

# CANADIAN BROADCASTER

Now in our twenty-third year of reaching people who reach people



ACA

Daily Broadcaster

Volume 6

Number 2

April 28, 1964

## Gentlemen, Your President!

ALL-ROUND CANADIAN MAN seems to sum up the ingredients which go to make up ACA's new president. George Meen, age 46, Toronto born and educated, played football for the Argos in 1940 and again in 47-8 (with time out for war service); has a 21-year old daughter Georgette, in University, a son of 17, David, just going into it and another son of 9, Arthur into just about everything.

Himself a graduate of U of T, 1941, George seems to relate the responsibilities of fatherhood to those of the advertising business in a practical way in applauding the work of CAAA with their staff training project. Also he expresses his unabashed admiration for copy people, with advertisers, agencies and media, who appreciate the use of good English and interesting English in advertising, and who have the gumption to urge those who see, hear or read their ads, to come through with an order.

George does not take his election to the presidency of ACA lightly. As he has passed through the committee stages in his work with the association, he admits he has looked forward to the day he would pick up the gavel.

He started his business career with Goodyear Tire & Rubber Co. and finished there as assistant advertising manager, — assistant to Allan E. Ross. In 1955, he joined Christie, Brown & Co. Ltd., and has occupied this post ever since.

As ACA president, his main interests will lie in two areas.

First on his list is education of membership — how to do it, case histories, planning, budgeting, research, marketing new products.

"The sophisticates know all these things," he said, "but most of us have lots more to learn. Jobs are so fragmented these days. . .

"I want to foster our (ACA) group meetings; regional sessions in Toronto and Montreal. I want to get speakers who know and can tell what they know; not names but people who really know."

George's second target will be governments (all of them) and performers' unions.

"There are great fields for improved relationships and greater harmony in both these areas," he said.

"In governments, there is a need for greater mutual understanding, — government understanding of business, as well as business of government."

"I should like to spearhead a campaign designed to get it across to the members of our various parliaments that advertising plays a major part in bolstering the economy, with more employment, more sales, more profit and so more revenue for the public purse."

As far as the unions are concerned, he is sure that a better understanding of advertisers' problems on the part of the performers would improve the lot of both sponsors and talent, and vice versa.

He proposes to work with ACA and CAAA on the problem of selling the benefits of advertising to the public, and will investigate the possibilities of persuading the media to give their support, "because they stand to gain equally in telling the public the true role of advertising."

In commending the CAAA for their work in the advertising education of young people, thereby establishing high standards and developing high degrees of skill, he said he hoped that in his year ACA too would co-operate in fostering the education and training of advertising aspirants who show aptitude.



## Agency compensation

# FEES versus COMMISSIONS



### FEE SYSTEM -- Andrew Kershaw

*"A fee or not a fee: that is the question: Whether 'tis better for the agency to suffer the slings and arrows of outrageous client demands, or to take arms against a sea of troubles, and by resigning, end them? To gripe: to moan: to lose the account; and perchance to see it in 'Marketing:' ...Aye, there's the rub."*

So, a few days after the 400th anniversary of Shakespeare's birth, soliloquised Andrew Kershaw, managing director of Ogilvy, Benson & Mather (Canada) Ltd., speaking on "The Fee System of Advertising Agency Remuneration" at the ACA convention yesterday afternoon.

"Agency remuneration through the commission system is a grotesque anachronism. It obstructs the development of better professional relations between client and agency," he said, after disclaiming any status as a spokesman for his own agency, other agencies or media, saying he spoke only for himself.

An ACA survey taken in March, with 101 replies from 180 members, showed that 28 per cent thought compensation through media commissions was unfair to agencies, with 13 per cent registering "don't know", Kershaw said. 33 per cent thought this form of compensation was unfair to themselves, with 12 per cent answering "don't know."

"Barely half of the members of the ACA are satisfied with the fairness of the present system. And one-half are dissatisfied or unsure" he said.

"I believe that a rational fee arrangement solves the problems of agency profit, the scale of client service, and the quality of advertising," Kershaw said, citing five main advantages to both client and agency:

The agency can be completely objective in its recommendations and the advertiser can believe in this objectivity,

The agency has adequate incentives to provide either total marketing services or just those the client requires,

The agency's income is stabilized, and the fee enables it to make a fair profit on professional services rendered

Every account pays its own way,

The fee lets the agency concentrate on its job of improving advertising quality without the distraction of profit considerations.

"The commission system rewards all agencies at the same rate. The fee system makes possible financial recognition of differences in the quality of professional services," Kershaw pointed out.

Ogilvy, Benson & Mather pioneered the fee system in the U.S. in 1960 and has an impressive list of clients using it, including American Express, General Foods, Hathaway, IBM, International Paper, KLM Airlines, Sears-Roebuck and Shell.

"The elements of a fee," Kershaw said, "are the time used to perform the service, the skill required, the importance of the assignment, or the results accomplished through it. The system is totally divorced from media commissions. The agency bills everything net and rebates all commissions to the client.

"The total amount is based on an estimate of costs including overhead, subject to eventual verification and audit, and an allowance for agency profit.

"There are some variations. There is a fee which is composed of a fixed sum for overhead and pro-

*(Cont'd. on page 3)*

### COMMISSION SYSTEM -- George Sinclair

"HOW WELL IS THE COMMISSION SYSTEM DOING?" This topic was discussed by George G. Sinclair, vice-president and general manager of MacLaren Advertising Co. Ltd., at the ACA convention yesterday.

In the evolution of agency compensation arrangements, Sinclair said, "the method of remuneration has never been stable for more than five years and has never been universally standard at any time. Today, fees are a lively subject of discussion, but there is no issue on fees as a fact of the advertising business in North America. I doubt if there is a single agency in the Canadian Association of Advertising Agencies that is not receiving fee income.

"In our own company it exceeds our net profit," he said.

"If we were to try to maintain the level and diversity of service we now provide to clients, and to do this on commissions alone, we would be quietly heading toward bankruptcy. I think this would be true for many agencies today, and will be true for more as this natural evolution goes on."

Sinclair traced the evolution of advertising back to the first advertising brokers, seventy or so years, who bought space at a price and sold it to advertisers at a higher price. To gain an edge on their competition, some brokers did layouts and wrote copy for the advertisers in addition to selling them space.

About 1900, several magazine publishers banded together and offered a discount to the brokers who were increasing the volume of advertising by serving the advertiser and making him more successful. Thus the commission system was conceived, and its gestation took another 35 years or so.

"Some business terms came to be used in strange new senses," Sinclair said. "The discount was called a commission, which it is not.

The organization that qualified for it was called an advertising agency, which we are not. We were principals at the outset, and we are principals today."

The view, held by advocates of the fee system, that the commission is an anachronism and that the 15% is really the client's money, could be extended to argue that if agencies did not exist, media rates could be reduced by that 15%, Sinclair said.

"Assume with me a hypothetical situation in which there are no agencies in their traditional role between media and advertisers," he said.

In actual fact, about 85% of Canada's national advertising is placed by the 45 CAAA agencies, which list 2,933 clients. In the hypothetical case, each medium would have to do business with some thousands of firms directly, calling for a greatly increased sales force.

As it is now, media accounting departments make out hundreds of invoices on retail advertising, a small percentage of that number to the relatively few agencies representing the bulk of their national advertising volume. In the hypothetical situation, accounting costs would soar.

And suddenly, each medium would have to concern itself with the financial responsibility of every national advertiser, calling for credit insurance, careful policing of accounts and prodding of advertisers slow in remitting.

"There are other ways in which we serve the media and it is clear that in the absence of the agency, media prices could not reduce by 15% to national advertisers," Sinclair said. "The greatest reduction any media representative has suggested to me as possible is around eight per cent. So advertisers must not assume that they are paying agencies 15% for planning and preparing advertising."

*(Cont'd. on page 3)*



## All our people are well-suited to their jobs

... even those who joined us from other walks of life. True, they did NOT have radio backgrounds ... but they could sell. And that, to us, was far more important. Time, and our coincident increase in time sales, keeps proving us right. So do the generally healthy sales curves of the stations we represent.

### radio-television representatives limited

TORONTO • MONTREAL • WINNIPEG • VANCOUVER

## GEORGE SINCLAIR

(Cont'd. from page 2)

"As the remuneration system works in Canada today, most clients can be served in the traditional functions, planning, creating, producing and placing advertising, on commission income only and return an agency a moderate profit.

"Exceptions exist only on accounts on which the work is very largely for trade and industrial media, which generate little commission income.

"On some large consumer accounts, the agency can afford to go further, to provide some degree of marketing counsel and perhaps other extensions of service, without requiring fees. But since agency profits as a percent of volume have descended with fair consistency over the same period that our diversity of service and professional competence have been increasing, I think it's evident that we've been over-servicing many accounts.

Sinclair acknowledged that there are advantages to the fee system, and he would like to see them incorporated in commission system agreements. "The greatest potential advantage is that a fee system opens the way to a freedom in rate setting that would allow agencies to be paid according to quality," he said.

"Probably the most valid point in favor of fee systems is that it can provide for payment according to work done in special situations. Straight fee systems automatically compensate the agency promptly when it gains a new account, and fully when a campaign is aborted.

"I warn you that the eventual effect of general adoption of those fee systems that involve rebating of media commissions will probably be an eventual increase in the cost of advertising to the advertiser."

Clients and agencies who work on the fee system are likely to be happy, Sinclair said, not because of the system but because of the direct and specific discussions the system forces upon both parties.

"The commission system, with supplementary service where justified, supplementary fees where needed, is working well for the vast bulk of agency-client relationships in Canada. With open discussion conducted in good will, it can work for everyone."

Ad Ribs . . . .



## ANDREW KERSHAW

(Cont'd. from page 2)

fit, and a variable amount depending on the direct time costs of agency personnel on the account. Or a fee set to cover all costs plus profit, but with an incentive clause for lower operating costs than estimated and a penalty clause for higher costs than those forecast. Finally, there is a fixed fee computed to cover costs and overhead, and a variable fee related to sales increases."

To experiment with the fee system in Canada, three things are necessary, Kershaw said. The agency must have a good cost accounting system. The client must be prepared to discuss the profitability of his account freely and frankly, which he said 92 per cent of ACA members agree to. And the agency franchise agreement with media owners must be revised to permit compensation by fee.

"To operate a fee system totally divorced from media commissions could be interpreted as a breach of agency franchise agreements," he said. "The Canadian restriction on rebating of commissions is of course a form of price maintenance. A similar clause in the agency franchise contract could not be upheld in the U.S. courts. It has not been tested in Canada. I hope it will not have to come to such a test.

"Advertisers, media owners, and agencies will surely favor negotiated revision of the no-rebating clause."

Rebating of commissions and charging fees would lead to price competition amongst agencies, Kershaw said, but "what is wrong with that? Some want to buy in the bargain basement and some want the best.

"Some people are afraid of fee negotiations. There is no need to bargain if you don't want to. Reluctance to negotiate is probably dictated by fear that under a fee system the clients might pay more than under the commission system. In the ACA survey, 43 per cent thought they would pay more, 26 per cent thought they would pay less, and 31 per cent did not know.

"Those who think they would have to pay more under a fee system are actually admitting that they are now paying their agencies less than they ought to receive."

by Harkled.

If the lifting of the no-rebating rule brought some national advertisers to place their business direct, he said, "good luck to them."

"Others argue that national and retail rate structures could not be maintained. That is poppycock. These differences are already so confused, so arbitrary, so inconsistent, and so heavily biased against the national advertiser that whatever purpose agency commissions were supposed to serve, they have now been lost in the shuffle."

Acknowledging that media owners are right that the commission system encourages quick payment and insures against bad debts, Kershaw suggested the agencies could offer appropriate guarantees through their association.

None of these fears have materialized in the U.S. since the first fee arrangement there four years ago, he said.

"In an economy that does not tolerate price maintenance, and restraint of trade, we must not continue to be bound by a system that prevents change. Let there be freedom to experiment for those that want to move ahead.

"It is a sorry commentary on the state of the advertising business in Canada that lethargy and archaic franchise agreements should prevent progressive clients and agencies from trying new methods."

## HARDY TELEVISION SELLS

CHAU-TV - Baie des Chaleurs  
CKBL-TV - Matane  
CKRT-TV - Rivière-du-Loup  
CKRS-TV - Jonquière  
CFCM-TV - Quebec  
CKMI-TV - Quebec  
CKRN-TV - Rouyn  
CKCO-TV - Kitchener

## HARDY MEN KNOW THEIR MARKETS

## They're Tearing the Heart out of SASKATOON!

And it's an operation every bit as drastic and ruthless as it sounds: a massive site to be opened for development with the re-location of CNR facilities that now take up 32-acres in downtown Saskatoon. The prospect excites city planners no end and conjures up visions of progressive architecture . . . dramatic new traffic concepts . . . green areas . . . play space . . . and parking, parking, parking . . . all in the city's heart. Visionary so far, but cool heads see the project as limitless in possibilities, with one thing sure — a re-vitalized Saskatoon will become Saskatchewan's biggest centre within a very few years. If you live there, it's nice to watch your city growing bigger, more important. And if you do business there, it's pleasant to watch your market expand. Consider the inclusion of CFQC in your marketing plan. It's the best way to reach a market on the move. **CFQC.**

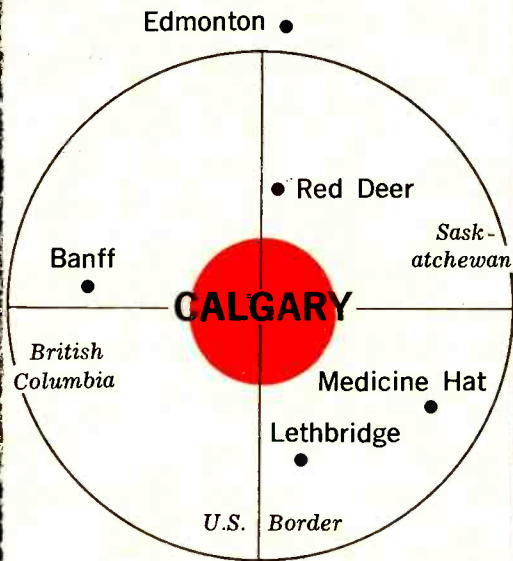
You'll like  
the  
re-action  
to

**ACTION  
STATIONS!**

**CFCN**  
**RADIO/TV**  
**CALGARY**

**AIR  
Coverage**

(and what a target area!)

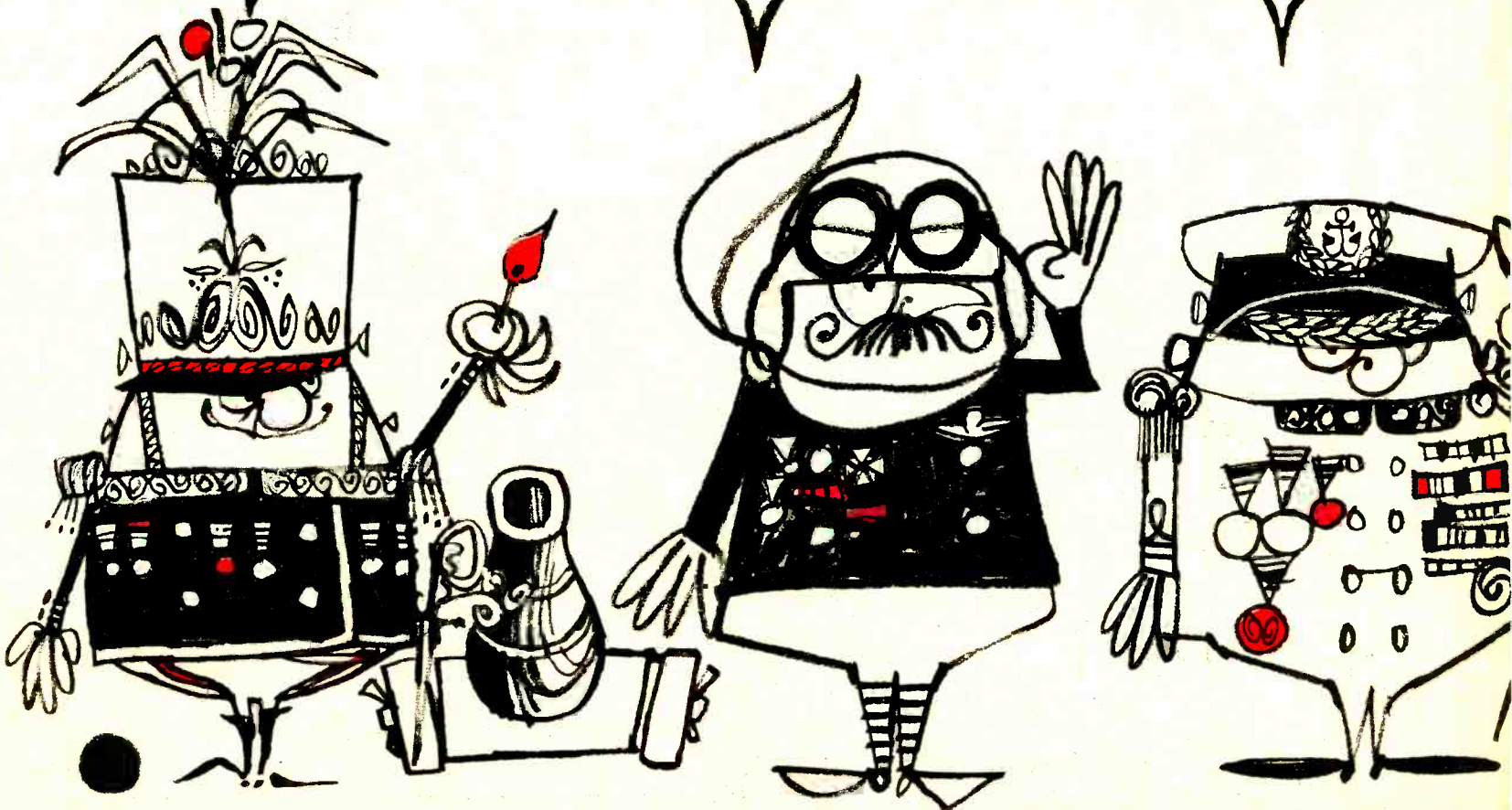


- 164,400 radio homes in the Southern Alberta market!
- Leading in 10 out of 16 time periods.

**SEE  
POWER!  
122,000  
TV  
HOMES**



- Leading in 63 out of 91 time periods.
- Satellites launched in Banff, Drumheller, Kimberley, Columbia River Valley, B.C.



# FAST AID!

Action-packed promotions and special programming departments give retail merchandising a shot in the arm!

For example:

World's largest in-store display gets big bite of the baby food market for PABLUM!

Special Christmas promotion captures total market for G.E. decorative lights!

CFCN Teen-Beat parties pack them in! Average turnout 3,000 teenagers — keen on CFCN and sponsor's products.

Sell out! Total stocks of CHEERIO YOYOS cleared out by CFCN promotion!

2,000 customers at 2 a.m. at leading furniture and appliance store. For action day or night get in touch with CFCN!

FIESTA, the fast-paced mail-pull show originated by CFCN-TV, triples label-pull for varied supermarket products in 3 years.

**CALL  
US...  
on the  
DOUBLE**

!

To put wind  
into your SALES

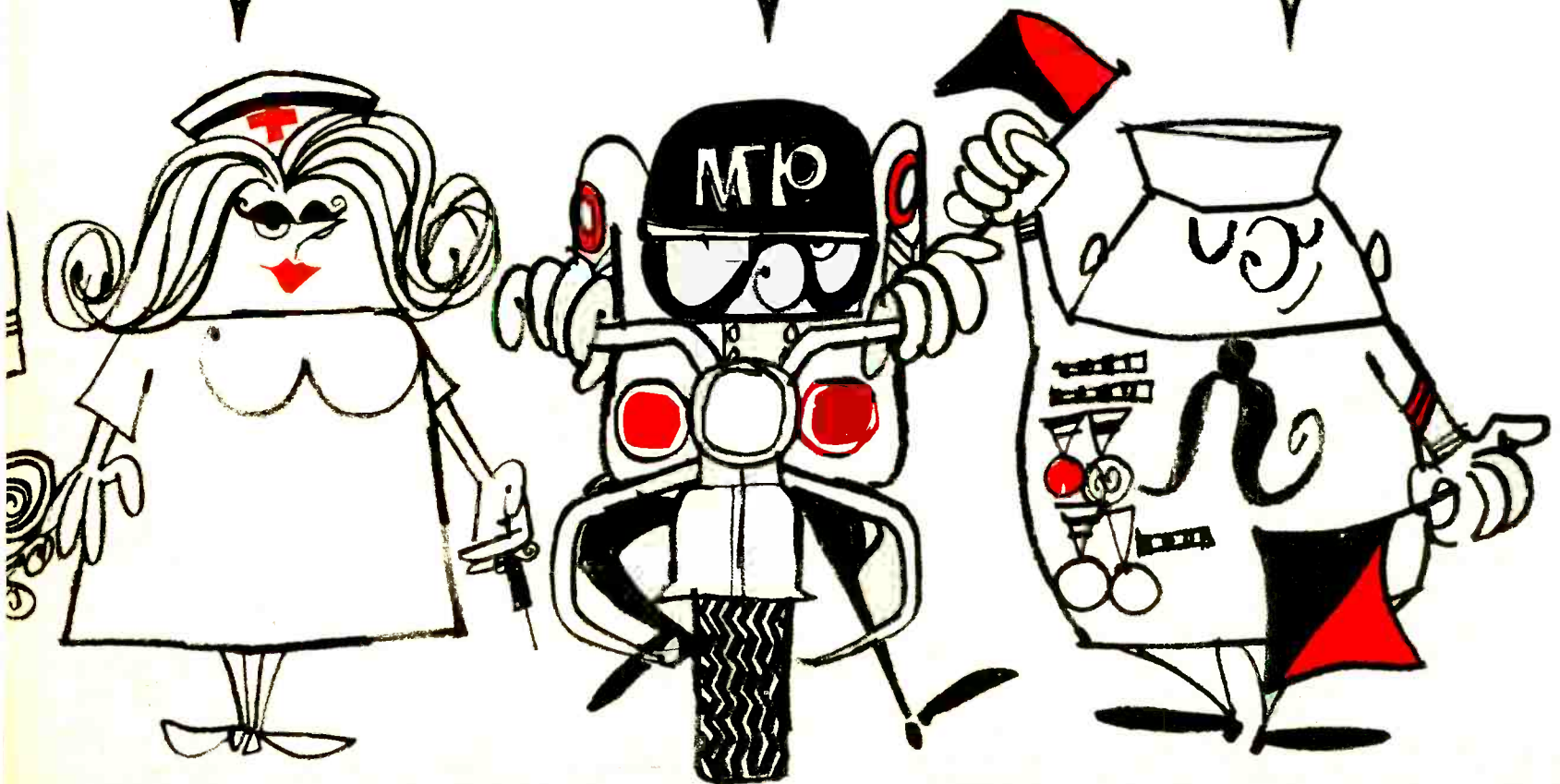
send a signal  
to CFCN

our crews are  
fast, fearless,

flexible and

always ready

for ACTION!

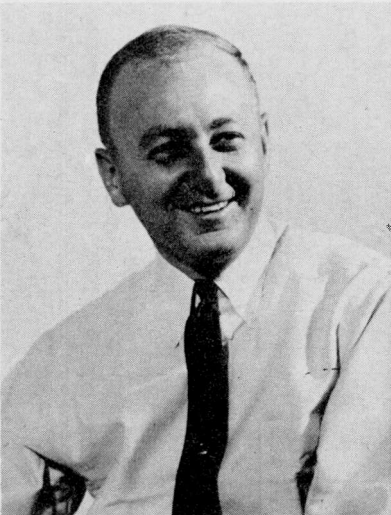


## How not to select an agency

# Go to the agency and talk to its people

"THIS IS A FIVE THOUSAND DOLLAR SPEECH," Jerry Goodis, president of Goodis, Goldberg, Soren Limited, told his audience at the ACA convention yesterday.

The price tag was based on the time spent by agency presidents and



advertisers replying to his letters asking for their comments on the topic of his address, "How Not to Select an Agency".

Don't use questionnaires, Goodis said, citing them as "one of the many degrading aspects of the advertisers/agency relationship" and saying he

had seen them "running several pages long and calling for the combined skills of a lawyer, accountant and psychiatrist to fill them out."

Instead, "go to the agency and sit down with its people," he said.

And, "please, please, don't ask for a speculative presentation. Do you ask a doctor for a trial operation before you take him on to whip out your appendix?" Also, he pointed out, somebody pays for the time, artwork and organization put into a speculative presentation, and if an advertiser takes on an agency on the basis of a speculative pitch, he will end up paying for its pitches to other clients.

"Frankly, when it comes to a presentation, I believe what you don't see is often more important than what is selected for your examination," he said.

Other "how not to's" were: don't use a selection committee of non-advertising men; don't use the "second coming" approach, so impressed by an agency man met on the golf course or around a conference table that he's taken on in the capacity of "miracle worker, first class"; don't see how fast you can select an agency.

"There is little evidence of casual agency switching," Goodis said. He quoted a survey of industrial advertisers which showed that

35% of advertisers switched agencies because they were generally dissatisfied; another 35% felt a need for additional services; 30% felt they needed a new copy approach.

"If what I have publicly claimed on a number of occasions is true, namely that 75% of the advertising dollars spent in Canada are wasted, this is a clear indication to me that not enough account switching takes place," he said.

"There should be more agency switching, and it shouldn't be one-sided. The agencies should kiss their awkward clients goodbye, and the advertisers who haven't had a decent campaign in years should start drafting diplomatic letters to the agency presidents.

"The greatest thing that this industry could do is to agree on a two-week advertising silence in the near future. Just imagine it; if you can. An eleven-page *Daily Star* filled with nothing but news and features. Whole television programs without a single interruption. Subways with nothing to look at but people. Wouldn't that be great? Two whole weeks of peace. Peace.

"The public would love it, and it would give us all, advertisers, agencies, and media, time for some really critical self appraisal."

Tilting at government patronage in agency selection, Goodis said, "Federable spending on commissionable advertising through agencies runs nearly five million dollars a year. Ten departments are involved. Each of these departments has people in charge of its advertising and information program." But, "the selection is made at ministerial level, because as everyone surely knows, cabinet ministers know all about advertising.

"It is only the sheerest coincidence that the agencies selected are almost invariably agencies who threw in work teams or maybe made even more significant contributions to the party now in power in the pre-election period. It is even more coincidental that all the government accounts changed hands after the last two changes of government.

"I think it's time this payola stopped. That's my money they're

spending, and yours, and I want it spent in the most efficient and most effective way."

Also, "Who made the rule that the advertiser is the master and the agency the servant?" he demanded. "Why is the agency always expected to pick up the tab for lunch?"

"A proper advertiser/agency relationship, and it should be established from the first meeting, is one of mutual respect, a business partnership where the advertiser recognizes that he is no more doing the agency a favor by giving it his business than the agency is doing him a favor in providing creative and placing services. It should be mutually profitable and, if possible, pleasant."

Commenting on the "pleasant" aspect, Goodis said a number of people replying to his letters made the point that it's the people in the agency who count. But, he said, "This doesn't have to be a love match. You'd be far better off asking not 'are they our kind of people?', but rather 'are they people?' We need to know how people speak and think and feel."

## Names new board

OFFICERS AND DIRECTORS elected at yesterday morning's ACA business meeting were:

President: George Meen, Christie Brown & Col Ltd., Toronto  
Executive Vice-President: Robert M. Sabloff, The House of Seagram Ltd., Montreal.

Vice-President and Treasurer: J. F. Glazier, Ford Motor Co. of Canada Ltd., Oakville.

Vice-Presidents: A. F. Biggs, Canadian Industries Ltd., Toronto; J. W. Cook, The Shawinigan Water & Power Co., Montreal; Allan E. Ross, Goodyear Tire & Rubber Co. of Canada Ltd., Toronto.

Managing Director (for the seventh year) B. E. Legate, ACA, Toronto.

Directors: J. W. Baldwin, Imperial Tobacco Co. Ltd., Montreal; D. A. Brown, Colgate-Palmolive Ltd., Toronto; J. K. Davy, Steel Co. of Canada Ltd., Hamilton; John Gibbon, Royal Bank of Canada, Montreal; Boulton A. Hall, Gillette of Canada Ltd., Montreal; W. L. Heisey, The Procter & Gamble Co. of Canada Ltd., Toronto; R. S. Hurlbut, General Foods Ltd., Toronto; Muriel F. McCullum, Bulova Watch Co. Ltd., Toronto; Robert F. Oliver, Bank of Nova Scotia, Toronto; T. P. Quinn, Kraft Foods Ltd., Montreal; John B. Reynolds, Industrial Acceptance Corporation Ltd., Montreal.



Key your '64-65 campaign to the *Four Seasons Plan* . . . News, Day-Prime, and Wide World of Sports. Call on us in our Convention suite, or phone us at the office.

CTV Television Network

In Toronto: 924-5454

In Montreal: 849-8021

**C** KEY  
TO  
BUSINESS

IN THE

**WHOLE NIAGARA PENINSULA**

Reps.

PAUL MULVIHILL & CO. LTD.

Toronto

DIAL 610

CKTB

Montreal

ST. CATHARINES

## Sister Jacqueline Relates advertising to religion

SISTER JACQUELINE GRENNAN, executive vice-president, Webster College, St. Louis, Mo., called on the advertising people attending the ACA luncheon yesterday to reinforce their inventive minds rather than accumulating a multiplicity of facts.

She said the new approach to all forms of communications — education, religion or advertising — should be to create a generation of open minds, with ideas which will become the production line in the next decade, rather than sponges which simply soak up old ideas.

Speaking of this forward-looking type of research, she said: "Until recently, my own 'industry' of education has shared with at least one other American industry the distinction of spending less than one per cent on this kind of research and development.

"The other 'thrifty' industry is the railroad industry which... should have remembered it *was* the transportation industry, and consequently would have owned the air lines today."

Relating advertising to religion, Sister Grennan said the advertiser's message should make people want something so much they go and earn the money and buy it... "can't afford not to."

"Advertising should not indoctrinate, it should challenge", she said.

Instead of indoctrinating people, it is possible to help human beings by putting them into a role and helping them succeed in it.

"Once we have rejected the sham and the harm produced by modern technology in materials and in services," Sister Jacqueline said, it seems to me that we must not only tolerate the educative and incentive role of modern advertising; we must almost champion it.

"Today, standards of living and economic growth have become concerns of the whole people on an international level. Citizens of the United States will again be impressed this summer and fall by candidates of both political parties that social welfare is in some sense a dependent variable of the gross national product. In this framework it is hardly possible any longer to make simple distinctions between advertising for "needs" or advertising for "wants."

"May we not properly suggest that in our contemporary world we need to want? What wants can we responsibly create in what people? Does modern advertising even have a responsibility to find ways to raise crucial social questions within the context of its media? What kinds of tough problems has your industry found and met in the area of racial integration? If modern industrialists and modern communications expects responsible and creative human beings in the late twentieth century, they cannot shun the ambiguities and tensions created by such questions. Instead they will continue to propose the searching questions of the world we are all making daily more sophisticated, more complex.

## Presentations

# Research - Code - Talent Relations

OPENING THE OPEN sessions at the ACA convention were reports from the Bureau of Broadcast Measurement, The Canadian Advertising Research Foundation, the Canadian Advertising Advisory Board, and the ACA-CAAA Joint Committee on Broadcasting.

### BBM

Reporting a record high in membership of 413, J. F. Glasier, immediate past president of BBM, reviewed developments over the past year, the highlight of which is extension of services at no increase in cost.

New services are: four diary surveys instead of two per year, in 34 markets; four-week and two-week surveys instead of one-week surveys; audience composition; TV program titles with time period and ratings; Monday to Friday five-day averages in area reports; average daily circulation, day-time and night-time; reach/frequency reports for spot campaigns on request; telephone surveys in 14 markets; network reports for advertisers, agencies and networks.

The operation of BBM has been streamlined, and its new image of "a bright, lively progressive organization" is reflected in a new insignia, Glasier said.

The study of methods used by BBM in measurement, being carried out by Professor Dale under the aegis of the tripartite planning committee, has revealed interesting factors, and the study continues.

### CARF

J. N. Milne, chairman of CARF, reported on projects over the past year and spoke of two interesting project possibilities for the future: a study of over-commercialization in television, to determine whether advertising effectiveness declines in over-commercialization and if so, when and by how much, and what factors affect advertising effectiveness in the situation; and research into the media buying process in Canada, a study suggested by the University of Western Ontario.

Eleven entries were submitted for the MacLaren Advertising Research Award of \$1,000, Milne said, six from Canada, four from the U.S. and one from Sweden. Four of these were from universities, two from agencies, two from advertisers, two from research houses and one from an unspecified source. The winner will be announced shortly.

### CAAB

A report prepared by CAAB president Einar Rehnitz was read by P. J. McGinnis, citing the Canadian Code of Advertising Standards approved and adopted this year, as a real landmark in the history of advertising in Canada. It is a model Code, demonstrating advertising's capability to look after its own affairs without outside control, and proof of the loyalty, co-operation and friendship between advertisers, agencies and media, he said.

A committee set up to deal with complaints about national advertising had heard and resolved five complaints from advertisers, it was reported. In each case it was re-

vealed that no one had intentionally contravened the Code.

### JOINT COMMITTEE ON BROADCASTING

Co-chairman Bill Inch reported first on the Committee's discussions with the Board of Broadcast Governors about new regulations on commercial content on television now under consideration by the Board. The Board had asked the Committee for information and advice, he said, and the new regulations would probably embody some of its recommendations.

One of the greatest problems is definition of the problem itself, Inch said, and the Joint Committee on Broadcasting will work with CARF on research on the subject.

Co-chairman Hugh Horler, reporting on discussions with the talent union, said that lengthy discussions were probably in the future, with a new Board of Directors of ACTRA and the present agreement expiring in October.

Montreal representative Gaby Lalonde said his Committee had been active with a CBC commercial acceptance linguistics committee, discussing proposed changes in words and expressions used in commercials, and in many cases had succeeded in reversing or postponing CBC decisions to demand changes. The Montreal committee had just received a 70-page proposed agreement with the French talent union and hopes to discuss and resolve the points therein within two or three months, and then consult with the Committee in Toronto regarding the ACRTA agreement.

## Client-Agency Relations

# They must live on a two-way street

AGENCIES CAN'T BE SELECTED in ten easy lessons, said Yves Menard, a director of ACA, vice-president of Johnson & Johnson Ltd., Montreal.

"In point of fact" said Menard in an address to the afternoon session of the ACA convention yesterday, "agencies often — perhaps even more often than not — select their clients rather than the reverse."

This might be wrong, he felt, because agencies often pitch a client — on the golf course or on a trip to Nassau — without any regard for the advertiser's problems.

Menard was also critical of the selection of an agency by a board of directors, which is not really conversant with the subject of advertising.

People on the job buy expensive equipment and supplies on their own, yet a board of directors, with no knowledge of advertising whatsoever, contracts for the spending of millions of dollars.

"The guys who are going to use the agency are the people who should recommend it. Then it is all right for the directors to perform the act of appointing it," he said.

"It is not a question of who does the agency work *for*, but who does it work *with*," he continued. "There is no sense picking an agency unless you are prepared to work *with* it."

Menard's formula is to select an agency which fits in with the pattern of the circumstances in your factory or shop, with the right personnel to do the work.

"If an advertisement has to be pre-tested, post-tested and research-researched, you don't need an agency but a statistical genius" he said.

"I don't think ideas should be subjected to research. Ideas and research should each stand on their own feet."

When an agency and its client comes to a parting of the ways, it will simply mean they haven't got

together to find the right approach for the product.

Menard posed the question: "Do we advertisers know the economics of the agency business?"

The advertiser has to establish what he expects his agency or contemplated agency to give him. The agency has to familiarize itself with what the advertiser wants done.

"The plight of American business," Menard said in conclusion, "is that, in advertising as in everything else, it wants a universal answer to every individual problem."

"What business really needs," he said, "is ideas, generated by men, supported by capital, rather than the reverse."

**Want a Man?  
Want a Job?  
TRY A SMALL AD  
in  
Canadian Broadcaster**

April 28

# TODAY AT THE ACA

8.45 a.m. . . . . REGISTRATION - Room "A"  
 9.15 a.m. . . . . Ballroom  
 Chairman - W.T. McFARLANE  
 "THE VARYING CONSUMER PSYCHOLOGIES"  
 Dr. BERNARD HYMOVITCH  
 President  
 Marketing Research Centre Limited  
 Montreal

9.45 a.m. . . . . Ballroom  
 "NATIONALISM . . . OR THE SEARCH FOR THE AVERAGE CANADIAN"  
 GABY LALANDE  
 Vice-President & Manager  
 Young & Rubicam Limited  
 Montreal

10.15 a.m. . . . . Intermission - Tea and Coffee Time  
 CFRB, Toronto and CJAD, Montreal

10.30 a.m. . . . . Ballroom  
 "WHAT CAN MEDIA DO FOR SELECTIVE MARKETING"  
 RALPH G. DRAPER  
 Media Director  
 Foster Advertising Limited  
 Toronto

12.30 p.m. ACA GOLD MEDAL AWARD LUNCHEON - Canadian Room  
 Speaker  
 J. ALPHONSE OUMET  
 President  
 Canadian Broadcasting Corporation  
 Ottawa  
 Subject  
 "ADVERTISING AND THE NATIONAL SERVICE"  
 2.15 p.m. . . . . Ballroom  
 "ADVERTISING IN ACTION" - A dramatized session of case histories.  
 DONALD F. SWANSON  
 Director of Marketing, Flour and Mixes,  
 General Mills, Inc.,  
 Minneapolis, Minn.

"THE WONDRA FLOUR STORY" - Example of Effective Co-ordinated Marketing.

"BLAME IT ON THE BOSSA NOVA!"

DAVID R. BUGLASS

Advertising Manager

Armstrong Cork Canada Limited

Montreal

"NOW IT CAN BE SOLD!"

LAURENCE DUNCALFE

Advertising & Sales Promotion Manager

Facelle Company Limited

Toronto

3.30 p.m. . . . . Intermission - Tea and Coffee Time

CFRB, Toronto and CJAD, Montreal

3.45 p.m. . . . . Ballroom

"NOW PIGS REALLY FLY!"

JACK D. CAMPBELL

Vice-President

Greb Shoes Limited

Kitchener

"THE CHRISTMAS LIGHT STORY OF CGE"

ROSS JOHNSON

Manager

Marketing, Lamp Department

Canadian General Electric Company Limited

Toronto

"A ROSE IS A ROSE IS A ROSE"

HENRY A. SKINNER

Director of Marketing

Nabisco Foods

Toronto

"THE LIGHT THAT FAILED"

JACK BUSBY

Advertising Department

Imperial Oil Limited

Toronto

6.00 p.m. . . . . Cocktail Party - Ballroom

(For Annual Dinner Guests)

7.00 p.m. . . . . Annual Dinner - Canadian Room

ENTERTAINMENT

CTV Television Network Presents  
A Riotous Evening of Entertainment



REEVE ROBERT SPECK  
TORONTO TOWNSHIP

"Located in one of the most favoured areas in Canada, Toronto Township offers to private and corporate citizens alike, advantages found nowhere else. Six major highways running through the township, C.P. and C.N. Railway facilities, together with being the home of Toronto International Airport, make the area unique. "Already more than 100 major industries and 70,000 people make their home in Toronto Township and more come every month. "CHWO Radio's coverage of an urbanizing area and the township far beyond our boundaries, makes it a popular and important part of Township life."

## The White Oaks Market

Population . . . . . 233,500\*  
 Retail Sales . . . . . \$148,054,000\*  
 Households . . . . . 61,700\*  
 Buyers Income . . . . . \$431,281,000\*  
 24,592\*\*Employees in 445\*\*Plants  
 Earning \$109,874,000\*\*.

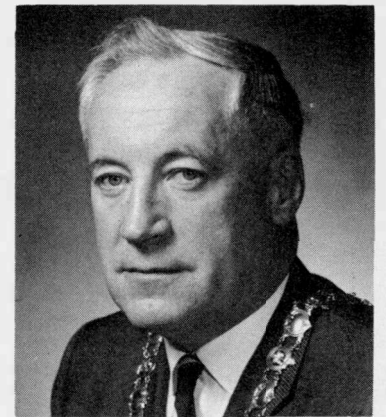
## The White Oaks Station

# CHWO RADIO

Dial 1250

1000 WATTS, SPEAKING TO PEEL AND HALTON COUNTIES

Call these Representatives for the Facts



MAYOR ALLAN MASSON  
OAKVILLE

"Once a summer colony, - now one of the fastest growing commercial and industrial centres of Ontario, Oakville claims to be Canada's largest town. Beautiful parks, modern schools, cool breezes from the Lake, all contribute to good living for its 46,721 people. "Being a huge consumer and product market with a substantial labour pool, excellent transportation facilities and ample housing, makes it a prime site for new business as well. "Through its regular reports to the people, CHWO carries the voice of Oakville far beyond municipal boundaries and this renders a valuable public service to the community"

TORONTO  
 National Sales Office,  
 66 King St. W.  
 366-7182 - Hal Pirner  
 923-6814 - Howard Caine

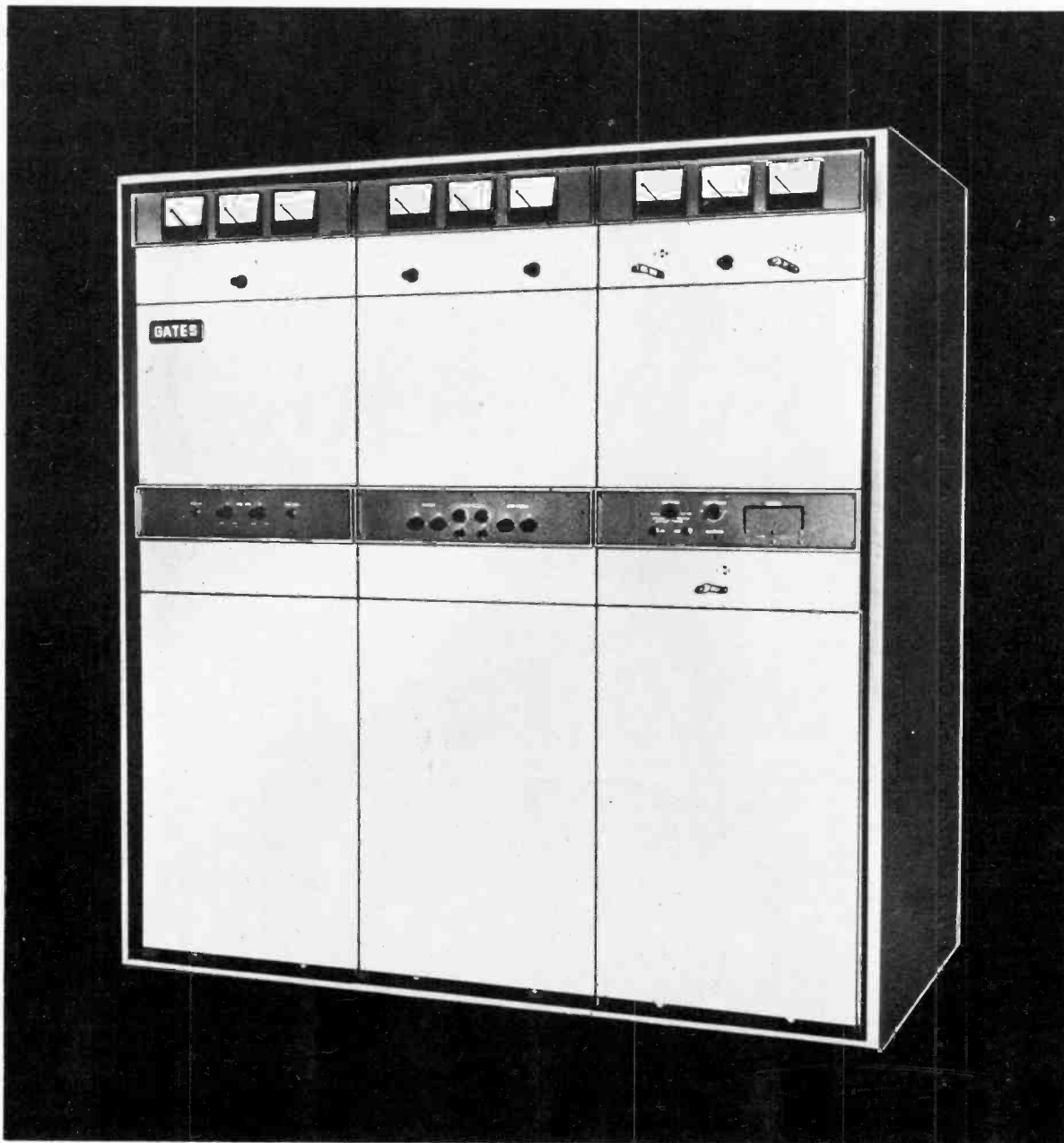
WINNIPEG  
 Broadcast Representatives  
 211 Dayton Building  
 WH 3-6115  
 Mrs. Helen Kolomaya

MONTREAL  
 Radio & Television  
 Sales Inc.,  
 Windsor Hotel.  
 UN 6-2749 - Jim McLennan

VANCOUVER  
 Radio Representatives Ltd.,  
 1131 Richards Street,  
 MU 5-0288  
 Frank Jobes

\* Sales Management - 1963  
\*\* DBS - 1961





# A TRULY GREAT DESIGN

The Gates BC-10P 10,000 watt AM broadcast transmitter was designed and built to meet certain specific requirements regardless of cost. The aim was to make it the most reliable and compact transmitter on the market within the confines of good engineering practice. The world-wide acceptance of the Gates BC-10P is proof of its worth.\*

The Gates BC-10P AM broadcast transmitter features tri-unit cooling, a complete Tee network to guarantee meeting FCC harmonic reduction figures and the largest power amplifier component list of any 10,000 watt transmitter made. It is available with either tube or silicon rectifiers, and a total of 22 sealed transformers and reactors are spaciouly distributed throughout the three cubicles.

*\*Some Canadian users of the BC-10P transmitter:*

CKDM—Dauphin, Man. CJLR—Sillery, Que. CKCM & CBT—Grand Falls, Nfld. CKX—Brandon, Man. CKRD—Red Deer, Alta. CFOX—Pointe Claire, Que. CKVM—Ville Marie, Que. CKSA—Lloydminster, Alta. CBY—Cornerbrook, Nfld. CBZ—Fredericton, N.B. CKPM—Ottawa, Ont.



**CANADIAN MARCONI COMPANY**

BROADCAST & TV STATION EQUIPMENT SALES

Head Office: 2442 Trenton Ave., Montreal 16, P.Q.



HALIFAX MONTREAL OTTAWA TORONTO CALGARY VANCOUVER

Full technical data available on request.

NIGHT and DAY--THROUGHOUT the WEEK

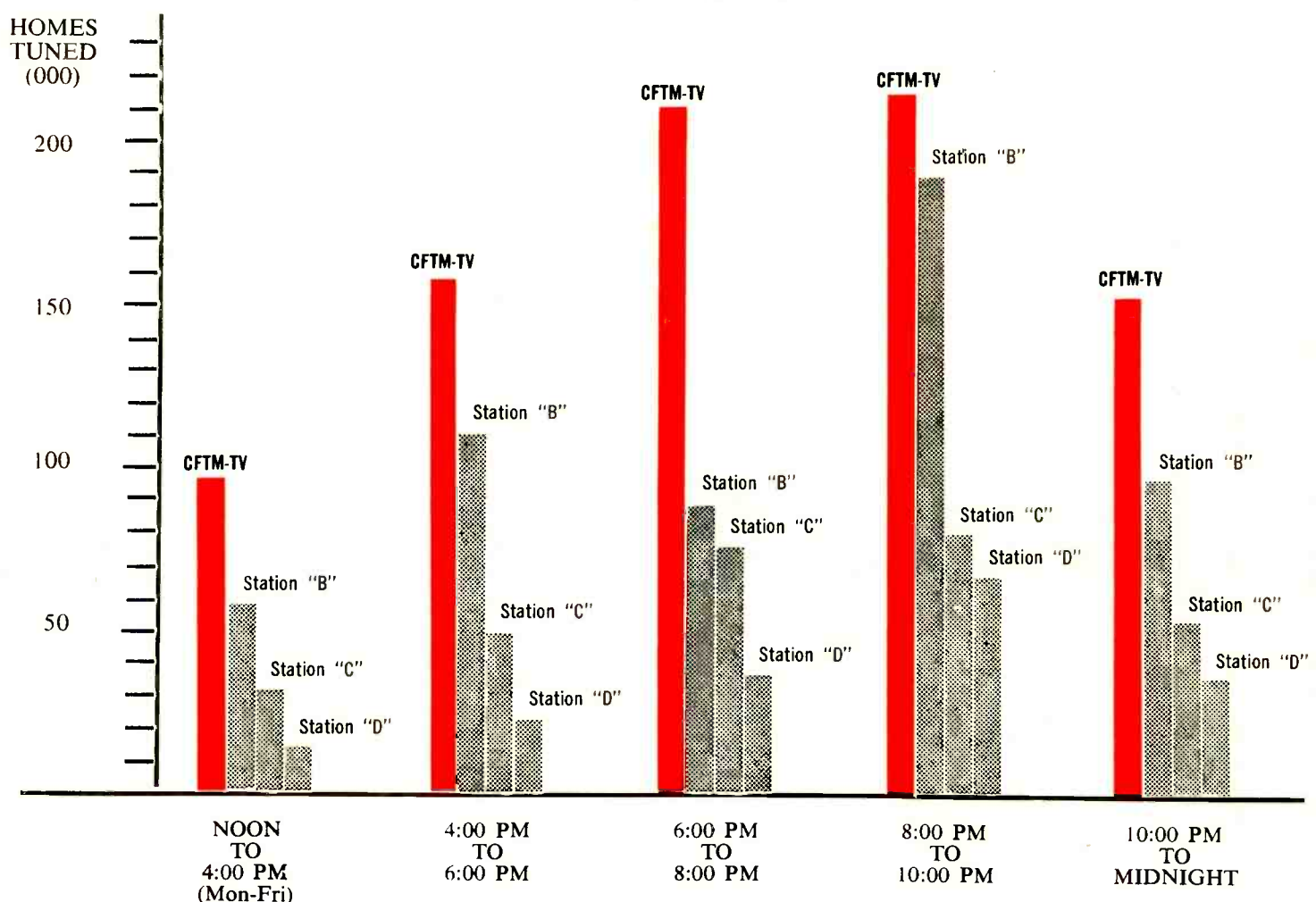
# CFTM-TV

## DOMINATES TELEVISION

IN

# MONTREAL

TOTAL AVERAGE HOMES DELIVERED PER ¼ HOUR, SUNDAY THROUGH SATURDAY  
NIELSEN NBI, FEBRUARY 1964



Montreal is SOLD on

# CFTM-TV

CHANNEL  
10

Representatives

**PAUL L'ANGLAIS INC.**

Stovin Byles Limited

Forjoe & Company Inc.

Toronto—487-1551. Montreal—526-9201

Winnipeg—943-2662. Vancouver—MU-4-4831

New York—OR 9-6820