were so well recognized that they didn't have to advertise any more. They presumed that people would think only of their firm when they thought of buying pineapple. So they decided for one year to cut all advertising and save that great expenditure.

Well, you've probably guessed the answer by now. As soon as some rival canning company learned of this attitude, they took interest in the pineapple importing business. They advertised and with a few modern ideas and an aggressive advertising program, one concern before six months had

passed this company had taken the lead in this particular sale of this commodity. Today, the original firm, that had a "monopoly" (or at least, thought they did), on this product to such a point that they didn't have to advertise, is no longer in business.

So when any advertising manager of a newspaper tells you that consistent advertising is essential to progress. **HE IS NOT JUST GIVING YOU A SALES TALK.** It has been definitely proven, time and time again, on both large and small companies that advertising pays and no company is so secure with their market that they can entirely discard advertising.

Of course, you should try to keep as accurate records as you can on the results of your advertising. You should try to make certain that it does pay out. Don't ever get the impression that because you're doing a fine business and getting compliments from all sides for the service you turn out, that you can forget about advertising and that future sales will come in to you automatically. The minute you do this, the progress of your business will slow up and from then on, start going backward.

● *HOUSE TO HOUSE CANVASSING*

Now we come to the method of sales promotion that is the most difficult for some fellows but at the same time is most productive. This is called "HOUSE TO HOUSE CANVASSING." House to house canvassing is considered difficult by some when starting a business because they feel that in calling at home to offer services they are asking favors. This actually is not the truth because in reality, you are offering service and you are doing the customer a favor. It may be difficult at first for you to get this idea across to the potential customer, and as a matter of fact, it may be difficult for you to visualize the situation in that light yourself. However, if you analyze the situation and prepare your sales approach

along the line that you are there, calling on that home, to offer your experienced service to improve their appliances for their comfort and convenience, then this house to house canvassing takes on an entirely different appearance. In the beginning of this book we told you that the information we were going to give you was not to be "generalities" but that we were going to outline specific ideas that you could use in getting started in a business.

This plan of house-to-house canvassing is one in which we give you the following suggestion as to ideas to be used in approaching householders on the service of Radios, Refrigerations, Vacuum Cleaners, or any other type of household appliances as well as actual fixtures and wiring. Here are a few ideas that have worked favorably for other graduates in their house-to-house canvassing program.

(1) "Making a check-up on Radio Sets and Appliance Equipment." In most cases you can get a good deal of useful information on a check-up of this kind. You would be surprised after talking a few minutes how easy it is to swing the conversation into the subject of direct service on the equipment in that particular home.

(2) If you are in a Radio business you could be making a "Noise" survey. On a survey of this kind you explain to the home owner that there have been complaints in the neighborhood relative to noise in radio programs and that you are trying to perform a service for the community by trying to locate the source of noise and therefore take the opportunity to check the radio equipment.

(3) "Free Inspection". If you use this plan and have already printed some impressive looking forms which you could conceivably refer to as a REPORT OF CONDITION you can very often gain access to any home. The idea of this would be to outline what repairs are needed

on this "Report of Condition" blank so that it could be authorized by the husband or at least studied by him as a means of putting the electrical and radio equipment in that home in perfect working condition. It is also very helpful to leave this "Report of Condition" so that you can refer to it in a telephone follow-up later on in talking to the husband to get the authorization to do at least some of the service work that is vitally necessary. Naturally you keep a copy of this report so that you will know what to discuss when you make the phone call.

(4) You could present your call as a "Courtesy call" you are making on residents in the neighborhood. You could explain that you are starting your business and make your entire approach appear as a neighborly courtesy gesture and an active helpfulness to the people that you hope to serve with your service facilities.

(5) If you are in the Radio business you can make a "check-up on all wave sets". Your explanation here could be that you've heard many complaints from the neighborhood on noise and lack of good reception on a short wave and you are making the investigation as a service to your customers and at the same time will be glad to check over any sets in the neighborhood as a means of trying to help you make a complete survey.

(6) "Follow-Up for new sales". This idea is based on the fact that you have completed a service call at a certain home and are calling back after your service guarantee expired with the thought of making an inspection on the work you have done as well as other potential service work in the home. Too frequently an electrical or radio service man neglects to make a repeat call at a home where he has treated a service job and thereby loses many additional sales. If you do your work properly you should have no fear of making a repeat call. Naturally if a customer is

acquainted with your work and finds that you do good work and you do it reasonably you have a very splendid chance of getting some more service business by this repeat call method of house-to-house canvass.

One thing you want to remember at all times is to keep a complete record of these various calls. Before you go out to canvass your prospects make out a 3 x 5" card for every name with the address and phone number and a space to record the type and condition of the radio and electrical equipment. You should likewise try to learn something at EACH CALL. This "business" of handling people is one of the most interesting experiences anyone can have. You will learn as you make more and more calls just what to expect and how to handle it.

Above all have a general idea of what you are going to say when your prospect opens the door. Some salesmen work best when they go through a regular routine with a memorized sales talk. This we have never been able to recommend because there are many cases where a memorized sales talk will definitely not fit. Many successful salesmen sell better when they vary their talk to fit the prospect and the circumstances. It is all right to have a general idea of what you intend to say but don't make the mistake of memorizing it to a point where it would appear ridiculous in the eyes of a potential prospect who brings up a point that isn't covered by your "memorized sales talk" but one in which the customer has to be satisfied before you can get anywhere with them. In personal selling, the most important thing you can do is to make friends with your prospect, especially on your first call. Don't try to be smart or "flippant". Some salesmen have been very successful with "high-pressure" methods but the average man is more successful when he avoids these methods entirely and tries to tell a straightforward story in a natural friendly way.

● TELEPHONE SELLING

As in house to house canvassing, the telephone can, if properly used, present a means of establishing a direct personal contact with the prospect. It is important that you see to it that your business is listed in the phone book or directory. It should be listed both in the general and classified sections. In some of the smaller towns, there is just one telephone book but it is divided into these two sections. You want your name in both places. It will cost you nothing if you have a telephone, which you will probably have to have either in your home or in your business office, to have your name listed in both sections. It is even a good idea to have a classified listing which runs a few dollars additional, but makes your listing stand out in the phone book. Following are a few of the types of classified listings that we have in mind.

This is good advertising, so don't overlook it. If these people know of your shop, they will look it up in the general directory, but if they happen to need a repair job done and they haven't anyone in particular that they can call on, they will often reach for the classified directory and run through the columns until they find one that strikes them as being pretty good. Some shop owners select a name that begins with "A" so it will get the beginning of the listings in the book. If you want to, you can call your shop the "A A A" Service Shop. Then it will be sure to go at the head of the list. This is just one of the many tricks that are used in order to get top listing in a telephone directory.

In any telephone selling, care should be taken to establish a very definite and friendly approach in the method you use from the moment the telephone connection is made. Here are a few ideas that might prove helpful.

A. Call on customers who have telephones, periodically to inquire as to the condition of their electrical and radio equipment—whether it is operating satisfactorily—

whether they have had these things tested recently. Tell them you'd be willing to drop in to make a free inspection without any obligation whatever to them, so that they can determine definitely as to the operating condition of their electrical equipment.

B. Make telephone calls to prospects who have had radio and electrical equipment for a few years and explain



COPELAND REFRIGERATION SERVICE

FOR THE ONLY AUTHORIZED COPELAND SERVICE AND PARTS by FACTORY TRAINED SERVICE MEN Day or Night Phone

AND over 4444

Formerly WHI tohall 5600
218 N. Canal St.
DESSENT ENGINEERING CO.

AUTHORIZED

Brunswick

BLUE-FLASH

TABLE-TOP ELECTRIC REFRIGERATOR

For Food or Beverages

Why Buy When You Can Rent at 25c a Day

SALES & SERVICE

by **FACTORY TRAINED SERVICE MEN . . .**

DAY OR NIGHT PHONE • **AND over 4444**

DESSENT ENGINEERING CO.
216-18 NO. CANAL ST.

FACTORY SERVICE
All Makes

Our Factory Equipped to Rebuild and Repair

- REFRIGERATORS • CONDENSERS
- COMPRESSORS • BLOWERS
- MOTORS • BELTS
- HOUSEHOLD BOXES AND COMMERCIAL UNITS SEALED UNITS

BERCHTOLD'S
4912 W. MADISON ST.
AUS tin 3000
"Day-Nite" Service Headquarters

UNIVERSAL REFRIGERATION SERVICE

Expert COMMERCIAL & INDUSTRIAL REFRIGERATION SERVICE

SERVEL
(FRANCHISE DEALER) SALES & SERVICE

Factory Methods - Reasonable Rates - Prompt and Efficient Same Location Since 1938

NIGHTS, SUNDAYS & HOLIDAYS

CAPitol 1245
Ask for Mr. Weber
1209 West 14th Place

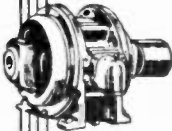
All Phones SEEley 7866

Here are some more well-planned telephone advertisements that can also be used as a layout for a newspaper advertisement.

to them that you are in the repair business. Generally speaking, equipment a few years old is just about ready for service and you may very easily contact them just at the right time for some work along this line.

C. Call on home owners with the idea that you're making a survey of electrical needs in the locality. Explain

MOTORS • GENERATORS
Chicago's Largest and Most Complete Stock
of Electric Power
Equipment



Buying • Selling
Rewinding
Renting Exchange

ROCKWOOD: Paper
Pulleys, V-Belt Drives, Pivoted Drives
FALK-COUPINGS

1328-32 W. CERMAK RD.
CHICAGO ELECTRIC
CAN. AT. 2900

SIEVERT
ELECTRIC CO. INC.



New and Rebuilt
MOTORS
GENERATORS
BOUGHT - SOLD
RENTED - EXCHANGED

- EXPERT REPAIRING & REWINDING
- ELEVATORS REPAIRED
Inspected - Installed
- INDUSTRIAL WIRING
- Factory Distributor ALLIS CHALMERS
Motors — V-Belt Drives & Belt
Replacements — All Work Guaranteed

For Service and
Information Call **ARM itage 8300**
1349 BAUWANS STREET

FANS
OF EVERY TYPE



RENTED
REPAIRED
Bought & Sold

FRANKlin 4356

MONARCH
ELECTRIC SERVICE
Div. of A-Abart Electric Co.
121 N. HALSTED ST.



EDISON
Electric Co.

- New & Used Motors Bought,
Sold, Exchanged
- Fast Service to Loop and All
Parts of City
- Light & Power Wiring
- Compressors & Spray Equipment
of All Kinds

AND over 5272
743 W. LAKE ST.
At S. E. Corner LAKE & HALSTED

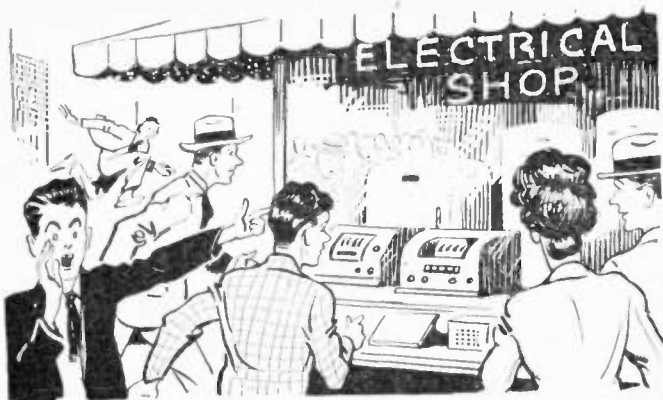
This page shows some examples of good telephone classified display ads. Note how all of them have "eye appeal" and tell a complete story of the service they offer.

that this survey requires that you find out what electrical household appliances are in most use in the community and what the future needs of labor-saving devices will be. You could explain that this is a yearly survey that is made and is principally designed to provide information on the electrical needs of the locality.

Expect to meet some resistance on a telephone contact program, because just as in a house to house canvass, you can't expect everyone to be interested or congenial. However, you will find a certain number of good prospects through this method of contact. Even those who do not seem to be interested, might start giving the matter some thought after their conversation with you.

In closing, here is one idea that is used quite effectively, to at least get a home owner to do some serious thinking on having a checkup on electrical wiring. One of the questions asked in the telephone contact is whether or not any children are in the home. If the answer is "yes", and the child or children are anywhere from 1 to 6 years, then the thought is left with the home owner that the wiring, such as lamp cords and outlets, etc., should be checked because the child could very easily injure himself with a bad burn if such equipment is not in first class shape, and properly protected.

Where a home owner may not listen to any other point, they will in many cases, become vitally interested when a suggestion of that kind is made, particularly where there is an offer of a free inspection of a possible location of these hazards by the service shop. You might keep that thought in mind because it has worked very effectively for thousands of other shops on a telephone sales promotion contact program.



Chapter XI

Display Methods

Displays sell by appealing to buying motives. They attract by having “peak” feature which permits comparison. For greater sales results, you need to have a well developed plan to co-ordinate all display activities of your store.

Closely allied to advertising as covered in Chapter IX of our book, is the subject of *display methods*. Display is part “theatre” and part salesmanship. The “theatre” features of your display are the ones that cause people to stop. The selling features are the ones that appeal to their buying motive. In a sense, display methods are to a successful electrical and radio store what cosmetics are to a woman.

The buying motives are the desires of your customers to better their status in the world in some way. They are what cause your customers to move into your store and buy your merchandise. The sales points in your display are simply the fuses that set off this explosive buying energy.

These motives are so strong that even a weak display will sell a certain amount of merchandise under certain conditions. For example, you might conceivably place in your window the first item of a scarce or new electrical device to reach your city and on which you have a considerable number of units. A good number of people will come in and buy this product to satisfy their wants. Your display of the article itself may be successful because of the great need, and the enormous publicity which has been given this particular item in newspaper, magazines and over the radio.

To appeal to buying motives, your display should show to your customers what your radio or appliance will do for her. It should present the advantages she and her family will derive from its purchase. When you have learned what the product you are displaying will do for its purchasers, your task is simply to arrange the display in your window so that the product together with your show cards and stage "props" will describe to others what it will do. Then you will be confident that your display is creating the strongest possible desire to buy.

Displays need to do more than appeal to a customer's emotions. They must also appeal to their rational mind. One way it does this is to present facts about one product to show how it will satisfy her wants more effectively than some competitive product.

Your source for facts is the promotional material supplied by the manufacturer. He knows which features of superiority he has incorporated into his product and those are the things you are to tell your customers by your display.

Many radio and appliance dealers show only display material that is supplied by various radio and appliance manufacturers. Much of this display material is excellent. It will not, however, of itself, answer all your display problems.

The reason for this is that the manufacturer spends considerable effort, and does so quite rightly, in stressing the

superiority of his products over those of his competitors. You may carry these competitors' products in your store and be quite as willing to sell them as you are to sell his. Use the display pieces supplied by the manufacturer *only if they fit into your own needs*. At all times, subordinate the manufacturer's desire for general prestige advertising value to your own imperative need to sell both his and other manufacturers' merchandise in your store. Even if you handle his line exclusively, you will want to stress buying motives rather than features of his particular products on display. To do this, you will often supplement his display with your own display pieces.


A good display may be more powerful selling tools even than personal salesmanship. Displays enable your merchandise to create an immediate reaction in the mind of your customer. Personal selling uses words that develop the same impression but does so in a roundabout rather than a direct way.

Displays should above all have unity. Unity is especially important because the impression you create is a fleeting one. One way to achieve unity in window displays is place a large mass of identical items together. This is an example of the principle of mass display. A window display can be compared to a stage and as you know, there is always a definite effort to have unity in a stage setting, while at the same time, having emphasis on certain individuals or sections of the stage. Store displays borrow more than unity from the theatre. They adopt also the device of featuring one or more leading items in a group.

When your display gives equal emphasis to dozens of items, it becomes too large for your customer to grasp visually. He is unable to focus attention on any one item. Consequently he may pass up the entire display.


For this reason, unity and mass display are not enough. Your window display needs to be more than just a large


KINDS OF UNITY IN WINDOW DISPLAYS



MASS DISPLAY


CENTRAL IDEA





ONE PRODUCT


ONE MANUFACTURER



People who pass your windows will stop and look if you create unity by a mass display of identical items, by a central idea such as a laundry, by an assortment of brands of one product, or by many products of one manufacturer.


COMPARISON DISPLAYS

SIZES




(REFRIGERATORS)

MAKES



(RADIOS)

MODELS



(RANGES)
STANDARD & DELUXE

Comparison is a basic method of display. By comparing two similar items that differ in size, make or model you can create a "peak" center of interest, trade up your sale, and offer two alternatives, both of which lead to a sale.

group of products arranged together. Your floor display should be more than just a long line of refrigerators, console radios in a row. Similarly, if your smaller products are placed on long rows of shelving, this does not affect maximum sales.

Important thing is to feature one or two items more conspicuously than all the others in order to permit your customers to focus their attention on a single center of interest. This in advertising, is called "peaking" because such a display constitutes a center of "peak" interest.

Your stock must be arranged and displayed so as to help your customers choose what they want from among many similar items you carry. To do this, you must learn how to display your products so as to feature not more than three items in the entire group.

The average person is unable to easily make distinctions among more than three items at a time. Most people instinctively prefer to narrow their choice to a comparison between two items.

It is true that some customers will look over an entire stock carefully before settling down to a final choice. This simply means that they are in a more critical frame of mind and less far advanced along the mental path of sales, than other less discriminating customers. If you do not feature two interesting items, this type of customer may look over the entire group and then not decide on any.

Through comparison display, you give the customer a chance to compare the different models and prices which you offer. Obviously, if they are to make this comparison, you must have enough merchandise on display at all times to allow them to make a satisfactory selection.

Several recent polls have indicated that the average person buys a radio in the first store visited. This may or may not be true. What is likely is that if she finds it impossible to make dollar comparisons in your store, she will most certainly

go elsewhere and look at a similar item in order to make her choice. If she does this, she may not come back to your store to buy the item from you.

Comparison displays are the correct psychological way to lead your customer along the path to a sale. The reason for this is that when she approaches a department, she has a choice between buying any product in it or not buying. By setting up a comparison display, you pave the way to substituting for this possible negative decision, a choice between two products in your store. Either decision will result in an affirmative answer.

One form of comparison display is that between two different sizes of the same item. For example, you may show a 5 cu. ft. refrigerator and a 6 cu. ft. box, side by side. This would be far better than if you would ask your customer to make a decision between a 5 cu. ft. and a 10 cu. ft. box. The range at all times in comparison display should be small.

Comparison displays of table radios may show a 5-tube model to be compared with a 6-tube model of the same make. In major appliances, and floor radio comparisons, may be made between a standard and de luxe model, in order to show the customer the difference between the two models and to trade up the sale.

In your major electrical appliances and radio department, comparison display is usually best accomplished by placing two items side by side. In a line of refrigerators, for example, arrange two so that they slightly face each other. If you have a long line of refrigerators or floor radios, you can develop more than one of these special zones of interest by turning several pair of floor appliances toward each other in order to break the monotony of the line. The following sketch will give you some idea of how these comparison displays can be effectively arranged.

In your small appliance department, you may follow the same principle. Among all your irons, place two irons in

order to break and in order to provide "peak" interest. On every table in your store, and in every wall case, place one or two special displays, and invite your customers to stop and compare the products being offered. Many dealers prefer to "peak" single items in a display rather than trying to feature pairs. This can be very effective when you have a special reason to feature a single product. You may "peak" one item singly without offering any invitation but your display arrangement to compare it with other items in the group. When your customer shops, however, you may go on to make this comparison just the same.

There are many ways that you can see in which you can attract the attention of your customer to a single item among a large group. Here are just a few of them.

You can have a row of floor model radios, open up the cover of one of them that is a phonograph combination model, and suggest to the customer passing by, that someone else has been in and stopped to examine it. Her imitative instinct will urge her to do likewise. You may do the same thing with the major appliances you carry in your store. For example, bring a row of ranges or refrigerators, pull out the door and pull out the shelves of one.

You may do the same thing with some of your products. You may have a customer who has been interested in one of your major products. To do this, you may have the chassis is visible instead of the cover off the compressor. You may have it standing against the refrigerator.

You may do the same thing with another customer has requested a washer. You may have a washer with the cover off and the washer components visible. You may place washer components in a display case and even

have some dishes in the rack to indicate that you have been requested to wash dishes by some other customer.

An important point always to keep in mind is that action always attracts attention. You may use electric motors to set up rotating displays featuring a single item. You may be able to arrange one appliance so it is in continuous action, for example, the "pop up" type of toaster may be displayed with a mechanical plunger that pushes the lever down and then allows it to pop up two slices of imitation toast. At the end of this chapter, we will give you a number of other interesting, attention getting electrical advertising displays. The accent on action is always well to keep in mind on any of your displays.

Color is an effective way to "hook" a single item in a group. A single radio or appliance of markedly different color will help it stand out from its fellows. This may, of course, be accentuated by lighting effects. Use a colorful cloth to place on a stand and drape a special item you wish to feature.

Another important point to remember is that throughout your store at all times there should be no display problems that result from a lack of unbalanced design. It is easy to see how unbalanced merchandise is arranged in new displays. To stop your customer's attention from being drawn slightly out of line, a pyramid of items, or a display with items missing, as if other cases were present, will stimulate the customer's interest.

Most good electrical appliance stores, based on experience, use demonstration displays or an implied demonstration display. It is proved to be the most powerful method of advertising.

Perhaps part of the reason why demonstration displays can be explained is that they appeal more to

order to break and in order to provide "peak" interest. On every table in your store, and in every wall case, place one or two special displays, and invite your customers to stop and compare the products being offered. Many dealers prefer to "peak" single items in a display rather than trying to feature pairs. This can be very effective when you have a special reason to feature a single product. You may "peak" one item singly without offering any invitation but your display arrangement to compare it with other items in the group. When your customer shops, however, you may go on to make this comparison just the same.

There are many ways that you can see in which you can attract the attention of your customer to a single item among a large group. Here are just a few of them.

You can have a long row of floor model radios, open up the cover of one of them that is a phonograph combination model, and suggest to the customer passing by, that someone else has been interested and stopped to examine it. Her imitative instinct will prompt her to do likewise. You may do the same thing with various major appliances you carry in your store. For example, among a row of ranges or refrigerators, you may open up the door and pull out the shelves of one model.

You may carry this item still further with some of your products. You may want to suggest that the customer has been interested in the mechanism of one of your major products. To do this, you may turn a radio around so the chassis is visible instead of the front. You may take the cover off the compressor section of a refrigerator and leave it standing against the refrigerator.

You may find it possible to suggest that another customer has requested a demonstration. You may show a washer with the cover off and a basket of clothes nearby. You may place washer compartment next to the electric dishwasher and even

have some dishes in the rack to indicate that you have been requested to wash dishes by some other customer.

An important point always to keep in mind is that action always attracts attention. You may use electric motors to set up rotating displays featuring a single item. You may be able to arrange one appliance so it is in continuous action, for example, the "pop up" type of toaster may be displayed with a mechanical plunger that pushes the lever down and then allows it to pop up two slices of imitation toast. At the end of this chapter, we will give you a number of other interesting, attention getting electrical advertising displays. The accent on action is always well to keep in mind on any of your displays.

Color is an effective way to "peak" a single item in a group. A single radio or appliance of markedly different color will help it stand out from its fellows. This may, of course, be accentuated by lighting effects. Use a colorful cloth to place on a stand and drape around a special item you wish to feature.

Another important point to keep in mind is that throughout your store at all times there are all kinds of setting and display problems that would achieve the effect of unbalanced design. It is easy to understand that if your merchandise is arranged in neat orderly rows, there is nothing to stop your customer's attention. A major appliance that is slightly out of line, a pyramid display that has a number of items missing, as if other customers had come in and bought them, will stimulate the buying process.

Most good displays of radios and electrical appliance stores, based either on an actual demonstration or an implied demonstration of the product. These have proved to be the most powerful of all types of displays in this field.

Perhaps part of the great power of demonstration displays can be explained by the fact that they thus appeal more to

more than one sense. Even when a customer does no more than look, the action or implied action seems to help her imagine the product in her own home.

Store demonstrations have largely supplanted home demonstrations in radio and electrical appliance stores. Dealers now usually invite the prospective customer to the sales room floor to see the product demonstrated rather than undergoing the expense of giving a trial in the peoples' homes.

Remember above all that your demonstration should encourage action on the part of the customer. If they don't do any more than press a button or pull a lever, this is effective in helping you close a sale.

At all times, have your radios hooked up to permit your customers to tune them in and get programs themselves. Your electric washer should be ready to operate.

One of the basic principles to be used for guidance in any displays in the windows of your store or in the store itself, is to put yourself in the position of the customer. Whatever appeals to you are the things that appeal to them. If you can project yourself in this manner to the customer, you will have very little difficulty in properly laying out your display in the best possible, attention getting manner.

● *TO PRICE OR NOT TO PRICE*

The question of whether you should price or not price window displays has always been a vexing problem. You can best decide how and when to use a price tag in a window by considering the way in which the window display pulls people into your store.

Your having a low priced item in the window display can cause the person looking at it to travel the entire mental path from his preoccupation due to some other matters when he passes your window, to the final decision to come in and buy.

When people arrive at this stage of genuine interest in your products, they almost always ask the question at least mentally, "How much will it cost me?"

If, however, you have an article, that sells for many dollars and is being sold on a quality basis principally, your prospective customer does not travel nearly so far along the mental path that leads to a sale. The most you can expect a window display to do with this class of article is to arouse the curiosity of the looker and get him interested at least to the point where he is willing to come in the store and look some more and perhaps ask a question or two about the product displayed in the window.

Consequently, in window displays of major appliances, use price tags with great care. Price is not a buying motive. In most cases, it is an obstacle. Therefore, substitute for price tags, figures showing the economy of operation, such as "costs so many cents per day to operate". Divide the total price by life expectancy of any appliance and say, "costs so many cents a day to own". If this type of price tags cannot be made convincing, then leave off the price entirely on expensive items you are displaying in the window.

Price tags are of great help in selling small items inside the store. Special prices and sales cards are an easy and effective way to feature individual items among your small radios and electrical appliances. They make the item you wish to feature, stand out.

No matter how carefully you plan the display in the beginning and regardless of what merchandise you are displaying, your displays will not result in sales if you allow these displays to become shopworn. Unfortunately, this happens frequently in radio and electrical appliance stores.

Radios and electrical appliances being relatively durable, can remain on display for some time without deterioration. While they stand there, however, they collect dust and display

pieces become dirty. This becomes more noticeable in the windows where the light is most intense.

This has been a weak spot of many otherwise progressive dealers. They have been successful in the past because they did an aggressively specialty sales job that brought sales despite dirty and shopworn displays.

So don't ever allow a display to lose its effectiveness merely because of carelessness.

When you change your display once a week, and dust it off once a day, you are sure of having a fresh looking window at all times. It is important also to keep special displays inside your store on a regular basis.

At least once in two months, you should make a major change of all displays in your store. These major changes should be in keeping with the season. You should plan to enlarge greatly on the size of the particular department which is coming into its greatest seasonal sales. Contract departments that you do not intend to push.

Change the locations of the department themselves whenever this is feasible.

The only way to use window displays as the most effective selling tool is to plan them in advance. To do this properly, you need your own window display "calendar".

A convenient way to keep a window display is to place it on cards, one for each week. On such card for any week, you may jot down ideas in advance as they occur to you.

When you install a window, you should record also information concerning the goods displayed that week, the cost and your beginning inventory of products. After you take the display out, add purchases received during the week, subtract the ending inventory and thus obtain your sales of the products being displayed during the period of the window display.

WINDOW DISPLAY CALENDAR GUIDE
for Radio-Appliance Dealer

	Console Radios & Records	Small Radios	Washers & Ironers	Ranges & Broilers	Freezers & Refrigerators	Fans & Room Coolers	Vacuum Cleaners	Other Traffic Appliances
January	Sale of slow models							
February	St. Valentine's Day, Lincoln's & Washington's Birthday parties			Cooking Lenten foods			Spring house-cleaning	
March							First day of Spring	
April		Fishing season	Washable spring clothing		Food preservation			
May			Mother's Day gifts		Mother's Day gifts			Graduation gifts
June	Father's Day gifts, political conventions	June bride & Father's Day gifts	Summer clothing		Cool drinks & desserts	First day of summer		June bride & Father's Day gifts

July	Independence Day, Baseball programs	Baseball programs, vacation use			Summer recipes	Hottest season		
August	New models	New models			Cold storage			
September	Fall programs, Labor Day	Fall programs, Labor Day		Harvest menus			Moving day	School opening season (toasters)
October	World Series, Halloween parties, Presidential campaign	World Series, Halloween parties		Fall foods				Lamps & fixtures, long nights
November	Armistice Day, winter programs	Armistice Day, winter programs		Thanksgiving meals				Electric blankets, pads
December	Christmas gifts	Christmas gifts	Christmas gifts	Christmas gifts	Christmas gifts		Christmas gifts	Christmas gifts

This guide indicates some of the seasonal opportunities for window display. Make up your own window calendar guide on a weekly basis by labelling 52 cards, one for each week in the year. Plan your windows ahead and record sales results on each card.

Although the following window display calendar guide may vary in different parts of the country, nevertheless it can provide you with the basis of a calendar by which you can develop your own display schedule.

Tie in your windows with any seasonal event that will give variety. Special gifts for June brides, should be featured enthusiastically in your windows, even though statistics show that nearly as many marry in the month of January.

Capitalize on the interest value of local news by developing windows based on what is happening in your area. Be sure that you subordinate the other events to your own sales method.

Plan your window calendar so that you'll be first to display interesting new models of each radio or appliance as they come into your store. Thus you get a start that you need to do a good job throughout the season.

The time to feature a new model in your window is before the other dealers in your area do the same thing. Most dealers are just a little bit slow in featuring new models. Your display will help you sell more at a time when too many dealers are trying to sell the same item.

Your preparation in the planning of your window and store displays will repay you far beyond your expectation.

When you get just a few people to stop, others will see them watching your window and it will get to be a cumulative habit with increasing numbers of people. This curious imitative behavior of crowds means that the time you spend in preparing your window to attract customers will gain spectators in a far greater ratio than the actual time spent in this work.

● *ELECTRICAL ATTENTION GETTING WINDOW ADVERTISING DEVICES*

In the event you have a store, take advantage of your window space. Many companies from whom you will make pur-

chases of equipment, have all types of broadsides and advertising material for window displays, available at no cost to you. Get as much of this material as you possibly can and put in as many of these eye-attracting sales helpers as possible in your store window. Have a sign for your place of business, also on your car or delivery truck. Make them stand out—have them illuminated. It is very wise and profitable advertising as a rule to have a sign on not only your place of business but on your car or delivery truck. Get a sign out in front where people will see it and put it in such a position that it is in their line of vision as they walk by. Don't put too much copy on the sign or people won't be able to read it at all as they go by. If the shop is right up against the sidewalk, don't put the sign flat against the wall, as they won't be able to see it that way.

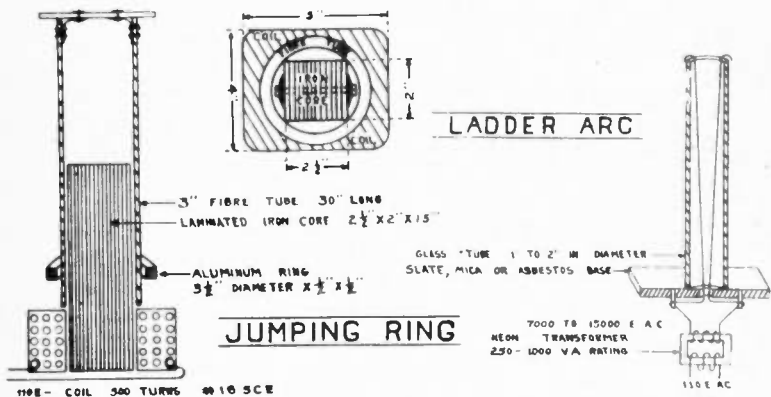
By all means, light up your sign. If a sign is worth putting up at all, it's worth lighting. I don't care how simple the lighting is, even if it's just one spotlight on each side of the sign, it will be two or three times as effective. It can be seen then even at night or on a cloudy day. Give a little attention to the position of the lights and be sure that the light does not glare at a person trying to read the sign. These things are just simple suggestions that most anyone knows about, but they are mentioned here so you will keep them in mind when preparing a sign. For a very small sum, you can get a flasher button which will make the lights flash on and off on your sign. This really adds additional attention that the sign might not ordinarily get if it was under continual illumination.

Above all, consider the possibility of an effective novelty electrical display in your window. The following information on many types of electrical display jobs that you can build yourself. These have proven very effective in attracting attention and that, after all, is the important thing in advertising.

If you have a service truck or if you use your own car as a business car, have your name and location painted on it.

Be sure to include your phone number and the nature of your business.

If you don't want to actually have a sign painted on your pleasure car, then by all means have a sign made that you can hang on the car when you are using it for business. You could mount it on the windows of the car with small rubber suction cups or small hooks. Don't overlook any possible opportunity to get effective window displays or advertising that will keep your name before the public.



Here is the information and wiring instructions for several interesting electrical displays that you can build yourself:

● **JUMPING RING**

The jumping ring should be mounted in a wooden box in such a manner that the transformer core and coil, switch and connections are below the top of the box, in order to conceal these parts. An intermittently-operated switch may be connected in series with the coil to provide repeating operation.

When the circuit is closed, the ring will be forcefully repelled by reason of heavy currents induced in it due to trans-

former action when the coil is energized. The circuit should remain closed for a few seconds, causing the ring to remain suspended without any apparent reason. It's this evident defiance of the law of gravitation that arouses the interest of a passer-by.

● *LADDER ARC*

The ladder arc operates on the principle that electric arcs drawn in air between vertical wires will be driven upward by the rising heated air and by magnetic action. In the arrangement shown, the arc is first formed at the bottom of the tube and travels rapidly to the top where the increasing arc length and resistance finally causes it to snap out. When this occurs the arc is immediately re-established at the base and the cycle is repeated. Location of this device in a manner that will permit free circulation of air through the tube will result in improved operation by increasing the rate at which the arc travels.

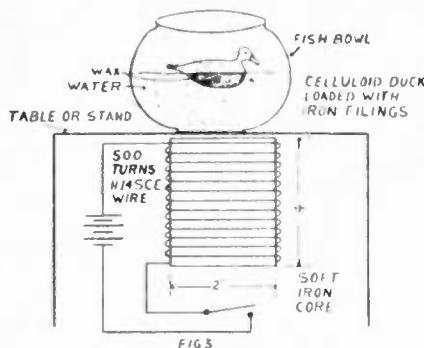
The size of the transformer to be used with this device can be determined by experiment; however, a 1000 VA (9000V) neon sign transformer will operate quite satisfactorily on a tube two inches in diameter. If a one-inch tube is used, a 300 to 500 VA transformer will be satisfactory. If the wires expand enough when heated to interfere with operation, a small coil spring may be inserted in each wire at the top to take up the extra length caused by expansion.

● *THE DIVING DUCK*

Another "attention getter" is the Electric "Diving Duck". This device is very inexpensive to construct and consists of a SMALL glass fish bowl half filled with water, with a small celluloid duck, a 2" x 4" iron core with 500 turns of No. 14 SCE wire and an old automobile battery.

The fish bowl is set on a small table, the duck is filled part way with iron filings so that it will barely float. This

can be done by slitting the front portion of the duck, pouring in the necessary filings and then sealing the opening with hot sealing wax.



The magnet is connected to the battery and either an automatic timing switch or a manually operated hand switch inserted. When the switch is on, the duck dives; when it is released, it floats back to the top.

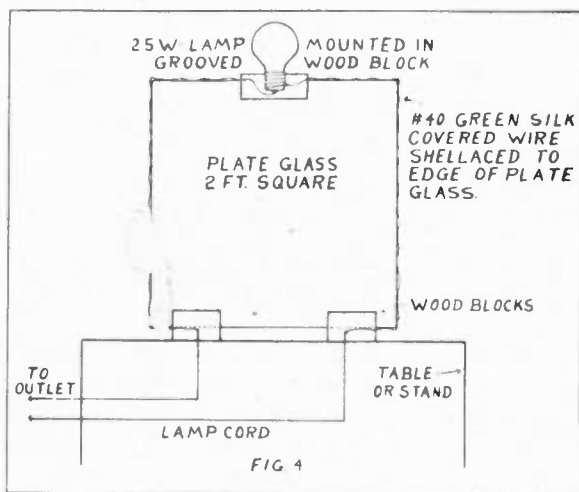
● LIGHTING WITH SHOE STRINGS

Another simple, yet effective, attention-attracting device may be constructed from an ordinary ten-watt lamp and a shoestring. Two No. 30 plain enameled wires are soldered to the lamp terminals, care being taken to make the connection as inconspicuous as possible. The connection to the screw shell may be imbedded in the sealing compound and brought out close to the other wire. The two wires are then fed through a hollow shoelace, one end of which is tied around the screw shell while the other is fastened to a suitable support that has been drilled to permit passage of rubber-covered concealed wires through it to the point of supply.

Effectively constructed, this exhibit readily intrigues the passerby because it presents the unreasonable picture of an

apparently unenergized lamp glowing at the end of an ordinary shoestring.

Caution should be exercised to avoid short circuits between the enameled wires in the string. It is advisable to separately fuse the cord leading to this device, with a fuse of five amperes or lower capacity.



● ANOTHER INTERESTING LIGHTING DISPLAY

Here is another inexpensive lighting display that attracts attention. In No. 4, you have a piece of heavy plate glass two feet square. The glass is supported by two 2" x 6" wood blocks and another block of wood 2" x 4" is set on top of the sheet of glass with a socket for the 10-watt lamp. Wires are run from this wood block, shellacked to the sides of the glass into the wood blocks at the base. From there they lead to the outlet. The wire to be used is green silk No. 40 wire and care should be exercised to see that the wire is solidly shellacked to the sides. This display gives the illusion of an electric light operating without wires.

In closing this chapter, I'd like to suggest that you keep in mind at all times the possibilities of goodwill business. By goodwill business, we mean the business you can secure through your own satisfied customers. Whenever you do a job anywhere, ask the people if they know of anyone else that they think might be in need of service such as you offer.

Practically every case where you've done a good service job at a reasonable price should be able to give you the names of several other people and when you contact those people, you will get a good reception when you mention the name of the friend who has referred you to them. Too often a busy shop owner overlooks the tremendous possibilities of goodwill business and doesn't even bother to ask if the customer has any friends or relatives who might be interested in a free checkup on their electrical or radio equipment.



Chapter XII

Good Salesmanship

And Personal Contact

And now we're going to talk about salesmanship. Although you should never use the word salesman in your contacts for service jobs, always remembering to use the word "serviceman"; nevertheless the work you do in *direct contact* will definitely be work of a salesman. It is therefore advisable that you be familiar with some of the essential qualifications of a good salesman.

First of all, it is not necessary to tell you that a good salesman should be sure that he understands both the proposition he is offering or the merchandise he is selling.

Study our sales approach carefully. Write it out and go over it many times. Don't memorize it. There is nothing worse than a salesman who has memorized the sales manual to such a point that he has to use the exact words in every single approach. Practice your approach on friends and relatives first so that you can anticipate the reaction of customers and revise your approach accordingly. Remember, too, that the first minute of your conversation at the front door of a

home, or across a counter is the most important and means more than the next ten minutes. Above all, especially when making house to house canvassing, adopt the home owner's language and don't use any high-sounding sales talk that you think might impress the home owner. One of the greatest salesmen that ever lived in this country was a man who had no more than fourth grade education. He was successful because he talked the language of the people he was selling to. That's an important point that you don't want to ever lose sight of.

While it seems unnecessary to mention "appearance" to a salesman, it should be emphatically stated that an alert, neat salesman makes a much better personal impression than one who is naturally careless about his personal appearance. A lot of folks react in this way; if a man is careless about his personal appearance, they feel he will be equally careless with their equipment. First impressions quite frequently turn a sale for or against you.

Be alive! Be snappy! Greet your customer with a cheerful smile. Make him feel that you consider it a privilege and opportunity to talk to him. Before you can sell "him" service or anything else, you will probably have to sell him yourself and your good will.

Never judge a man's intelligence or buying power by his personal appearance. Oftentimes you'll find that the man who is in a position to buy your service and the equipment you sell, is one who deprives himself of clothes and personal comforts in order to buy luxuries for his family.

As an example, suppose a man comes into your store and his clothes are dirty and tattered. Don't shrug your shoulders and mutter, "No sale". It may be that he works for the Gas Company in the underground crew. Sure, he's dirty, and he may even have a temporary obnoxious odor about him. What of it? He may look like a "down and outer", but you may find that he makes good money, spending most of it on

furnishings for his house and even though it may be on the budget plan, he usually buys the best.

Next, a disreputable looking man may park a wreck of a car in front of your store. If ever appearance were deceiving, they are in this case. It's Sam, the junkman who always looks raged. His work demands it. A well cut suit on him would ruin his business. He may look as though he hasn't a cent but invariably he pays cash. On the other hand, a man may come into your store, who looks like a real prospect, but is he? Mr. Brown just finished at the office. He's neat and trim looking looks as a business man should. He doesn't give you those inward qualms that you had when you saw the first two. You'll make a sale, but the chances are it won't be any better than the others. All potential customers, whatever their appearance, should be treated with the same courtesy and consideration. It is not only bad manners to do otherwise, but it's *bad business*.

In handling customers on the purchase of new equipment, never make extravagant claims to them. You may refer to the unusual performance that a certain customer in a certain locality is getting out of a refrigerator or radio that you handle, but never let a prospect "pin you down" to making promises regarding the performance that he will get out of any merchandise you sell him.

Another point is that a wise salesman will never, under any circumstances, openly knock a competitor. Quite often, a customer will mention that he is also considering another type of refrigerator in addition to the one that you handle. The worst thing you could do to this man is to tell him that refrigerator is worthless, that he is foolish to buy, etc., etc. Acknowledged the fact that the Refrigerator industry is such that it is turning out very fine units these days but that you feel that there are many features about the refrigerator you sell, that are important and point out that you feel sure he, as a customer, would recognize the responsible positions. The

purpose of the survey was to determine the reasons why some men could not "make the grade", while others advanced rapidly in the organization. Here are the findings after a very carefully conducted survey.

● *LACK OF CO-OPERATIVE ABILITY, 15%:*

15% of the men released were found to lack co-operative ability. This is the ability to get along with other people and co-operate in working out any job. Out of every 100 men in this company, 15 of them were released because they lacked co-operative ability.

● *LACK OF TACT:*

Tact is a thing that most of us understand but many do not use. The expression is used here to mean the feeling of sensitivity toward the feelings of others. You should never say anything to anyone in such a way that you will hurt their feelings. A man who lacks tact in dealing with others, makes enemies for himself and in most cases, this lack of tact or diplomacy is entirely unintended. It's just a matter of not thinking before speaking or acting. In this company, out of every 100 men who were released, 10 of them definitely showed a lack of tact. In sales work *TACT* is vitally essential.

● *LACK OF SELF-CONFIDENCE:*

On this particular quality, a strange thing was found to exist. Of each 100 men that were laid off by this company, 25 showed lack of self-confidence. All of these men were well educated in their line of work. They should have known the subject, yet they lacked self-confidence. And a *salesman* or a worker on a job finds this extremely important. The reason for this is not a lack of understanding of their job—it is only because of a lack of association with individuals that some men get "jittery" in dealing with other people. They wonder what they are thinking about them. They have confidence

in machines—a machine doesn't know when a mistake is made, but people do and it is largely a lack of understanding of individuals that brings about a lack of self-confidence. If a salesman continually thought about what other people were thinking about him, he would make it very difficult for himself, but a successful salesman does not have these negative thoughts and, therefore, has the essential confidence to sell the service or equipment he is offering.

● *UNIMPRESSIVE:*

Personality is the sum of mental and emotional traits. In the above survey, out of every 100 released, 35 were found to be unimpressive. That in itself, does not appear to be a reason for laying a man off but in this particular case, it indicated that this lack of impressive ability definitely impaired the work of 35 out of each 100 men who were laid off. A person makes an impression on all people he meets. It can be a good impression or a poor impression. If he has a good physical appearance, he makes a much better impression than a person who comes in half asleep, disheveled, and anything but a picture of confidence.

Try at all times to do something that impresses the other person. Make them think that there is something about you that attracts their attention. It may be a pleasant smile or any other little thing like that, but above all, consciously try to make a good impression on everybody you meet.

● *LACK OF INITIATIVE:*

In this survey, it was further found that 30% of the men laid off, were laid off because of lack of initiative.

Salesmen require initiative possibly more than any other quality with the exception of self-confidence. Initiative refers to the ability to do things without having to be told to do them. It sometimes is referred to as resourcefulness. Initiative is the ability to think for yourself and to some this comes

naturally but to others it can be and is possible to develop.
A good salesman must have it.

● **LACK OF AGGRESSIVENESS:**

More than half of the men who were laid off in this plant, lacked aggressiveness. Now aggressiveness is more or less a quality of going after something with determination of getting it done. It should not be confused with initiative although there is a similarity. A good salesman won't take "no" for an answer. If he should call on a home to offer your services and he were immediately given an answer, "no", that would not stop him. He would try to get in a few more points on the advisability of accepting the service he had to offer and only after he had exhausted all the well prepared arguments he had laid out in advance, admit to himself that on that particular contact, "no sale is possible".

The foregoing has presented the negative side or the side outlining the reasons why the men were laid off in this particular plant. Since we should always be thinking positively, here are the qualities that the men who were retained and advanced had, that enabled them to stand out.

● **INDUSTRIOUSNESS, 85%**

The outstanding quality in all of the men who obtained an advance on the job or in sales work is that of industriousness. This is a very important quality. Not only must you have ability to work but the determination to work. Quite frequently other faults will be overlooked if a person shows determination and industriousness. Industriousness, interest enthusiasm, are three words that go hand in hand and *any salesman who has these qualities, makes the most favorable impression on his customers.* It is particularly desirable in a man who runs a business, because if there is anything that any customer resents it's a lackadaisical attitude on the part of a store owner when a man comes in to buy something. You've

seen people who seem to give the impression that they're doing you a favor by even waiting on you. If there's any other place that the same merchandise can be bought in town, you make it your point to go to the other store rather than to "bother" this particular store owner.

The spirit of co-operation and understanding of the other fellow and his problems is mighty important. I'd like to illustrate with a little story that pretty well brings out an important thought along those lines.

There was once an engineer and a Captain on the same boat, who never could agree as to the importance of each other's job. The Captain said, "All you do is keep your eye on the steam gauge", and the engineer in turn, said: "You just stand up there on the bridge all day, your job is a cinch". But one day the Captain said, "I'm going down to that engine room and show you just how much knowledge it takes to keep this boat moving". "Let me up on that bridge to show you what a difficult job you *don't have*", replied the engineer. And so the change was made.

Well, about three-quarters of an hour later, the Captain down below called into the speaking tube, "well, all right, I give in, I'm licked. According to the travel indicator, we haven't moved in the last 15 minutes". "That's all right", said the engineer, "We've been on a sand bar for the last half hour". After that, both of them realized the importance of each other's job and the both of them learned an important lesson.

A salesman or a man who runs a successful business must be—whether he realizes it or not—a psychologist. I'd like to touch on that subject from a very practical viewpoint because if the point I'm about to explain is clearly understood and appreciated, it will mean more in your efforts to develop the proper mental attitude required in a successful business man,

Fundamental to the turn of an automobile engine is the than anything else that has been said thus far in this book.

proper adjusting of its parts and the correct adjusting is, of course, dependent upon a knowledge of how the engine works. You must know just what is required to make it go. A technical knowledge is absolutely essential. You must know what it is that makes it tick. It is equally true of individuals even as it is with machines. We know an automobile engine will not turn unless it is adjusted properly. It must have gasoline and it must be properly oiled. Since the automobile needs these certain things, to make it work, it is possibly true that there are certain things that make people work. Psychologists who have studied human nature are all of the opinion that there are certain "fundamental drives" that affect all of us. These are our fundamental desires. They may do a great deal to affect our rise or success, because these drives can make people do certain things.

● *THE ESSENTIALS OF HUMAN BEHAVIOR (PSYCHOLOGY)*

The only way we can understand the actions of individuals successfully is to make *them want* to do the things that *we want them to do*. You can't make them do the things you want done, but you can suggest that these things be done. In modern society you can no more force an individual to do what you want him to do than you can kill a cat by trying to choke it with butter. Lincoln said, that if you try to dictate to a man's judgment, his actions will be ever against you, even if it is for his own best interest. You will not be able to get him to do what you want of him. Lincoln was an individual who studied human behavior (and this is from his own experience in trying to force people to do things.) Some individuals think if you can't force others to do the things you want them to do, how else can anything be accomplished. After a great deal of study psychologists, those who have made a science of the study of human behavior have come to certain conclusions.

FUNDAMENTAL TO THE UNDERSTANDING OF HUMAN BEHAVIOR IS AN ACQUAINTANCE WITH THE BASIC LAW OF HUMAN ACTION. Now in order to understand Electrical work, you know there are certain basic laws we must become acquainted with. These laws may be used in different ways and applied to various types of equipment. Ohm's Law, Watt's Law, and the law of conservation of energy—these are basic. The fundamental laws of magnetism are also included. With a sufficient period of study of these and other laws, you can determine the principles of operation of various types of equipment. But we have a basic law that we can apply to individuals and to people that we come in contact with.

THIS LAW STATES THAT ALL HUMAN ACTIVITY RESULTS FROM SOME URGE, DESIRE, OR WANT. In other words, we don't do anything at any time regardless of how trivial it may seem, unless we have some urge or some desire or some want that has to be satisfied. Only when we are motivated thus do we do anything. That is the basic law of human action.

One of the greatset of these laws is the desire for a feeling of personal worth or self-importance. This is one of the most powerful human drives. This one urge in itself is so important that one Professor of Psychology at the University of Minnesota has devoted an entire book to this one urge. If you analyze your own conduct, you will realize the desire for personal worth or self-importance almost compels you to do certain things to satisfy this desire. But, when you operate a business of your own, you do not do things just to elevate your self esteem. *You aim to do things to make the other fellow feel his self esteem.*

If there is any one fundamental rule for getting along with people, that is it. Every individual thinks he is an important person. Therefore, I must remember not to do anything that would give him the impression that *I don't think so.*

One of the reasons it is so difficult to keep these things in mind is that we have two conflicting things there. You believe your self-importance is more important than anyone else's. In order to get ahead in selling you must feel the other fellow's importance too. The only way you can do it fundamentally is to change your attitude. The desire for a feeling of another's worth is a very strong motivating factor. Anyone who can minister to that desire will never have any difficulty in his association with others. If you have someone working for you, for instance, and as the boss, you explain things you know how to do or say to the fellow who works for you, "Now this has to be done. I want you to do it, this is how you should go about it". That lowers a man's self-esteem. Instead you should say, "This has to be done, you can handle it. Go ahead and do it". Make the explanation merely a suggestion and don't deflate his sense of importance. Otherwise, he will rebel and think, "Doesn't he think I've got a little knowledge, a little intelligence"? And possibly he will go along and do the work, but you won't get any co-operation from him. He will do it because he has to do it but not in the manner as if you gave him a job to do by himself. If he has to be given instructions, give them to him in such a way so they are merely suggestions and not orders. You don't tell men what they must do. That is definitely *passé*—you *suggest*, you *request*—you *ask*.

Now there is one thing more that I'd like to emphasize and it is this. There are a great many so-called psychological tricks—ways of suggesting ideas in such a way that you spare a person's self-esteem. Many psychologists are now in the advertising field. Why? Because they know how to write copy that will make individuals do the things they want them to do. Insurance companies, for instance, use fear psychology. The agents tell you, "How do you know you won't get knocked down by an automobile today? What is going to happen to your family when that happens to you?" Another

way is to tell you things until you repeat them. After you have declared the thing is good then he introduces the contract. How can you back down? You have already said it is good, you can't do it without a loss of pride and he knows it. So he has you on the dotted line. The more a man knows about human behavior, *the better salesman he will make.*

Here's an example of applied sales psychology that shows what I mean. A story is told of how a very talented expert was called in to increase the business of a shoe store. He soon discovered that it would be impossible to give its customers any better shoes or any more shoes for their money. Then he asked himself the question: "What more *can* we give?"

The salesman was required to take off the customer's shoe, get the size and an idea of the style desired.

Ordinarily, the next step would have been to bring out a few pairs of shoes and perhaps try them on.

Not so, now.

The salesman must examine the foot carefully. He must span the width with his fingers. Lift the foot up and put one hand on the sole and one on top as though getting its contour well in mind. Then he lays it on the floor and asks the customer to put his weight on it. He feels each joint, squeezes the balls of the toes and presses upward on the arch. All this before he has made a single move towards actually fitting it.

The salesman then straightens up and looks at the foot critically—then examines the other foot.

The customer is watching and begins to feel that an *expert* is fitting him—and that he never had such careful attention before.

The salesman then goes to the shelves for shoes. He brings back only one. He doesn't put it on the customer's foot, but just compares the foot and shoe with his eye, then returns it to the shelf and brings back another. This one he

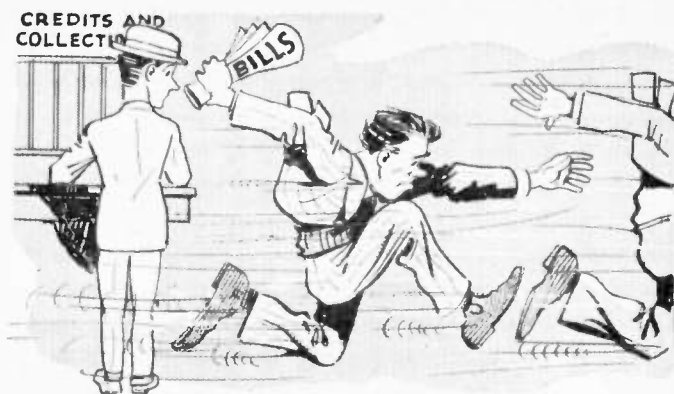
tries on, but with the same excess of carefulness as he used in his examination.

When the salesman pronounces the customer's foot fitted, it generally goes. And the customer goes out with the shoes feeling that he has indeed received big value for his money.

I defy anyone to resist this method. Somewhere in my unconscious mind there lurks a suspicion that a salesman has somewhere worked his game on me.

To sum up this chapter on salesmanship, we find it all boils down to a few simple points. First keep the other fellow's interest at all times. Second, let all your attempts to get along with people be based on a genuine interest in their welfare. Third, don't make extravagant claims for either the service you perform or the equipment you sell. Fourth, always give your customer a little more than they expect and build your entire business on a foundation of honesty and fair dealing.

Care seldom rides on the back of the man who faces his problems with courage.



Chapter XIII

Credit And Collection

Value of extending Credit. Limited bad debt losses. Terms of credit on radios and electrical appliances. Basis for passing on credit risks. Sources of credit information.

Credit is the life blood of any business. More merchandise is bought in this country on credit than in any other way. It would be utterly impossible for many types of businesses to operate unless credit extension was made to the customer.

When you extend credit to your customers, you make it easy for them to buy. At the same time, you increase your sales volume and profit.

Credit attracts customers, especially on durable goods. Your customers can use durable merchandise and spread out the payments over a portion of their period of use. This makes them more willing to buy certain merchandise because it pays for itself.

Credit also is a stimulant to repeat business. This is most important in the durable goods field where it is costly to get

customers and where after they buy one product, such as a refrigerator, they might be potential customers for other products. Extending credit helps to turn these customers into steady buyers of your products or services.

The use of credit increases sales volume because it reduces the price obstacle. The customer is less likely to be concerned with the difference in price when the money is spread over a considerable period of time. As with anything else, credit can be abused as well as used. It is necessary for any radio or electrical appliance dealer to set up a policy to guide him in determining when and where to extend credit and when to sell only for cash.

In a community where little credit is necessary, it is not always advantageous to extend credit as a means of trying to get business. In that case, you are really selling credit rather than the merchandise in view of the fact that you could get cash for it.

Credit has two phases. It is a stimulant to sales but it is also a potential cause of loss. Your credit department needs to be set up so to achieve maximum sales with minimum loss.

It may be a constant temptation to you or your salesmen, particularly in times and places of great competition, to want to extend credit beyond the limit of good judgment. It is a human tendency for salesmen to forget that goods are really not sold until they are paid for. It is also human to want to sell everybody who is a prospect regardless of his credit standing. In my opinion, it is far better to be strict on the issuance of credit because a too lenient credit policy brings greater volume only at the expense of losses and bad debts.

The ratio of bad debts to sales is the index of the efficiency of your credit operations. In most radio and appliance stores, the loss from bad debts runs around $\frac{1}{2}$ of 1% and in no circumstances, should you have a loss of more than 1% of your *net* sales.

Bad debts are not the only credit expense. A real analysis includes the expense of collection and bookkeeping.

The function of the credit department is two-fold. Its first task is to prevent the accumulation of bad debts by weighing each credit risk and determining in advance to what extent and on what terms you could grant credit.

This is a continuing task. No credit man is able to do this job perfectly, since no one can determine all the factors that may be involved. Also, conditions change after the credit is granted but before payments are completed. Obviously no man would know this in advance, either.

There are several kinds of terms under which radios and appliances are sold. Probably you will combine all kinds of credit in your store.

The first kind of credit is that of an open account. This often arises spontaneously. When a woman walks into your store and wants to buy something, but does not want to pay for it and you allow the merchandise to go out of your store, you have gone into business of supplying *open credit*.

The second kind of credit is installment sales. This is by far the most common method of radio and electrical appliance retail field.

As pointed out previously, you may handle your own installment accounts, or you can have them handled through a Finance Company or a Bank. Few dealers are in a position to handle their own installment accounts. This is natural because installment selling requires a large amount of investment and means that you have a lot of money "on the books", and necessarily needs capital to continue operation until that money comes in.

The amount needed varies with the down payment and the terms of the installment loan. On a year contract, for example, if he gets a 10% down payment the dealer will have invested an amount equal to almost half of the annual volume of his installments. Even if he should get a 40% down pay-

ment, he needs an amount equal to nearly one-third of his annual volume of installment sales. On 18 month or 2 year contracts, the investment required, is considerably higher.

You need more than capital to handle your own installment financing. You need a flair for the work. You should also have a modern credit system of your own and an organization which is able to follow up and collect on this installment paper with as great efficiency as can be done by an impartial financing institution.

If you turn over your paper to a Finance Company or to a bank, there is no need for you to be concerned with some of the details of an installment plan.

Nevertheless, you still pay the ultimate responsibility of collecting paper which proves to be unsatisfactory. In any case, you cannot remain a successful dealer and develop large amount of unsatisfactory paper since your account will become valueless to the financial institution.

For this reason, you must use care and judgment in the extension of credit.

The third form of credit which you may be able to extend to your customers is that of a bank loan. Included in this category would be a mortgage. In these methods of credit, a customer signs a note not with you but with a financial institution direct. This method of handling credit is less common than other methods.

No matter what form of credit you extend to your customers, in the last analysis, the responsibility is yours to see that the credit is extended to people who are good credit risks and who are likely to pay their bills with reasonable promptness. The ultimate loss in case they do not pay, is borne by you and by the radio and appliance trade. For this reason, operation of your credit system should be on as sound a basis as possible.

In order to base a decision as to whether or not to sell any person on credit, there are only two questions to which you

and your credit department need to obtain the answer. The first is: Is the customer able to pay? The second is: Are they willing to pay? These questions must be applied to the person whose responsibility it is to pay the bill.

Upon the answer to these two questions, your credit policy must be to decide how much credit to extend to an individual and how long to extend it. If no credit information is available, the credit Department's rule should be that the customer can be sold only for cash.

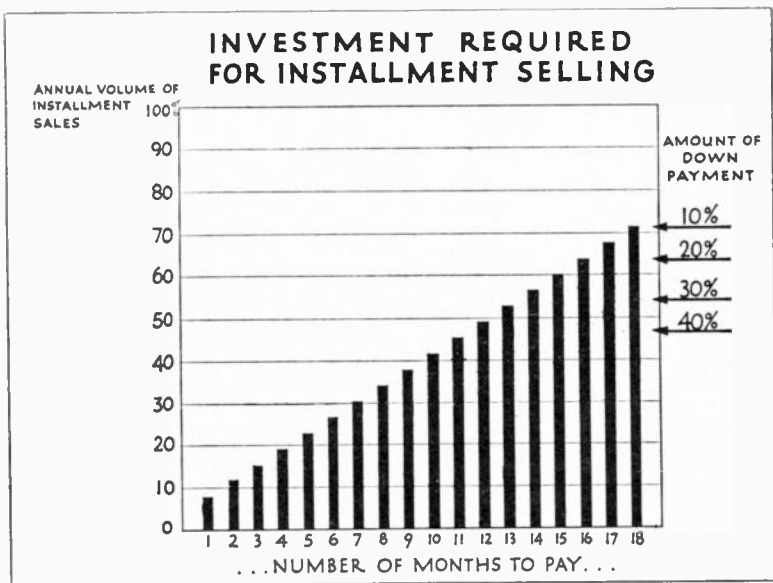
Ability to pay is present in perhaps 9 out of 10 families who buy on the installment basis. Many radio and electrical appliance dealers sell on this basis, using this as a sole criterion for deciding upon installment credit. They merely establish that the head of the family has a responsible job for a considerable period.

Other dealers go much further. They say that even where a family has not demonstrated its ability to pay, the extension of installment selling is still warranted. These dealers claim that the way the family has met its obligations in the past and handled payments of credit to others, from whom it buys, are the most important considerations to show that the family is a good moral risk.

In either event, the fact that merchandise may be repossessed, it is possible to adopt lenient standards in judging installment risks, as compared with non-durable merchandise that is immediately consumable and which, therefore, cannot be regained, by the seller.

When you sell on open credit terms rather than on the installment basis, you will want to know considerably more about the person than these simple facts. You will want to gain more complete information on any applicant and use more strict standards. To show ability to pay, you will want to know exactly what his earning power is in order to demonstrate if he has ample capacity to pay for the merchandise,

which you are selling on open credit. Ability to pay likewise stems out of capital as well as income. This is more true if it has been earned than if it has been inherited. Sometimes inherited capital is coupled with unwillingness to manage affairs and which would mean slow pay even where credits are very high.



You need a large investment to finance your own installment paper. For example, if all your contracts were for twelve months, with 10% down payment, the investment required would equal nearly 50% of your annual volume of installment sales.

The individual owning a home, is additional evidence of ability to pay. Conversely, if the family has moved frequently, this may tend to be evidence of instability of finance. All of these factors can be determined in advance in discussing credit with the potential customer.

Remember, it is not enough to merely learn that a man has worthwhile virtues, such as that he does not gamble or

TYPICAL APPLICATION FOR INSTALLMENT CREDIT

DEALER MUST EXECUTE

(Business Concerns should answer only the questions which apply)

Date..... 194.....

To..... Town..... State.....

For the purpose of securing credit for the purchase of the articles mentioned in the Contract on the reverse side hereof, the Undersigned makes the following representations:

Print Purchaser's Name		IMPORTANT		Age (Years)		Married	
Home Address		City and State		How Long			
Living With		Give Correct Legal Address (No and Street or R. F. D. No. and Route) (City and State)					
Previous Home Address		(Address)		(Years)		(Months)	
Age		White		Color		Single	
Name and Address of Next of Kin		Number of Dependents, including Wife		How Long		Income \$	
Real Estate Holdings—Address		(No. and Street)		(City and State)			
Recorded in Name of		(No. and Street)		(City and State)		Mortgage \$	
Present Employer		What Position		How Long		Months	
Business Address		If in business for self, what business?		(Years)		(Months)	
Former Employer		(No. and Street)		(City and State)		(Years)	
Checking Account With		(Address)		How Long		(Months)	
First Trade Reference		(Name)		(No. and Street)		(City and State)	
Second Trade Reference		(Name)		(Address)		Highest Credit \$	
Third Trade Reference		(Name)		(Address)		Highest Credit \$	
Fourth Trade Reference		(Name)		(Address)		Highest Credit \$	
Open Balance Paid in Full		Open Balance Paid in Full		Open Balance Paid in Full		Open Balance Paid in Full	

Citizen of U. S. A. Yes..... No..... (Name of Country).....

Undersigned will pay said note irrespective of any imperfections in the chattels or any breach of alleged representations. You and your assigns are authorized to correct patent errors in said contract and any other papers executed by Undersigned in connection therewith.

 Badge Number..... (Purchaser's Mailing Address)..... (Give Correct Legal Address).....
 (Name of Supervisor)..... (PURCHASER SIGN HERE).....
 Individual
 Partnership
 Corporation
 CHECK PROPER BLOCK

ASSIGNMENT

(City or Town)..... (State)..... (Date)..... 194.....

FOR VALUE RECEIVED, Undersigned does hereby sell, assign, and transfer all of its right, title and interest in and to the contract on the reverse side hereof, and the chattels described therein, with power to take legal proceedings in the name of the Undersigned or the Assignee hereinafter mentioned, to Commercial Credit Corporation. Undersigned jointly and severally warrants that said extension of installment credit complies with all federal and state laws and regulations, that the down payment was made by the Buyer in cash and not as equivalent, and that no part thereof was loaned directly or indirectly by Undersigned to Buyer; that said chattels are free from any and all liens and encumbrances whatsoever, except as in contract, that the Buyer was at least 21 years of age at the time of his execution of said contract; and that there is now owing thereon the amount as set forth therein. Undersigned guarantees the payment of said contract, in strict accordance with its terms.

Upon the breach of any of said warranties, or of said contract, Undersigned will upon demand, purchase said contract and note for the amount owing thereon, plus all costs and expenses paid or incurred by Assignee in respect thereto. All remedies of Assignee shall be cumulative, and not alternative.

(Corporate, Firm or Trade Name of Dealer) (Seal)

(Date, Office or Firm Member) (Seal)

drink excessively. There are certain groups of people who have exemplary moral habits who are unwilling to pay their bills. To isolate these individuals, it is necessary to learn as much as possible about the manner in which they have met financial obligations with others.

After you have obtained enough information to enable you to decide whether a customer is able and willing to pay for merchandise, you'll have to make a decision of policy of credit upon which you are to decide the exact credit terms. The leniency of your terms will depend partly on how much money you can make available to your customers in the form of credit. Your credit terms depend also on the kind of competition in credit given by other stores selling the same products. You'll find that other stores, particularly jewelry and department stores, use credit as a means of competing for sales.

Adjust your own credit policy to make yourself reasonably competitive with the other stores of your area. *This does not mean that you need to go into the banking business instead of the radio and appliance business.* It is never necessary for a legitimate radio and appliance dealer to extend credit on as lenient a basis as those dealers who do not extend the same kind of service nor perform the same functions.

The above application for installment credit is provided to give you some idea of the type of application you should have filled in on anyone desiring credit from you. Anyone who would "hedge" on filling in an application of this kind, you can be definitely certain, would not be a good credit risk at any rate.

One way you can learn the credit rating of the applicant who fills in your credit form, is to make direct requests of the firms listed as references. Most localities have developed credit bureaus for the purpose of interchanging ledger experience.

These credit bureaus operate on the principle that it is safer to grant credit to someone who has a record of paying his bills promptly, than to those whose records have been undesirable. Many radio and appliance dealers have found that these bureaus and their service are invaluable. They often obtain supplemental information from newspapers and court records that help to keep them posted on the credit responsibility of all individuals in their area.

Social references who are willing to testify as to character and financial standing, are sources of possible credit information. These people, however, are most valuable at a time when it is necessary to trace a non-payer who has disappeared from the scene. Good moral references are easy to obtain because people do not like to speak ill of anybody. They are usually not very valuable guides on which to grant credit. This is a point to keep in mind at all times.

Remember always that slow payment of your accounts receivable has exactly the same effect on your business as slow turnover. It ties up large quantities of your capital. If you allow the capital tied up in your outstanding accounts to become too large, you may be unable to meet your obligations as they come due. In this way, *you will impair your own credit rating.*

There are other dangers in a lax collection policy as well. You are not merely sacrificing the use of your money temporarily, but you run the great danger of losing a major portion of it forever. This loss must be deducted at all times from your net profit.

One radio and appliance dealer reported that he did not watch his accounts receivable and suddenly discovered that he had more than \$50,000.00 in bad debts. Unfortunately, this experience is not uncommon. Many dealers have learned that accounts should be kept current or wiped out. It is a psychological fact that a customer is more willing to pay when

REBATE SCHEDULE FOR INSTALLMENT LOAN CHARGES

TERM OF LOAN	NUMBER OF MONTHS LOAN HAS RUN																							
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
1	0																							
2	33.33	0																						
3	30.00	16.67	0																					
4	80.00	30.00	10.00	0																				
5	66.67	40.00	20.00	6.67	0																			
6	71.43	47.62	28.57	14.29	4.76	0																		
7	75.00	53.57	35.71	21.43	10.71	3.57	0																	
8	77.78	58.33	41.67	27.78	16.67	8.33	2.78	0																
9	80.00	62.22	46.67	33.33	22.22	13.33	6.67	2.22	0															
10	81.82	65.45	50.91	38.18	27.27	18.18	10.91	5.45	1.82	0														
11	83.33	68.18	54.55	42.42	31.82	22.73	15.15	9.09	4.55	1.52	0													
12	84.62	70.51	57.69	46.15	35.90	26.92	19.23	12.82	7.69	3.85	1.28	0												
13	85.71	72.53	60.44	49.45	39.56	30.77	23.08	16.48	10.99	6.59	3.30	1.10	0											
14	86.67	74.29	62.86	52.38	42.86	34.29	26.67	20.00	14.29	9.52	5.71	2.86	.95	0										
15	87.50	75.83	65.00	55.00	45.83	37.50	30.00	23.33	17.50	12.50	8.33	5.00	2.50	.83	0									
16	88.24	77.21	66.91	57.35	48.53	40.44	33.09	26.47	20.39	15.44	11.03	7.35	4.41	2.21	.74	0								
17	88.89	78.43	68.63	59.48	50.98	43.14	35.95	29.41	23.53	18.30	13.73	9.80	6.54	3.92	1.96	.65	0							
18	89.47	79.53	70.18	61.40	53.22	45.61	38.60	32.16	26.32	21.05	16.37	12.28	8.77	5.85	3.51	1.75	.58	0						
19	90.00	80.53	71.58	63.16	55.26	47.89	41.05	34.74	28.95	23.68	18.95	14.74	11.05	7.89	5.26	3.16	1.58	.53	0					
20	90.48	81.43	72.86	64.76	57.14	50.00	43.33	37.14	31.43	26.19	21.43	17.14	13.33	10.00	7.14	4.76	2.86	1.43	.48	0				
21	90.91	82.25	74.00	66.23	58.87	51.95	45.45	39.39	33.77	28.57	23.81	19.49	15.58	12.12	9.09	6.49	4.33	2.60	1.30	.43	0			
22	91.30	83.00	75.10	67.59	60.47	53.75	47.43	41.50	35.97	30.83	26.09	21.74	17.79	14.23	11.07	8.30	5.93	3.95	2.37	1.19	.40	0		
23	91.67	83.70	76.09	68.84	61.96	55.43	49.28	43.48	38.04	32.97	28.26	23.91	19.93	16.30	13.04	10.14	7.61	5.43	3.62	2.17	1.09	.36	0	
24	92.00	84.33	77.00	70.00	63.33	57.00	51.00	45.33	40.00	35.00	30.33	26.00	22.00	18.33	15.00	12.00	9.33	7.00	5.00	3.33	2.00	1.00	.33	0

Prepared by Consumer Credit Department, American Bankers Association, New York.

the account is new. When the account becomes older, the satisfaction which he derived from the purchase of the merchandise becomes more remote. Ultimately the time arrives when he feels he does not owe the bill at all.

Perhaps 4 out of 5 of your accounts will become past due at some time. In most cases, these accounts can be collected if you follow them up aggressively as soon as this occurs.

Never allow a customer to take her own time to pay. By doing so, you lose by default, and you struggle to collect your money. Remember, you are in competition with many other business people for every dollar of your consumer's income. A pay check that comes into a family, has many demands on it. Some of these demands bring immediate satisfaction that tend to be more important than that of your merchandise.

It is up to you to follow the customer aggressively to see that you get your share of every pay check. This is particularly important when you sell on open credit merchandise that amounts to a large portion of anyone's pay check. Do not allow a 30 day account to lag over the due date. The fact that the amount owed is large, is not an extenuating circumstance. Instead, it is an additional reason for prompt collection.

Collecting installment payments requires close attention as well. When pay day comes once a week or semi-monthly, it is a good plan for you to arrange for installment payments on pay day rather than on a monthly basis. Remember that prompt collection does more than enable you to recover your own money. It has the beneficial effect on your sales volume. The earlier your customers pay you, the sooner they are in position to buy additional merchandise from you. Conversely they are less likely to buy elsewhere through you having been forced to place them on a C.O.D. basis. For this reason, it is essential that you have a vigorous method of notifying these customers of any delinquency on the account, but it is more important to let them know of a payment that is coming due a few days before such payment becomes due. A very excellent

plan is for you to send an advance notice of a payment due so that it reaches your customer about three days from the due date of his installment payment to you. This should coincide also with the notice reaching him about three days before his actual pay day. This information can be gathered from the application for credit and it is one of the very best ways of making sure that your debtor does not fail to realize that a payment is due you. The card below is used by one of the largest book publishing concerns in the country to notify installment buyers of monthly payments as they come due and is sent to reach the customer three days before his actual date of payment.

OFFICIAL NOTICE of PAYMENT DUE

DATE DUE 6-1-46

CASH DUE Send this Amount \$ 15⁵⁰

Prompt remittance of this payment on the date indicated above will maintain your excellent credit rating with us. It will also bring you 2 additional lessons of the "PUTTING YOURSELF OVER" series and assure you of the continuance of the FREE CONSULTATION SERVICE PRIVILEGE. In mailing payment we advise personal checks or money orders for your own protection. Also, please note if you can pay the balance due on your account at this time you will get all of the remaining lessons of the "Putting Yourself Over" series at once.

PLEASE NOTE ANY ADDRESS CHANGE HERE

RETURN This Notice
With Your Remittance
to the—

.....
.....

You can adopt this system by setting up a small reference file according to dates and sending out these cards a few each day, based on the information available on the credit application.



Chapter XIV

Legal Angles Of Business

Editors note: The following article has been compiled by our Attorney to serve as general information only.

● BUILDING LEASES

Ambitious individuals, sometime or another feel that they can best serve their best interests by being in business for themselves. Suppose you did open a shop or store of your own? Do you know what to do and how to protect your interests? If you desire to open that business, the first thing of course is to find the best location for your business. If you own the building in which you locate your first legal step is over. If not, then you should enter into a lease which would assure you of a location. Extreme caution should be used before the lease is signed. Check carefully the lease submitted to you for your signature to see that it contains the following:

- (1) A definite term of occupancy, beginning on a certain day and ending on a certain day.

(2) The amount of rental to be paid for the period of the lease (weekly, monthly or annually) and what day or date payments are to be made.

(3) A careful description of the premises to be occupied. (This should include all outbuildings such as garages etc.)

(4) Who is to pay for maintenance of the buildings, such as repairs to premises, decorating, plate glass insurance, real estate taxes, water taxes, etc.

(5) Who is pay for decorating of the premises if lease is for a term of years.

It is very beneficial to the renter (lessee) to secure or have the lease contain an option for renewal of the lease for a further period of years at a specified rental. This gives the renter (lessee) the privilege of vacating the premises at the expiration date of the lease, or if the location is satisfactory to be assured of further occupancy without fear of paying exorbitant rental in the future.

● BUSINESS LOANS

When in business, it is sometimes necessary to borrow money with which to purchase stock, equipment or to carry one over a rough period. *BEWARE OF LOAN SHARKS.* Go to the Bank in your community. It is anxious to do business with local merchants to create good will for you as well as for the bank. Explain *FRANKLY* and in detail why you must make a loan and what the money will be used for. Also beready to state how you expect to repay the loan. Your plan of operation must be definite to create the confidence that you want other people to have in you. If you have security which you can pledge as collateral security for a loan you won't have much trouble in getting one. If you have no security the Bank will not loan you money unless it feels that it can have confidence in you personally and in your future operations. If you have real estate, you can borrow money giving

the real estate as security. A real estate loan is generally evidenced by a mortgage. If you have personal property (such as fixtures, equipment, etc.) then the security for the loan will be a chattel mortgage on this personal property. If you make a loan without any collateral security, you will execute a "demand note" (which is due on demand or at a specific time). Some notes are called judgment notes, because they provide that the holder may take Court judgment after the due date of the note. It should be carefully noted that the judgment clause **DOES NOT GIVE THE HOLDER THE RIGHT TO CONFESS JUDGMENT BEFORE THE DUE DATE OF THE NOTE.** It is for that reason that it is recommended when making a loan to make the same with a reliable institution.

● *CONTRACTS*

Contracts are the life of business. For that reason they should be in writing wherever or whenever possible. Verbal contracts result in a great many instances in Court proceedings, due to the fact that a dispute has arisen regarding the terms of the contract. This is especially so in the contracting business. Many disputes arise regarding the price agreed upon, or what work the contractor agreed to do. Have a simple contract form, which contains the essential requirements of a legal contract (offer, acceptance and consideration) and the chances are that you will have no trouble. The contract should provide what work and material the contractor agrees to furnish, and the price to be paid for this work and material. This part of the contract is called an offer. The contract should provide a line for the person who accepts your offer (the person for whom the work is being done and who is expected to pay the bill). His signature on the contract indicates his acceptance and the contract is then completed so far as the agreement is concerned. The work and materials to be furnished should be described carefully and in detail. You will

find that a great many times after work is started, the person or persons ordering the work to be done will demand changes and additional work other than that specified in the contract. These changes or additional work and material is sometime described as "extra's." Since these extra's call for additional work and material, BEFORE THE ADDITIONAL WORK IS STARTED THE CONTRACT SHOULD BE AMENDED TO SHOW THAT THE ADDITIONAL WORK AND MATERIALS ARE NOT A PART OF THE ORIGINAL CONTRACT AND TO BE PAID FOR IN ADDITION TO THE ORIGINAL ESTIMATED AMOUNT. This will avoid any argument that the extra work and material was to have been included in the original amount.

● PARTNERSHIPS

Partnerships are a common practice in business. Men combine their assets, knowledge and work to the mutual benefit of the partnership. HOWEVER, NO PARTNERSHIP SHOULD BE WITHOUT A PARTNERSHIP AGREEMENT. This is necessary because a partnership is a contract between two or more individuals, and the agreements between the partners should be set out in writing. There is no set form of partnership agreement. The circumstances in each case are the guiding hand in the drawing of the agreement. An agreement of this nature should be drawn by an attorney who knows partnership laws and who can insert in the agreement necessary clauses for the protection of the partners. He will see that outside interests of the partners or any of them will not endanger the assets of the partnership. A written contract of this nature will avoid any misunderstanding and promote greater harmony and understanding between the partners. Many partnerships carry partnership insurance so that in the case of the death of one of the partners the remaining partner or partners will have sufficient funds with which

to purchase the share of the deceased partner. Since these payments of premium on the partnership policy can be deducted from income taxes as partnership expenses, it can be easily seen that a policy of this kind can work to the benefit of the partnership. Your insurance agent can give you full particulars.

● *WORKMEN'S COMPENSATION ACT*

Another point you have to consider when your shop reaches the size that you have to put on help is the matter of Workmen's Compensation. Most states have a Workmen's Compensation Act especially designed for the protection of employees. If you employ men in your shop or store, or even if these men do work for you or outside calls such as servicing, electrical wiring, etc., you are responsible for their safety during the hours in which they are in your employ. If they are injured you have to furnish whatever medical aid is necessary and must pay partial salary payments while the injured is unable to perform his duties. Furthermore, the Workmen's Compensation Act provides a definite payment for any permanent injury.

It is my suggestion that you write the Workmen's Compensation Division at your state capitol and get whatever pamphlets they can send you setting forth the provisions of the law as it applies in your state. Your insurance agent should also be in a position to help you with a further explanation of this Workmen's Compensation Act and how you can protect yourself.

● *LICENSE*

In most states and municipalities throughout the United States it is essential that you get a license to operate a business. This is particularly true where the business involves the handling of other people's property or equipment such as is done in any electrical or radio service business. In some cases an examination is given by the License Department to determine

the qualifications of the person planning to start the shop. It is obvious that this is done to prevent hazard to life and property by incompetent and unqualified electrical and radio workers.

It is also required in some states that in addition to a city license the man must also have a state license to operate a service shop. Since it would be impossible in this book to list the specific requirements in every state and municipality, and since it is primarily the object of the author to point out the things you must consider in starting a business, we make the following recommendations with reference to the subject of licenses. It is suggested you contact the Department of License in your town to determine the requirements on the matter of license in *your locality*. When making inquiry you can also ask what the state law requires on the matter of license for your shop. While you are at it also inquire if there is any inspection procedure in your locality. In some municipalities it is required by law that in certain kinds of electrical and radio work that an inspection be made by an authorized representative of the local government. If such an inspection is made you should be familiar with when and how the inspection is made. This information you can get by making inquiry at the Department of License in your town.

If your town does not require a license as far as the town itself is concerned, then it is recommended that you write to the State Department of License to make certain what the requirements are in this matter to conform with state regulations. It is sometimes possible that there is no town license requirements although there is a state wide license regulation. A letter to your state Department of License should bring you complete information on these matters.

● TAXES

Today the subject of taxes is uppermost in the minds of everyone. People who never paid income taxes are now

required to do so and there are many new tax laws that pertain strictly to businesses. This subject is one that must be considered because it is required by law that certain reports and tax payments be made. Your local library or book store should have several inexpensive books or pamphlets that will give you a simplified explanation of tax laws that affect your business. It is suggested that you study any of these that you can procure, and if there is still any doubt as to what is required it is suggested that you discuss the matter with some local attorney. The important thing to keep in mind is that the United States Government will expect an accounting and profits tax statement from you. For the next several years, there probably will be many adjustments made in the tax structure of the Federal Government. Once you have a general idea of how to determine your own annual tax payment, any new changes should be readily understood because they will be explained in your local newspapers and you will have no difficulty in understanding the explanation. A noted speaker once said, "There are only three things that are certain—life, death, and taxes". It will be well for you to be familiar with taxes because it appears that this statement is going to be definitely true for many years to come.

● CONCLUSION

In submitting the material in this chapter our attorney recognized the impossibility of treating each of these subjects specifically as it applies to every town and hamlet in the United States. There are almost as many interpretations of the subjects in this chapter as there are towns in the United States. We can only furnish this material in the form of general information which gives you some idea of how to handle these subjects. In this way you would at least be familiar with some of the requirements of the legal aspects of running a shop and would be in a better position to understand the importance of carefully considering every legal document that

enters into the setting up and operation of your shop. Because of the difference in the attitude of the authorities in various parts of the country it is not to be taken for granted that an outline as set forth in these pages will absolutely fit the requirements in every community. However, it is reasonably safe to assume that the general structures of any legal procedure will conform to the outline as given in the foregoing instructions.

Remember, on any extremely important legal matters it is always a good investment to consult an attorney.

CHECK LIST OF POSSIBLE LEGITIMATE BUSINESS EXPENSES FOR TAX DEDUCTION

- Abandonment of good-will
- Accident insurance
- Accounting expenses
- Admission tax
- Advertising
- Allowances to customers
- Alterations
- Attorneys' fees
- Automobile and truck insurance
- Automobile upkeep
- Auto use tax
- Bad debts
- Bills, cards or envelopes
- Bonus to employees
- Burglary insurance
- Cable tax
- Casualty loss, i.e. fire, (storm, hurricane, collapse of building, freezing, ice)
- Christmas presents to employees, customers or prospects
- Collection expense
- Contests
- Contributions to business groups

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- Burglary insurance
- Cable tax
- Casualty loss, i.e. fire, (storm, hurricane, collapse of building, freezing, ice)
- Christmas presents to employees, customers or prospects
- Collection expense
- Contests
- Contributions to business groups

Contributions to non-profit organizations
Court proceedings of business
Customs duties
Damages to inventory
Damages to property
Decorating
Deposit on lease forfeited
Depreciation of automobiles and trucks
Depreciation of furniture and equipment
Displays
Donations to employees
Dues, e.g. associations, chamber of commerce, etc.
Dues tax
Electrical current tax
Embezzlement insurance
Entertainment—employees
Entertainment expenses—customers
Equipment of automobiles and trucks
Exhibitions
Federal social security tax
Fire insurance
Floods
Forced sale
Foreclosure
Garage rent
Gasoline
Heating
Indemnity bonds on employees
Insurance premiums
Interest on indebtedness
Inventory losses and obsolescence
Investments—worthless
Labels
Lease forfeiture or cancellation costs
Letterheads

Licenses

License fees on auto and truck

Life insurance on employees (where business is not beneficiary)

Lighting

Litigation expenses (where not contrary to public policy)

Motor oil

Moving to new location

Old age benefit tax

Overdrawn advances to employees

Painting

Pensions for employees

Plastering

Plate glass insurance

Printed forms

Printing

Proposed legislation expense incurred

Public liability insurance

Publicity

Rent

Rental for halls

Repairs

Replacements—automobile and truck

Replacing worn out machinery

Reserve for depreciation

Reserve for price changes

Retailers tax

Safe deposit tax

Social security tax

Speakers

State unemployment insurance

Stationery

Storm insurance

Supplies

Taxes

Telegraph
Telegraph tax
Telephone
Telephone tax
Theft insurance
Theft losses
Transportation
Transportation tax
Travelling
Uniform of drivers
Welfare—employees transportation, meals, medical or recreational
Workmen's compensation

R. N. CUSTER RADIO SERVICE

400 S. Holmes Street

Phone 50017 _____ LANSING, MICH.

THERE is such a thing as the *habit* of success.

It means starting right and sticking to your purpose until it becomes easier to stick than to stop and give up.

There is no quality more quickly spotted—and none more highly respect in business than the “success air” which comes from keeping everlastingly at it.



Chapter XV

Keeping Business Records

The production, selling, financing and management of any business are all dependent upon the careful keeping and interpreting of bookkeeping records which show costs, expenses, income, etc. These records also reveal hidden wastes and leakages of profits; also relate sales to output and working efforts, which indicates the trend of the business and shows whether or not it is successful.

Bookkeeping records serve as a chart, a compass or a barometer and without a system of this kind, any business would be as helpless and floundering in the midst of competition as a ship at sea without a rudder.

It is not essential that you be expert bookkeeper to set up and maintain a simple set of business records for your shop. However, you should be able to determine from the records you set up, at any time, whether your company is making a profit or a loss. It will be the purpose of this chapter to point out how to set up simple business records and also to give you

some definite information as to the importance of these records in the maintenance of your business.

● REASONS FOR KEEPING RECORDS

In the 12th century, when Henry II was king of England his sheriffs journeyed twice a year to London to render an account of the king's business in the various local districts. They brought with them the money which they had collected in fines, fees and taxes and in order to keep their records straight, each sheriff usually brought a notched wooden rod.

This notched stick was an account book. A notch of a certain size meant Pounds, another sized notch meant shillings and a third sized notch stood for pence. By means of this memorandum of transactions, the sheriff was able to report to the king's exchequer the various items represented by the money which he had collected. When these items had been checked off and the amounts found correct, the Exchequer notched the first stick with a record of the amount received from the Sheriff, split it in two, gave one piece to the Sheriff as a receipt and filed the other as his own record. If any dispute arose later, the two pieces of wood were brought together and the fact that they fitted exactly and that each notch in one was matched by a similar notch in the other, was proof of the record. This was evidence of the correctness of the account.

It seems a far journey from these crude tally sticks of the old Sheriffs to the modern methods of keeping accounts. Today, our bookkeeping records are of different kinds, varying all the way from simple memorandum books to elaborate card systems and big loose leaf ledgers, but the man keeping the accounts, whether he be the bookkeeper of a one-man store or the head of the accounting department of the largest company in our country, his dealings are with the same sort of thing as was represented by the tally sticks—namely, records of financial transactions legibly and systematically inscribed.

There is nothing mysterious or magical about the science of keeping records. It began because there was a need in business for more tangible and permanent records than those of human memory. Where transactions involve the use of credit, there must be some concrete reminder of the debt, more than the memory of the debtor that he owes or the memory of the creditor that he has a certain sum due him.

Fundamentally then, business records is a science of making and interpreting adequate business procedure. Its function is: (1) to provide a memorandum of any transaction and by the systematizing of such memorandums, to furnish a classified history of the day by day business—a record easy of reference, complete as to detail but not burdened by non-essentials, and (2) to interpret these records and summaries so as to make them serviceable as exhibits of the progress, conditions, needs and opportunities of the business.

Now, suppose we take as our first example, the very simplest kind of a business—the newsboy on the street corner. This newsboy, who buys his papers for cash and sells them for cash, has very small need of records. His business is simple; he deals with one commodity alone; he can easily carry in his memory the record of today's business which guides his purchases tomorrow.

But suppose in addition to these street sales, this newsboy develops a line of customers who wish to have the papers delivered daily to their homes, and who prefer to pay for the papers monthly. If he has a wonderful memory the newsboy even here might be able to go ahead without records. But if he is a businesslike person, he will reject this haphazard method and provide himself with an account book in which he lists the names of each large customer, and enters day by day a memorandum of papers delivered to these customers. Some customers want a 4c paper, others want a 3c paper. Some want two papers daily. Some may want one on weekdays and two on Sunday. There are numerous variations in the customers'

desires to be kept track of and by means of his book, the newsboy is enabled to do this and send out monthly bills, free of error.

Moreover, he keeps his books systematized. One page is reserved for each customer and daily entries are so made that a footing can be totalled at any time. If on a certain day, the customer desires to discontinue or change his order, the newsboy does not have to search through a long list of items to pick out the ones affecting that customer, but can turn to the customer's page and promptly furnish a statement of account.

Let us assume now that this newsboy's business expands to a point where he opens a store and handles not only newspapers, magazines, stationery and other articles purchased at regular times and in regular amounts. Clearly it would be impossible for any normal human mind to remember such a variety of items, and the keeping of records is, in this case, absolutely essential for the correctness of the monthly bills sent to customers.

Account keeping is not confined to records of sales, however. Before the goods are sold, they must be purchased. In the case of the boy selling newspapers on the corner, there was no great problem here because the papers were purchased for cash and were sold immediately. But in the case of a bookstore, a new element enters into the dealer's purchasing. He buys on credit. He establishes credit relations with publishers, wholesalers, and obtains consignments of goods on thirty or sixty day payment arrangements. It is obvious that records must be kept of these obligations so that the merchant may know the extent of his liability, may prepare to make payments when the accounts are due, so that he may check up on the bills and be sure they are correct. Classified records of purchasers are moreover a guide to the merchant in his future purchasing. They tell him, by the history of the past demand for any particular commodity, what he should consider on the size of future orders. So you see these records take on a very

PROFIT AND LOSS STATEMENT FOR JANUARY

COST OF MERCHANDISE SOLD:		SALES:
Desks and chairs.....	\$2,114.30	\$3,001.35
Filing cabinets	3,453.85	5,617.16
Stationery and Supplies.....	7,349.85	8,659.38
Total	\$12,918.00	<u>\$17,277.89</u>
EXPENSES:		
Rent	220.00	
Wages and salaries.....	2,014.00	
Advertising	64.35	
Garage Expenses	105.60	
Gasoline	8.20	
Light and heat.....	30.25	
General Expense	22.03	
TOTAL COSTS AND EXPENSES.....	\$15,382.43	
PROFIT FOR THE PERIOD.....	1,895.46	
	<u>\$17,277.89</u>	<u>\$17,277.89</u>

PROFIT AND LOSS ACCOUNT FOR JANUARY

COST OF MERCHANDISE SOLD.....	\$12,918.00	SALES	\$17,277.89
EXPENSES:			
Rent	\$ 220.00		
Wages and Salaries.....	2,014.00		
General	330.43		
Total expenses	\$2,564.43		
TOTAL COSTS AND EXPENSES.....	\$15,382.43		
PROFIT	1,895.46		
	<u>\$17,277.89</u>		<u>\$17,277.89</u>

NATIONAL PRODUCTS COMPANY

PROFIT AND LOSS STATEMENT FOR YEAR

PRODUCTION		SALES	\$462,977.53
<i>Expenses of Manufacturing:</i>			
Materials and Supplies.....	\$179,862.50		
Freight Charges	10,102.10		
Factory Salaries and Wages....	101,911.23		
Heat, Light and Power.....	12,001.43		
Repairs and Maintenance.....	9,121.12		
Depreciation of Mach.....	15,000.00		
Miscellaneous Mfg. Exp.....	2,000.00		
Total Mfg. Cost.....	\$329,998.38		
(71 per cent of Sales)			
Gross Profit	132,979.15		
	<u>\$462,977.53</u>		<u>\$462,977.53</u>
GENERAL			
<i>Selling Expenses:</i>		(Gross Profit \$132,979.15	
Salesmen's Salaries	\$8,954.10	(28 per cent of Sales)	
Traveling	11,112.56		
Advertising	5,115.17		
Miscellaneous	2,596.88		
Total Selling	\$27,778.66		
(6 per cent of Sales)			
Selling Profit	105,200.50		

Fig. 6

PROFIT AND LOSS STATEMENT, WILLIAM STARR

EXPENSES:		SALES:	
Room-rent	\$240.00	Salary	\$1,500.00
Board	480.00	Magazine writing	75.00
Clothing	107.00	Tutoring	45.00
Laundry	54.50		
Carfare	36.50	Total sales	\$1,620.00
Dentist's services	12.00		
Physician's services	4.00		
Newspapers and Magazines	18.00		
Vacation	60.00		
Insurance	38.00		
Amusements	26.00		
Miscellaneous	31.00		
Total expenses	\$1,107.00		
PROFIT	513.00		
	<u>\$1,620.00</u>		<u>\$1,620.00</u>

neither richer nor poorer than it was before it acquired the land and buildings. On the other hand, money paid for insurance is an expense; it is not translated into other forms of assets, but is used up in the spending. And should you have a large shop and rent some of the space to another tenant, the monthly rent received, would be an earning; you would have parted with none of your assets to gain this additional money; there fore, keep in mind this important point—the actual money received or spent does not as a rule serve as a measure of profit or loss. A man may be bankrupt with more money in the bank than when he started in business. This is frequently the case in bankruptcy. A man must know whether or not he is operating profitably in order to decide whether to continue in business. He cannot know this unless he maintains records which will reveal at any time the real earnings and expenses.

There are dozens of items that enter into the picture of profit and loss, and since example is the best form of explanation, on pages 206 and 207 we illustrate various reproductions of profit and loss statements for companies, indicating specific items that are taken into consideration. Naturally, a lot of these items would not affect a small business such as you plan, but they do give you some idea of the many expense items that must be taken into consideration before any possible conception of the amount of money a company has made over any fixed period of time, is realized.

The foregoing illustrations of profit and loss statements have been arranged in an "accounts" form. Another arrangement frequently used is called the "statement" form, and is a simpler method of tabulating and explains the same set of facts. A statement of this type is presented in Fig. 6 for comparison purposes, and you will note that in this form expenses of manufacture are segregated from expenses of selling and care is taken to charge up to manufacturing every item of expense which is involved. Sometimes, in large organizations

the classifications are carried beyond these obviously general groups but in every case, the object is always to find out which factor is responsible for a particular expense, which department or interest receives the benefit from the expenditure and to what degree.

For example, advertising is an expense rightly charged against selling. Suppose, as an example, you had some outside service salesmen and also did some contact through direct mail to secure business. Your direct mail department is wholly dependent upon advertising for business. The sales organization obtains its business through personal solicitation, but there would be no denying that the salesmen's work is tremendously aided by your advertising. Even though your direct mail copy is aimed especially to influence customers to call at your store direct, nevertheless the general publicity value of the advertising is directly felt by the salesmen as they meet these customers in house to house selling.

● DEPRECIATION

One very important factor that many men who go into business fail to take into consideration, is the matter of depreciation. There are four different kinds of depreciation.

(1) Depreciation due to wear and tear and exposure to the elements.

(2) Depreciation due to accidents; a sudden depreciation.

(3) Depreciation due to inadequacy. Testing instruments, meters, gauges, etc., that were suitable at one time may not be practical with the introduction of new types of Radio, Refrigerators and Electrical appliances.

(4) Depreciation due to more effective and efficient machinery being developed. This would be true in the case of lathes, tools and other equipment aside from testing instruments.

These four kinds of depreciation, the business owner must bear in mind in reckoning the value of such assets as buildings, machinery, plant equipment of all kinds, furniture and fixtures, delivery equipment, etc. Of course, each kind of depreciation does not apply to every one of these assets, but more than one may apply to a single asset and the accountant must consider possible deterioration from every angle.

As an example, machinery depreciation is not only through accident, but also through inadequacy and by virtue of newer equipment and newer models.

It is not always easy to determine the percentage of depreciation but quite often assistance in determining the life of any equipment can be rendered by the manufacturer. As an example, if a machine costs \$500.00 and with ordinary usage and ordinary repairs, will last ten years, being at the end of this period worth \$10.00 as scrap metal, it is obvious that its depreciation during the ten years, is \$490.00. This is an average of \$49.00 per year, or approximately 10%. The same method may be applied to the building in which your shop is located, if you own the building; to an automobile; or any kind of testing instruments or tools.

I knew of a fellow at one time who started a shop and utterly failed to take this question of depreciation into consideration. He went along year in and year out assuming that he had made a profit and all of a sudden after ten years of business, he found practically all of his equipment breaking down at the same time. He had not set aside any reserve or had kept no records whatever on the question of depreciation and as a result, his business failed because he did not have the money to replace this equipment. A reserve account for depreciation is the same as insurance for the replacement of your equipment after it is worn out, so by all means keep this important point in mind and keep some record of these things in your business.

● *HOW RECORDS ARE ENTERED AND CLASSIFIED*

Various records in bookkeeping are: (1) Bills and statements of accounts, sent to customers, (2) Profit and loss statements and supplementary statements and records, (3) The balance sheet and supplementary statements and records. The first, of course, is a means of notice and reminder to debtors. This was explained in an earlier chapter in this book. The second is a history of the expenses, income and earnings; the third is an exhibit of assets, liabilities, and net worth.

To produce these statements as has been indicated, various detailed records must be made as the transactions occur. These must be kept in classified form, accurate and easy of access. In this chapter so far, we've been dealing with the results of keeping records. Now we are ready to review briefly the methods of recording and classifying facts in order to obtain the desired result. First of all, there are the original memoranda. These are usually notations of transactions, made at the time of their occurrence, or documents arising out of the transactions. Information on purchases, for example, is contained in the order forms and invoices for incoming bills. A record of the cash register, the sales slip, customers orders, salesmen's reports, contracts, shipping receipts, and bills of lading give data on the sales. Payrolls and time sheets contain the record of salaries and wages. Check stubs and vouchers show what cash has been paid out. And there are other forms of original memoranda, varying with the character and size and complexity of the business.

Whatever the particular item of information and whatever the source or form of it, all of this data goes on bookkeeping records. It is noted there day by day as it develops in the course of a business. Everything that affects the business in a financial way, is reported. This not only applies to purchases and sales of goods, but changes in personnel of the force, taking on of new employees and the transfer or dis-

TIME CHECK No. _____
 Job _____ Week Ending _____ 19____
 Name _____ No. _____

Mon			
Tue			
Wed			
Thu			
Fri			
Sat			
Sun			

Rate _____ Amount \$ _____
 Hours Paid _____

2018

DAILY TIME CARD

Name _____ No. _____ Employee No. _____

Stopped	Job No.	Elapsed Time	Stopped

2227

TIME CARD

These cards permit record of exact labor costs. Especially suited to job work and scattered crews. Picture shows details. "Friday" starting day allows collecting time for figuring a Saturday pay roll.

JOB TIME CARD

Intended for use with time card stamp. Large spaces at left are for stamping starting time of the job on which work will be continuous. Large spaces at the right are for the time "Stopped." Job Number and Elapsed Time panels, with six lines for details of operation are provided in center column.

RECORDED
 RECORDED
 RECORDED

186

STOCK RECORD—SELF INDEXING

Provides an accurate record of material ordered, received, and disposition. Reference is particularly easy because they have 5th cut tabs on which to write heading. These tabs project above the tops of the cards, and are easily seen without thumbing thru files.

charge of an old employee, the purchase of a new piece of land or new machine, making of a loan at the bank—everything that affects outgo or income, or that increases or decreases assets or liabilities, is in some way recorded and reported by record.

● THE BOOKS NEEDED TO KEEP THE RECORDS

In a small business, there would only actually be requirements for four books or journals. These are: the cash book—the purchase book—the accounts payable ledger—and the accounts receivable ledger.

The cash book is a record of the cash received. Part of the cash book is reserved for entries regarding receipts for cash sales and part of it for entries regarding payments on deferred accounts. A common form of the page ruling on entries is shown in forms 1 and 2 below. Taking form 1, reading left to right, the columns tell: (1) the date the cash was received,

FORM 1		CASH RECEIPTS			
DATE	ITEM & EXPLANATION	DEBIT		CREDIT	
		CASH	DISCOUNT	CUSTOMER	MISCL.
1946					
JAN 2	W. JONES Bill of 12/20	30 -		30 -	
3	T. SMITH " " 11/30	310 00	10 70	330 -	
4	M. PIERCE " " 10/21	87 00	5 10	92 10	
5	R. SNYDER Rental of METER	10 00		10 -	

FORM 2		CASH PAYMENTS			
DATE	ITEM & EXPLANATION	CREDIT		DEBIT	
		CASH	DISCOUNT	CREDITOR	MISCL.
1946					
JAN 3	C. SILVER & Co. RENT FOR JAN	250 -			250 -
4	NEW YORK TELEPHONE & CABLE	75 -			75 -
5	A. D. DICK Co. MACHINES	450 -	15 -	465 -	
6	LEANEY & Co. Bill of 12/21	1300 -	35 -	1335 -	
7	NEW YORK POWER Co. METER	30 -			30 -

your cash book could serve the purpose generally filled by a Sales Book, because there would be a limited number of transactions that could easily be summarized at any time.

From your purchase book and your cash book, you would be able to prepare two small supplementary books, called "Accounts Payable" ledger and "Accounts Receivable" ledger. The Accounts Payable ledger would be a listing of various purchases you have made on an installment plan. A separate sheet would be listed for each company from which purchases have been made and in this manner, payments could later be directly applied so that at all times you would know the balance outstanding. This book would also carry the date of the monthly payments and any information relative to the agreed terms of the purchase.

On the other hand, the Accounts Receivable ledger would list all of the merchandise you have sold or service you have rendered to customers on a payment plan. Here again, you would list on individual sheets, the names of each of these customers, the amount outstanding, the terms of the payment agreement and you would post directly to this book from your regular cash book, so that you would know at all times how to prepare statements of balances still due for work done for these customers.

So to summarize; except for keeping special records of depreciation and other important angles that determine profit or loss for your business, the actual books you would need to conduct a business such as you contemplate, would be: (1) the cash book, (2) the purchase book, (3) Accounts Receivable Ledger, (4) Accounts Payable Ledger.

With these four books, you could very easily determine the amount of money received, during the month, the amount of money paid out each month, the total balance due you for work or merchandise sold on payments, the amount of money you owe for equipment or machinery purchased.

HORDERS SIMPLIFIED BOOKKEEPING SYSTEM

Our own staff of Advisory Accountants has designed this bookkeeping system as a result of daily contacts with manufacturers and merchants whose operations may be on a small scale, but often involve transactions of considerable amounts. Designed for good business control and to meet both the State and Federal laws prescribing adequate accounting systems.

No. 2408 Receipts and Sales

A single-page ledger form titled 'RECEIPTS AND SALES OR INCOME RECORD'. It features a grid with columns for 'DATE', 'DESCRIPTION', 'AMOUNT', and 'BALANCE'. The number '2408' is printed in a large, bold font in the center of the grid.

No. 2406 Disbursements, Purchase Record

A double-page ledger form titled 'DISBURSEMENTS AND PURCHASE RECORD'. The left page has columns for 'DATE', 'DESCRIPTION', 'AMOUNT', and 'BALANCE'. The right page has columns for 'DATE', 'DESCRIPTION', 'AMOUNT', and 'BALANCE'. The number '2406' is printed in a large, bold font in the center of each page.

No. 2407 Receipts and Sales

A double-page ledger form titled 'RECEIPTS AND SALES OR INCOME RECORD'. The left page has columns for 'DATE', 'DESCRIPTION', 'AMOUNT', and 'BALANCE'. The right page has columns for 'DATE', 'DESCRIPTION', 'AMOUNT', and 'BALANCE'. The number '2407' is printed in a large, bold font in the center of each page.

SIMPLIFIED BOOKKEEPING SHEETS

No. 2407, a double page form, provides a record of cash sales, receipts on account with columns for distribution of credits under self-made headings. No. 2408, a single page form with both sides printed alike, is a condensed form of No. 2407 with distribution columns curtailed. No. 2406, a double page form, provides a record of cash on hand, bank deposits, and checks drawn, with columns for making distribution under self-made headings of all purchases and expenses.

All forms are 11 x 14 in. of buff ledger paper and punched with four holes to fit binders with posts fixed at 7-inch or 8¼-inch centers.

No.	Description	Per	Per
2408	Receipts and Sales or Income Record	\$1.15	\$4.00
2406	Disbursements and Purchase Record	1.15	4.00
2407	Receipts and Sales or Income Record	1.15	4.00
XA-9612	Binder for Simplified Bookkeeping Forms. Each		\$4.55

Of course, in starting a business, you want to watch your every possible expense, and therefore, set up your record system as economically as possible. With the four books mentioned above, you should be able to get a picture of how "things are going" at all times and likewise furnish satisfactory information relative to income tax payments. These books if properly kept, will satisfy any investigation.

However, as your business grows, it would be a very worth while investment to spend a few dollars to call in an experienced accountant who would make a special study of your individual business with the thought of helping you to improve your methods of keeping records so as to conserve time and energy in this phase of your business. Usually for a few dollars, this service is available and in most towns, through men who are employed as bookkeepers or accountants during the day and spend a little time with you in the evening to go over your own individual methods of recording.

Forms usually used in the four books recommended can be purchased in most any stationery store or direct from the manufacturers of these types of forms and books in larger cities.

If you are unable to get these books or forms in your town, and will write to me, I'll be glad to give you the names of several companies from whom you can order directly so that you can set up your records system accordingly.

Our promises are like stairsteps by which we may either go up or down in the eyes of our fellowmen.

Think deliberately, plan carefully, resolve firmly and act quickly with a steadfast determination to make your word good—for broken promises destroy confidence and confidence is the fine silken web which binds our relations with men.

Once torn, it is very difficult to mend.

Chapter XVI

Summary And Appendix

In this book we have presented many plans and ideas that should help you in establishing and operating a business of your own.

It is always advisable to "summarize" the points relating to any plan. For that purpose we have prepared a detailed SUMMARY on the next several pages so you can "double check" all of the points you must consider in starting your own business. Many valuable charts are also included to make sure that you consider every possible phase of the operation of your business.

Honest appraisal on all points is quite often difficult but IT MUST BE DONE. You must face these issues squarely and if you do so you will start your mind working along the right channels and help you to make sound decisions. Remember, thoughtful analysis in advance will prevent many mistakes and should enable you to get your business started on a "sound footing."

A check or notation
in this column will
show you have con-
sidered each point

Your Personal Qualifications:

- | | |
|--|-------|
| Have you had previous experience in this line
of business? | _____ |
| Have you ever bought merchandise before? | _____ |
| Do you know the characteristics of the mer-
chandise you will handle? | _____ |
| Have you ever supervised the work of others?
Been boss? | _____ |

A check or notation
in this column will
show you have con-
sidered each point

- Have you ever hired people? Met a pay roll? _____
- Have you ever dealt with the public? Do
you like to meet people?..... _____
- Have you ever sold?..... _____
- Can you boss yourself? Drive yourself to do
what is necessary? Are you a self-starter? _____
- Do you have imagination? Energy? Initi-
ative? _____
- Are you willing to work long hours? _____
- Can you overcome obstacles? Fight down
discouragement? Keep plugging? _____

Your Financial Qualifications

- How much have you saved which you can
put into the business immediately?..... _____
- How much do you have in the form of other
assets which you could, if necessary, sell or
on which you could borrow to get addi-
tional funds? _____
- Have you some place where you could bor-
row money to put in the business?..... _____

Income From the Business:

- What are your present earnings? _____
- How much can you make as the owner of a
store? _____
- Have you compared this with what you
could make as an employee? _____
- Are you willing to take lower earnings while
getting started? For how long? _____
- Are you willing to risk uncertain or irregular
income for the next year? Two years?..... _____
- How are conditions in the line of retail busi-
ness you are planning?..... _____

A check or notation
in this column will
show you have con-
sidered each point

When to Start Your Business:

- Have you made a forecast of the business outlook for the next year?
- Is your personal situation right for a start now? Your age? Your present job? Your future prospects? Your family responsibility? Your habits?

● *POINTS TO CHECK WHEN DECIDING ON THE LOCATION OF YOUR STORE*

Operating a store in the right place is important to the success of the store. Living in a place he likes helps the owner to be happy. So the choice of a location is both a business and a personal problem. It is necessary to consider many things when deciding if there is an opportunity for you in a particular location. Sometimes it is necessary to choose one of several locations, or which of several stores to buy, or between buying a store and starting a new one. Your decisions on these questions will be easier if you organize your thoughts. Putting the main favorable points down on paper will help you to compare different locations.

Economic Factors in the Community:

- Are the industrial or agricultural conditions good?
- Is the trend up, down or stationary?
- Is the source of the community's wealth well diversified and varied or is it a one-industry community?
- Are the major industries old and well established, new and growing, or recent and uncertain?

A check or notation
in this column will
show you have con-
sidered each point

Are the industries stable or subject to wide
fluctuations?

Is the economic outlook for the community
promising, uncertain, or poor?

Is the population of the community growing,
standing still, declining?

Is the wealth and income of the community
well distributed? What proportion of the
families are wealthy, well-to-do, moder-
ately well off, poor?

Are transportation facilities, professional serv-
ices, banking facilities, schools, and so on
good, adequate or poor?

The Need for a New Business in Community:

Have you canvassed the community to deter-
mine the number of stores of the type you
plan now operating?

Have any stores of this type closed recently?
Why?

Are the stores which are in operation busy?

Is the public adequately served by the present
stores?

Are people now going out of the community
for the products you would sell them?

Is another store in your line needed?

Competition:

Do competitors leave an opening for you to
enter business because they are not alert
and aggressive?

Are competitors old and well established?

A check or notation
in this column will
show you have con-
sidered each point

- Are competitors' stores modern and attractive?
- Will competition be strong and active or weak and sluggish?
- Do you have a competitive chance?

Advice From Others:

- What do the wholesalers think of the prospects for another store in this community?
- What do the manufacturers' representatives think of the prospects for another store in this community?
- Have you talked to a banker? What does he think about your plan?
- Does he think enough of the venture to loan you money?
- What do local businessmen in noncompeting lines think of the prospects?
- What do the representatives of the companies selling store equipment or fixtures think of the prospects for a new store in your line of business?

Buying a Going Business:

- Why does the owner wish to sell?
- Have you proved his claims by checking copies of his income tax returns?
- Are the sales increased by conditions which are not likely to continue?
- Have you consulted a lawyer to be sure that the title is good?
- Has your lawyer checked the public records to see if there is any lien on record against the assets which you are buying?

A check or notation
in this column will
show you have con-
sidered each point

- Are there any accumulated back taxes or water, gas, and electric bills to pay? .. _____
- Is this a bulk sale? Has the bulk sales law been complied with?..... _____
- Does the present store have good will to offer or are many people in the habit of not trading there? .. _____
- Is the stock a good buy? How much would have to be disposed of at a loss? How much is out of date? Unsalable? Overvalued? .. _____
- Are the fixtures and equipment the modern type you would select now? Or would they be unsuitable? Overvalued? In poor condition? Outmoded? .. _____
- Are you going to buy the accounts receivable? Are you sure they are good? How much are they worth? .. _____
- Would you assume the liabilities? Are the creditors willing to have you assume the debts? .. _____

● III. POINTS TO CHECK WHEN STARTING YOUR BUSINESS

The points in this section are set forth on the assumption that you have decided to start a store of your own and have selected the community in which to operate. Before opening the doors decisions have to be made and plans prepared. Here it is necessary to think again about some of the things you considered earlier. And for that matter, some of the things considered here might also suggest points which would modify your decision to start now, for example, the financial

requirements. Or the services offered by others, as another instance, would suggest the decision you should make as to what services to offer if you are to have the best opportunity in that community. So, just because this list is divided into sections shouldn't prevent you from looking at it as a whole, or even skipping back and forth through it.

A check or notation
in this column will
show you have con-
sidered each point

The Building and Its Location:

- Is the site good for this type of store?..... _____
- Are there other similar stores nearby?..... _____
- Are most of the passers-by potential customers?
- Is the section zoned for commercial occupancy?
- Is the space adequate? For present needs?
- For future needs?..... _____
- Is the space too large? For present needs?
- For future needs?..... _____
- Are the display windows suitable?..... _____
- Is the front modern and attractive?
- Is the entrance at grade level? Wide enough?
- Is there storage space for reserve stock?..... _____
- Is there a rear or side entrance for deliveries?
- Is the construction sound? Attractive?..... _____
- Will any major remodeling or alterations be necessary?
- Are there enough electrical outlets for your purposes?
- Are the plumbing facilities adequate?
- Is there a satisfactory heating plant?..... _____
- Are there any built-in fixtures or equipment you can use?..... _____

A check or notation
in this column will
show you have con-
sidered each point

Rental Terms:

- Is the term of the lease long enough to protect you? Even if you make major alterations?
- Are there provisions in the lease for cancellation? For subleasing? For renewal?
- Does the lease provide for reimbursement for alterations?
- Is the rent a fixed dollar amount? Or a percentage of sales?
- Is the amount of rent in proper proportion to the estimated sales?

Equipment and Fixtures:

Note.—Of course the money available and the cost of the equipment and fixtures will control your freedom of choice. The more limited the funds the more important it is to plan well. The following questions may help in this planning:

- Have you determined your equipment needs? Your fixtures?
- Have you planned for expansion and future additions to your equipment? To your fixtures? Can additions and replacements be easily and harmoniously made?
- Have you held your purchase plans to the minimum? Without omitting any essential items?
- Are your fixtures and equipment properly suited to the needs of your store? To the lines carried? To the customer appeal?
- Is your investment in fixtures and equipment in proper proportion in your financial structure?

A check or notation
in this column will
show you have con-
sidered each point

Are you going to pay for the equipment or fixtures on the installment plan? Have you decided the maximum monthly payment you can safely contract to make? _____

If buying fixtures and equipment as a part of the purchase of a going business: Are they a good buy? Is there a lien on them? Are they similar to the modern type you would select now? Have you checked to make sure they are in good condition? Do you need all of them in your operation? _____

Planning Your Stock:

Have you estimated how much your total stock should be? _____

Have you broken this estimate down into the major lines to be carried? _____

Has your stock selection been guided by an analysis of consumer preference in your community? _____

Have you set up a model stock assortment to follow in your buying? _____

Have you worked out any stock control plans to avoid overstocks, understocks, out-of-stocks? _____

Your Source of Supply:

Have you made arrangements with wholesalers? For each line of goods? _____

Have you decided what merchandise you will buy from manufacturers, if any? _____

Are there any lines of goods which you can get the privilege of handling exclusively? _____

What are the franchise arrangements? _____

A check or notation
in this column will
show you have con-
sidered each point

- Have you considered affiliating with a volun-
tary or cooperative group?
- Have you planned to make your account
more valuable by concentrating your buy-
ing?

Selecting Your Help:

- What is the method of paying employees in
the community?
- What is the prevailing wage scale? What do
you plan to pay?
- Do you want to hire men, women, part-time,
experienced, or inexperienced people?
- Are satisfactory employees available locally?
- Would it be advantageous or disadvanta-
geous to hire someone now employed by a
competitor?
- What skills are necessary?
- Will employees supply skills you lack?

Your Accounting Records:

- Have you planned a bookkeeping system?
- What additional records are necessary?
- Do you have a cash register? Adding ma-
chine? Other recording devices?
- Do you need any special forms or records?
Can they be bought from stock? Must
they be printed?
- Are you going to keep the records yourself?
Hire a bookkeeper? Have an outsider come
in periodically?

A check or notation
in this column will
show you have con-
sidered each point

Your Financial Arrangements:

- Have you made an estimate of the capital you will need?
- How much will you invest in merchandise inventory?
- How much will you invest in equipment?
- How much will you invest in fixtures?
- How much will you need to modernize?
- How much will you need to pay operating expenses (rent, salaries, supplies, light, etc.) for 2 months?
- How long will it be before the business will start making profits?
- Have you funds to pay the operating expenses until the business pays its way?
- Have you funds for personal living expenses during the period the business is getting started?
- Have you figured out where, if it is needed, you can get additional capital?
- Is there any reserve available for unexpected needs?

Estimate of Sales and Profits:

- What are the sales you can reasonably plan to make the first month?
- What are the sales you can reasonably plan to make the first 6 months?
- What are the sales you can reasonably plan to make the first year?
- What is the gross profit you can make on this volume of business?

A check or notation
in this column will
show you have con-
sidered each point

What expenses can you forecast as being necessary?

Is your own salary included in these expenses?

● IV. POINTS TO CHECK WHEN GETTING READY FOR THE OPENING

Opening right is important. The points listed here may remind you of some details which are easy to forget. But Maybe you will want to add to it yourself from time to time before opening day so no details will be overlooked.

Has Stock Arrangement Been Planned?

Have you received the stock ordered?

Has a place for all of it been planned for? ..

Has stock to feature in the windows been selected?

What goods are going to be given preferred display position in the store?

Are necessary display fixtures on hand?

Have you Arranged for Necessary Insurance?

Has fire insurance been purchased? Wind-storm? Flood? Cyclone?

Has insurance protecting against damage suits and public liability claims been purchased?

Has workmen's compensation insurance been provided?

Has burglary and hold-up insurance been considered?

A check or notation
in this column will
show you have con-
sidered each point

What other hazards should be insured
against?

*Have you Complied With Regulations and
Other Legal Matters?*

Is a license to do business necessary? State?
City?

Is a license necessary to handle special com-
modities?

Have you checked the police and health regu-
lations as they apply to your business?....

Have you obtained a social security number?

Have you worked out a system for paying
the withholding tax for your employees?..

Have you worked out a system for handling
sales taxes? Excise taxes?.....

Are the Accounting and Sales Forms Ready?

Have you a supply of sales tickets?.....

Have employees been told how to make out
sales tickets?

Do they know how to handle cash sales?..

Do they know how to handle charge sales?

Are forms ready for handling returned
goods? Cash refunds?.....

Have you a system for recording sales to the
owner? To his family?.....

Have You Made Your Promotion Plans?

Has the opening advertising been prepared?

For the newspapers?.....

For the handbills?.....

For the direct mail advertising?.....

A check or notation
in this column will
show you have con-
sidered each point

- Have inducements to customers who come in
the first day been planned? Flowers? Mer-
chandise supplies? Free goods?..... _____
- Is there enough merchandise on hand for
the first day's business?..... _____
- Have attractive leaders been selected? Are
there enough of these leaders on hand?... _____
- Have you arranged for your store signs? Over
the entrance? On the windows?..... _____
- Is your display window dressed?..... _____

HOW MUCH DO ELECTRICAL APPLIANCES COST TO OPERATE?

Use These Figures in Selling

Appliance	Average wattage	Cost per hr at 4c kw- hr rate
Blanket, electric.....	215*	½ of 1¢
Broiler.....	1000	4¢
Clocks, electric.....	2	⅛ of 1000 of 1¢
Coffee maker, glass.....	450	2¢
Cooker (egg).....	600	2¢
Corn popper.....	550	2¢
Curling iron.....	20	⅛ of 100 of 1¢
Dishwasher.....	350	1¢
Food freezers, domestic.....	200	⅛ of 1¢
Fan, 8", desk.....	25	⅛ of 1¢
Fan, 10", desk.....	45	⅛ of 1¢
Fan, 12", desk.....	50	⅛ of 1¢
Fan, attic ventilator, 24".....	200	⅛ of 1¢
Fan, attic ventilator, 48".....	320	1¢
Grill, sandwich.....	800	3¢
Hair dryer.....	100*	⅛ of 1¢
Heaters, space.....	60-1250	3 to 5¢
Irons, hand, automatic.....	800-1000*	3 to 4¢
Ironers.....	1100*	6¢
Juice extractor.....	50	⅛ of 1¢
Mixers, food.....	75	⅛ of 1¢
Oil burner.....	250	1¢
Pads, heating.....	75*	⅛ of 1¢
Percolator.....	450	2¢
Range, cooking.....	7500	special rate
Radio, small.....	30	⅛ of 1¢
Radio, large.....	100	⅛ of 1¢
Television set.....	300	1¢
Razor, electric.....	10	⅛ of 100 of 1¢
Refrigerator.....	200	⅛ of 1¢
Room coolers.....	600	2¢
Roaster.....	1320*	5¢
Sewing machine.....	80	⅛ of 1¢
Stove, table, 3-heat.....	350-550-1000	1-2-4¢
Sun lamp (SI bulb).....	400	2¢
Toaster, automatic.....	800*	3¢
Vacuum cleaner.....	250	1¢
Waffle iron, automatic.....	800*	3¢
Washing machine.....	200	⅛ of 1¢
Waxer, floor.....	200	⅛ of 1¢

* Intermittent operation so cost even less than figure shown.

RADIO & ELECTRICAL APPLIANCE

Item No.	ITEMS TO BE CHECKED Follow Instructions	Rating Per Cent	NOTES ON CHECK-UP Changes and Improvements To Be Made— Items to Be Watched	Date Finished
1	APPEARANCE Store Front Entrance Window Display Arrangement of Store Arrangement of Stock Fixtures			
2	CLEANLINESS Sidewalk Entrance Store			
3	LIGHTING Store Front Windows Store			
4	SIGNS Outside Inside			
5	MERCHANDISE Quality Appearance Display Change in Displays			
6	EMPLOYEES Appearance & Neatness Courtesy Interest and Loyalty Co-operation Salesmanship Attendance			
7	INVENTORY Turnover Slow Moving Stock Sales Storage Dead Stock			

This chart can be used advantageously by any radio and electrical appliance dealer in checking up fundamental factors of his business. The success or failure of the chart is based solely upon the dealer's honesty with himself. If he will carefully check up every item in the fifteen divisions,

DEALER'S CHECK LISTS

Item No.	ITEMS TO BE CHECKED Follow Instructions	Rating Per Cent	NOTES ON CHECK-UP Changes and Improvements To Be Made— Items to Be Watched	Date Fin- ished
8	BUYING Purchased Last Month Purchased This Month			
9	PRICE EFFICIENCY			
10	DELAYS In Ordering Goods In Filling Orders In Placing Goods on Display			
11	COMPLAINTS Quality of Goods Service Prices			
12	DELIVERY Cash and Carry Trucks Delays			
13	ADVERTISING Local Papers Dodgers Window Store Signs			
14	TELEPHONE SERVICE			
15	ACCOUNTING Accounts Receivable Accounts Payable Credits Collections This Month Collections Last Month Sales This Month Sales Last Month Overhead Expense Bills Mailed Out Mistakes			
	TOTAL			
	STORE RATING (Divide Total by 56)			

without personal prejudice or bias, and investigate thoroughly the reasons for determining every percentage before he places it on the chart, he will have an accurate, vital analysis of his entire business.

CIVILIAN RADIO SETS IN USE IN U.S.

U.S. homes with radios	31,000,000
Secondary sets in above homes	12,000,000
Sets in business places, institutes, etc.	4,000,000
Auto radios	<u>6,000,000</u>
TOTAL sets in U.S.	56,000,000

SALES VOLUME OF RADIOS BY MONTHS

(Radio & Television Retailing)

January	9%
February	8
March	7
April	6
May	5
June	6
July	4
August	6
September	8
October	11
November	12
December	<u>18</u>
Yearly Total	100%

(Seasonal fluctuations vary from section to section and year to year. These are average figures of several years' standing.)

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