

The
J. WALTER THOMPSON
NEWS
BULLETIN

25-31
3-



FEBRUARY 1922

buying appropriation, an accounting appropriation, or an overhead appropriation. Such items as these usually have a cost terminology. And the fact that we so rarely hear mention of an advertising cost is an indication that we first need clearer thinking about the place of advertising in the business budget if we are to have better control of its expenditures.

The advertising appropriation, as the term indicates, is still too often "a sun set aside" from the other financial items of the business. It finds its way on to the profit and loss sheet, but not often enough does it appear on the operating sheet.

The result is that the advertising appropriation, instead of being calculated coldly on some sound basis, is arrived at too often as the result of an emotional contest between the sellers of advertising and the powers that hold the purse strings.

Every experienced advertising manager, advertising agent, and representative of advertising knows, unfortunately, in how many cases the whims and prejudices, the temporary waves of optimism and pessimism, of the business determine the size of the advertising appropriation.

COPYRIGHT 1922
J. WALTER THOMPSON COMPANY
NEW YORK

In brief, in most business advertising is used at all it has advanced from the old nigger stage to a place of belief in advertising as a good policy.

But what has not been fully recognized is what Franklin said of the old adage, "Honesty is the Best Policy," namely, that honesty is not a policy, but a principle.

"How much should I spend for advertising?" can no more be answered by rule and precept than could the question, "How much shall I spend for a factory?"

The first thing to get clear is the unit basis for the advertising cost. For this purpose it will usually be found desirable to select the common unit basis of sale upon which the business is conducted. In a grocery trade product, for instance, the advertising cost should be so much per case. In the textile business it might be so much per yard. In another business, so much per gross, or dozen, or hundred. Where the unit of sale is a large one, as in the case of automobiles, household appliances, or watches, the basic unit might be the article.

In some cases the volume of business will be made up from a line of units at varying prices, as, for instance, a line of tin-

The Control of the Advertising Appropriation*

BY JAMES W. YOUNG

Vice-President of the J. Walter Thompson Company

THERE was once a wizard of advertising salesmanship who closed his exhortation with this classic appeal: "Be a sport and take a page."

There was a day when most advertising expenditures were made on just that basis. The theory was that of "cast your bread upon the waters, and perhaps you will be one of the lucky ones to whom it will return manifold."

Thank the Gods of Good Business that the day of advertising "flyers" has gone, with no more traces to be found of it today than could be found of such archaic business practices as single-entry bookkeeping and buying good-will with liquor.

In most businesses today advertising has advanced to a place where we have, as the title of this article indicates, an advertising appropriation. Somehow or other, a sum is arrived at which will be expended for advertising over a given period of time. The wide extent of this practice as it may be found today represents a vast improvement in the control of advertising expenditures.

In the very term "advertising appropriation," however, there lingers an indication of an attitude toward such expenditures which shows that they have not been brought within the control of sound business principles.

Something more than alliterative attractiveness is behind that name "advertising appropriation." We never hear of a salesman's appropriation, a manufacturing appropriation, a

* A reprint from *Administration, the Journal of Business Analysis and Control*.

buying appropriation, an accounting appropriation, or an overhead appropriation. Such items as these usually have a cost terminology. And the fact that we so rarely hear mention of an advertising cost is an indication that we first need clearer thinking about the place of advertising in the business budget if we are to have better control of its expenditures.

The advertising appropriation, as the term indicates, is still too often "a sum set aside" from the other financial items of the business. It finds its way on to the profit and loss sheet, but not often enough does it appear on the operating sheet.

The result is that the advertising appropriation, instead of being calculated coldly on some sound basis, is arrived at too often as the result of an emotional contest between the sellers of advertising and the powers that hold the purse strings.

Every experienced advertising manager, advertising agent, and representative of advertising knows, unfortunately, in how many cases the whims and prejudices, the temporary waves of optimism and other emotional considerations determine the size of the advertising appropriation.

In brief, in most businesses where advertising is used at all it has advanced from the old flyer stage to a place of belief in advertising as a good policy.

But what has not been fully recognized is what Franklin said of the old adage, "Honesty is the Best Policy;" namely, that honesty is not a policy, but a principle.

"How much should I spend for advertising?" can no more be answered by rule and precept than could the question, "How much shall I spend for a factory?"

The first thing to get clear is the unit basis for the advertising cost. For this purpose it will usually be found desirable to select the common unit basis of sale upon which the business is conducted. In a grocery trade product, for instance, the advertising cost should be so much per case. In the textile business it might be so much per yard. In another business, so much per gross, or dozen, or hundred. Where the unit of sale is a large one, as in the case of automobiles, household appliances, or watches, the basic unit might be the article.

In some cases the volume of business will be made up from a line of units at varying prices, as, for instance, a line of un-

derwear, or of shoes. The most common practice in such businesses is to establish the advertising appropriation upon the percentage of the business as a whole, as, for example, 3 per cent or 5 per cent on the preceding year's volume. This is a convenient and easy method of arriving at the advertising figure, and likely to be a satisfactory one where the line is of a staple character built up of regular grades of merchandise, and does not include specialties. On a flat percentage basis of this kind, advertising is treated practically as overhead is treated, or what the cost accountant terms an "over-all" item. It is figured in as part of the regular cost before pricing goods.

This "over-all" method has the disadvantage of at times fluctuating unduly with the price of raw material and labor. A shoe manufacturer, for example, may be producing exactly the same number of pairs next fall as he produced a year ago, yet, due to decreased raw material costs, his volume in dollars and cents may be considerably less. A flat 3 per cent advertising appropriation upon his volume would be automatically reduced to the point where he probably would not have a sum adequate to buy the advertising necessary for his business. Wherever, therefore, such a manufacturer is producing in a market of fluctuating values, it would seem that the advertising cost should be figured upon the same fixed unit basis that his raw material must be figured on.

Once having established the unit of sale upon which his advertising cost shall be based, the manufacturer faces the practical and difficult problem as to just how much in dollars or cents this unit cost shall be. If he has an established business on the product or line which he proposes to advertise, he begins by laying out before him the already established unit figures for the other cost items of the product. These items will be, presumably:

Manufacturing00
Selling00
Administration00
Profit00

Selling Price 0.00

Assuming that he has done no advertising, these are the items which, in some form or other, he must start with. Obviously, an advertising cost figure must be provided either by reductions in the figures for manufacturing, selling, administration or profit, or by increase in the selling price.

Competitive and market conditions may be such that the selling price may be justifiably increased to cover the entire advertising cost.

If the purpose of the advertising be primarily to insure the maintenance of an existing volume of business at a good margin of profit, this advertising insurance may be provided for entirely out of the profit item.

More commonly, however, the advertising will be entered into for the purpose of increasing volume, in which case there are four possible sources from one or more of which the advertising cost may be drawn. First, the increased volume should reduce manufacturing costs—particularly manufacturing overhead. This can be calculated to some extent. Second, it may reduce selling costs; but these costs often being in the form of salaries and commissions, which cannot be reduced in advance, the savings are often difficult to estimate in advance. Third, administration costs will undoubtedly be reduced with increased volume—and some estimate can be made of this. Fourth, the profits may be reduced on the unit basis for the sake of estimated gain on the dollars and cents basis.

Having studied these existing cost factors in his business, and the margin which each or all of them might allow for advertising upon an estimated increase in volume, the manufacturer should now turn to the other side of the problem and consider how much advertising he will need to buy to accomplish the desired result, and what it will cost.

In doing this, he faces much the same kind of a question as he would in planning a new factory. In planning such a building he estimates first, certain tangible realities such as the production capacity required, the necessities in relation to raw material, power, labor, etc., and then finds out what costs will be involved in executing the desired plans. In the end he lets the contract, staking his money upon his judgment that he can bring to pass the necessary combination of forces to make the project profitable.

In the same way, he should now turn to a consideration of what his advertising shall accomplish. What is the aim of the advertising proposed? A new market is to be developed, an increased number of dealers is to be secured, or the group of consumers is to be enlarged. Some kind of a definite goal or quota or task may be determined upon.

Then, what are the conditions upon which the accomplishment of this task depends? What is the competition? What is the attitude of the trade? What are the habits and state of mind of the buying public? What is the possible volume of business?

Then, what kind of advertising is needed to accomplish the given purpose? How much of it is needed? What will it cost?

Upon all these questions guidance may be had through utilizing the experience and equipment of the modern advertising agency, just as the experience and equipment of the architect and the engineer can be brought to bear upon the factory problem.

In short, the plan for the advertising should be made, and an estimate for the cost of executing it prepared, for consideration in relation to the facts previously developed through a study of the various cost items of the product. With these two kinds of information before him, the manufacturer and his advertising agent are then in position to determine upon a sound financial basis for the advertising in relation to the rest of the business. To fix such a basis without a careful survey of the job to be undertaken and the cost of doing it, is like trying to fix a manufacturing cost unit without knowing the price of raw material. On the other hand, to fix the advertising cost unit without judging its proper relation to all the other cost factors on the product, is like building a factory without knowing exactly how it is going to be operated to make money for the owner.

To the executive who will approach the control of his advertising expenditures in this way will come a new realization of profit from these expenditures.

He will reduce, if not eliminate, the possibility of either overspending or underspending.

He will let the needs and opportunities of his business,

instead of competitors' activities, set the advertising pace.

He will synchronize his advertising with the other parts of his business.

He will provide a better basis for judging its results.

He will impose upon his advertising organization a more definite responsibility for securing results.

And he will give his advertising organization a greater opportunity to produce results for him, by enabling them to devote to the work of making advertising pay, the time and thought they must now devote to selling him the "advertising appropriation."

"1864"

Figures recently supplied by the New York Council of the A. A. A. A. show that the J. Walter Thompson Company heads the list as the oldest agency of the Council, having been founded in 1864. The Dauchy Company followed three years later, 1867, with the Philip Ritter Company incorporating in 1870. In 1872 Albert Frank and Company was formed and the year 1874 found two more newcomers entering the field of organized advertising. These two were the Joseph Richards Company and Nelson Chesman and Company.

The cover of the News Bulletin was designed by Mr. Gordon C. Aymar and executed by Mr. Clarence Beckman of the Art Department, New York Office.

Thirty years ago the number of drug store items on the market was about 2,700; today the number reaches almost 46,000.

*Record of
Drug Store*

Eloquence in Advertising Illustration

Why it is necessary to have this element in order to "say it" emphatically and interestingly

BY JOHN T. DE VRIES

Art Director, New York Office

AN advertising illustration must be timely and interesting, but with one additional element that the average photograph does not possess. It must have the emphasis intensely applied—sheared down to its simplest form—to the message that will cause the sale of the product.

That particular expression, that particular attitude, that certain situation is thus intensified by the elimination of all factors that do not contribute directly toward it. It then makes not only an immediate impression upon the reader, but one that he will memorize and thereafter associate with your particular message.

The expression on a face can be made so vivid and so well fitted to the advertiser's message that it will not be forgotten. Likewise the gesture or the poise of a figure can be eloquent and so well illustrative of the idea of luxury or of joy in the surroundings, that it will form a direct association with the story.

Choosing the personalities for the pictures in your advertising copy is similar to choosing the salesmen who are to represent you in person. The right selection of these picture people is vital to the success of the advertisement. One wrongly chosen—just as in the cast of a play—can destroy the whole dramatic interest and prevent a true interpretation of the story. All the characters must be vitally interested in making the message apply to the reader, so that a vivid impression is left and an association definitely established. Then an interest is aroused that will be effective when the opportunity to buy presents itself.

I have before me four illustrations. Here are two which register the personalities and, more important still, the *emotions* of the people represented. One shows a man being helped into his overcoat by a waiter. He has evidently just finished a

meal. As he looks down at the table his face registers a very subtle expression, and so intensely that the reader almost immediately begins to be aware of the same emotion. The man is doubtful whether his meal was right—whether he has been eating the right kinds of food.

The second illustration shows an automobile full of people all rather holding their breath with anticipation, as a fragile receptacle falls from the car. The people depicted in these two illustrations are acting their parts in the situation created to sell the products, as surely as are the actors in a drama performing to put across the idea of the playwright. They are your representatives—actors who are acting to sell your product.

Here is an illustration of a group of ladies. The faces do not portray emotions, but they are pretty and well-bred. The particular emphasis is on the gestures and the articles they are handling. The clothes, gowns and dresses look clean and fresh and the ladies are actually revelling in the delicacy of feminine finery. The reader can think of nothing but fine clothes, beautiful fabrics, clean things. These ladies are pictorial actresses, appearing in the magazines, staging the story that tells a certain manufacturer's message to the women of America.

Here is the fourth. It shows a man and a girl. The girl's skin is wholesomely healthy. Her color is delightful. She has the assurance of a well-groomed person. She is holding the stage, interpreting a message to women.

Each of these four pictures is distinctive in its make-up. Every personality is carefully created to deliver an interesting message to the reader.

By using drawings of different styles and treatments, we are able to magnify the essential gesture or emotion to suit the story. Some will be real people, some fictitious. Some will be merely figures or symbols to show clothes. Some never show the face and are more powerful with back turned; some show heads, some show feet, some show only hands. But all to one definite purpose—the interest intensely applied.

The Beech-Nut Case

PRESENT day merchandising methods and future legislation regarding them are likely to be affected by a recent decision of the United States Supreme Court. This was in the case of *FEDERAL TRADE COMMISSION vs. BEECH-NUT PACKING COMPANY*. The Commission was upheld by the court in its issuance of an order commanding the Beech-Nut Packing Company to abandon trade practices designed to maintain uniform and fixed prices on the products of the concern.

However, the court pointed out that the order of the Commission had been too broad. Only the particular trade practices which the Commission felt were operated in restraint of trade should have been specifically forbidden. Even then, four of the nine Justices—Holmes, McKenna, Brandeis, and McReynolds—dissented. In their opinion, the Commission had no right to issue such an order, no matter how specific its terms.

According to Mr. Edmond A. Whittier, president of the Fair Trade League, as he is quoted in the *Daily News Record* of January 6, the decision "emphasizes the necessity for the immediate passage of clarifying legislation," such, he points out, as the Stephens-Kelly bill, now before Congress. This bill proposes "to protect the public against false pretenses in merchandising, under trade-mark of special brand, of articles of standard quality" and provides that the producer may "prescribe the uniform prices and manners of settlement at which the different qualities and quantities of each article may be resold." In short, that he may do just what the Beech-Nut Packing Company was restrained from doing by the order of the Commission. The bill adds modifying provisions to guard against the formation of monopolies and the misuse of the powers it would grant.

Printers' Ink of January 12, commenting on the case, said in part:

"It is obvious, of course, that the abstract right to sell is of little practical value if it cannot be made effective by methods which do not violate the law. . . It may be true, that the right to refuse to sell *per se* is upheld by the court. But it is also true

that such a right has no concrete existence and cannot be exercised without the use of methods which may or may not be illegal when combined. The importance of the decision lies in the methods which the court condemned as being clearly violative of the anti-trust laws, and not in its implication that the company could not be deprived of its abstract right to refuse to sell."

Transplanting a New England farmhouse to the heart of New York City

*The new Display Room, Food Laboratory and Laundry
of the New York Office*

A TWO-HUNDRED year old farmhouse with its two-hundred year old New England atmosphere is soon to become a part of the fourth floor of the New York Office. It will be but a step from the busy streets of the metropolis to the very quaint and peaceful environment of a comfortable old Yankee homestead. One may cross the broad pine planks of the venerable floor and sit on the comfortable settle by the great chimney-place where logs blaze their welcome to the city-worn visitor. The rooms of this remarkable house are to be removed, peg by peg, and board by board from an ancient home near Ipswich, Massachusetts. The old cupboards, window seats and casements which have witnessed the passing of so many generations will be in their original places.

At one end of the suite will be the display room. The laboratory, adjoining, will contain the latest approved equipment for making food tests. Success in these, comparable to that achieved for a long time in a similar laboratory in the Chicago Office, is hoped for. In the laundry there will be two stationary tubs, a washing machine and an ironing machine. Tests and experiments will be made in connection with investigation and research on commodities designed for the household.

The accounts in the Men's Editorial Department of the New York Office have been divided into two groups, with Mr. Leffingwell as one group head and Mr. Rothschild the other.

The Development of Outdoor Advertising

BY E. O. PERRIN

Media Department, New York Office

A FEW years ago an outdoor advertising company consisted of a small crew of men who toured the country with a mule-team, painting signs on buildings wherever the owners' permission could be secured. Farmers frequently allowed their barns to be painted for nothing, and when a fee was charged it usually consisted of a dollar bill, a package of seeds, or a subscription to a magazine.

In 1905 the cost to the advertiser of a painted display in country districts was about one and one-half cents per square foot, a figure for which the paint itself could not be purchased today. But the advertiser rarely knew what he was getting for his money and there was no guarantee as to the character or duration of the display. The design seldom consisted of more than the name of the product or a short slogan crudely lettered on a black or yellow background. In spite of these conditions, however, it gradually became apparent that outdoor advertising could be made a powerful selling force, and the business continued to grow, until in 1909 it amounted to about \$5,000,000. Since then, the increase has been tremendous, and last year the total volume of outdoor advertising in the United States exceeded \$30,000,000.

Aside from the spectacular electric displays, there are today two important types of outdoor advertising—paper and paint. Painted walls and bulletins are usually sold on an annual basis, and copy can be changed every six months. Prices vary so greatly according to size and location that no definite figures can be given. An ordinary painted wall or bulletin usually rents at between \$200 and \$500 per annum. Each painted sign is sold separately, which allows the advertiser to choose the exact location for his display. Poster displays on the other hand, are in fixed groups covering whole cities and districts and are sold on a monthly basis, the paper being changed once a month. The standard twenty-four sheet poster

is a lithographed paper sign measuring a little less than ten by twenty feet. A regular poster location usually rents for \$7.20 per month and special locations at a somewhat higher figure. The popular impression that outdoor advertising is very expensive probably arises from the fact that some of the spectacular displays rent at extremely high figures. The big Wrigley electric sign at Times Square, New York, costs the advertiser \$108,000 a year.

Some idea of the cost of an average outdoor campaign can be obtained by comparing the rates with the cost of newspaper space in a given community. In the City of Chicago, for instance, it is possible to secure forty-eight painted walls and bulletins at a cost of \$1,250 per month. The cost of a full page for one insertion in Chicago's largest newspaper is \$1,708. In Kansas City, a display of one hundred standard twenty-four sheet posters costs \$755.60 per month, as against \$1,064 for one full page in the leading newspaper. A representative poster campaign covering the entire country and consisting of 17,196 posters would cost the advertiser about \$140,000 per month. In comparing rates, however, it would be a mistake to consider outdoor advertising as in any way competitive to printed copy. One of the first precepts taught in outdoor advertising today is that it should be, in the highest sense, co-operative with newspaper and magazine advertising.

There has been, from time to time, considerable opposition to outdoor advertising, and in some states certain legal restrictions have been placed upon it. This is largely due to the low standard of art work which has prevailed in the past, and to the fact that locations have not been wisely selected. The better outdoor advertising companies are now choosing locations carefully and intelligently, and the objectionable features are being eliminated. Although there is still some agitation against it, indications seem to show that popular acceptance of outdoor advertising is assured. In this connection it is interesting to note that although the outdoor medium was first used on a large scale by the makers of patent medicines, it is now employed by nearly every type of advertiser. Jewelry, automobiles, clothing, phonographs, tobacco, soap, razors, ice cream and furniture are only a few of the products now

seen on display. The use of outdoor advertising during the Liberty Loan drives, as well as in recent political campaigns, is too well known to need comment.

Outdoor advertising is now conducted by a large number of companies scattered all over the country, many of whom are in competition with each other in various territories. By far the strongest and most progressive of these organizations is the Thomas Cusack Company. Considerably more than half of the total volume of outdoor advertising in the United States last year was placed by that organization. The Thomas Cusack Company owns and operates both paint and poster plants in several hundred cities and towns throughout the country, and also places advertising in nearly all the small independent plants. In fact this company is the only organization through which complete national outdoor campaigns can be secured. There are now between seven and eight thousand men on the Thomas Cusack payroll.

The more progressive advertising agencies, in making plans for their clients, now study outdoor advertising just as carefully as other forms of media. About three years ago, in order to obtain the maximum service for outdoor campaigns, a group of agencies organized the National Outdoor Advertising Bureau, Inc. This organization, which accepts business only from its agency members, secures both national and local displays through the Thomas Cusack Company.

Terms commonly used in Outdoor Advertising

SPECTACULAR: An electric display built on a skeleton steel frame with flashing devices which light different parts in regular order, thus giving the effect of motion.

SEMI-SPECTACULAR: An electric display combined with an illuminated painted sign.

BULLETIN: Any outdoor sign which is handpainted in oil colors. May or may not be illuminated. Usually repainted twice a year.

ROOF BULLETIN; WALL BULLETIN; HIGHWAY, ROADSIDE OR BOULEVARD BULLETIN; RAILROAD BUL-

LETIN: Painted signs located as the names imply. May or may not be illuminated. Classed as regular or special according to the importance of the location and the circulation commanded.

DE LUXE BULLETIN: A painted bulletin with special architectural ornamentation or artistic frame.

SIDEWALK OR STORE BULLETIN: A painted sign placed on the side of a building on the street level.

NEIGHBORHOOD BULLETIN OR WALL: A painted sign which is not located on a main artery of travel, and is

thus seen chiefly by the residents of a particular neighborhood.

COMMERCIAL SIGN: A display which is sold outright to the advertiser. May be anything from a spectacular to a small lettered sign, sometimes maintained on a service basis.

HIGH-SPOT: Any location of particular prominence.

POSTER: A lithographed paper sign which is pasted on a metal panel. This term is usually applied to the standard twenty-four sheet poster, which is nearly ten by twenty feet, and which is posted once a month.

BOARD OR PANEL: Terms used for the metal background on which posters are placed. Measures about eleven by twenty-five feet and is of a standard galvanized iron construction. The poster is surrounded by a white border and a green moulding.

Note: The terms billboard and billposter are no longer used by outdoor advertising men.

FULL-SHOWING: An intensive poster display in a given territory designed to gain particular dominance.

HALF-SHOWING: A representative poster display so distributed as to give adequate coverage in a given territory. It should be seen by practically the entire population in the course of a month.

QUARTER-SHOWING: The minimum poster display.

PARALLEL POSITION: A position in which the poster is parallel to the road or street.

HEAD-ON OR STRAIGHT SHOT POSITION: A location which enables the poster to be seen by those looking straight down a stretch of road or street.

SEMI-HEAD-ON POSITION: A location in which the poster is set at an angle to the road or street.

STAND: A group of panels for posters set very close together and usually all visible from the same position. The tendency among the best plants is not to place more than four panels in one stand.

REGULAR: A standard poster location—including any location not classed as special.

SPECIAL: A poster location with any special advantage, such as illumination or unusual position which makes it more valuable than a regular.

BLANK: A board carrying no poster.

IMPRINT: A small poster or panel placed on a poster giving name of local distributor or other information. Also the small headboard carrying the name of the outdoor advertising company.

BLANKING: The white paper border between the poster and the moulding.

DOUBLE-DECKER: One poster placed directly over another. There is a tendency to eliminate this form of construction.

PLANT: A number of outdoor advertising locations in a particular city or district. It may be either a painting or a posting plant, or both, and may be operated by either an independent company or a branch of a larger organization.

SNIPING: The placing of an advertising sign without permission or of payment to the owner of the location. Frequently seen on fences and trees in rural districts. This practice is rapidly being eliminated.

COPY OR SKETCH: The design for a poster or paint display.

CIRCULATION: The estimated number of persons who would ordinarily pass any given location during the course of a day.

The London-Paris Air Line

A letter from

S. H. PARADISE

Manager, London Office

“OVER here travelling by air has become almost as cheap and much easier than travelling by rail. The great ‘Air Lines’ are advertised every day in small space alongside advertisements of taxi companies, motor trucking companies and other prosaic means of transport.

“An automobile meets passengers in London and takes them to the aerodrome where, without formalities, they climb into the cabin of the plane and settle down in comfortable armchairs. With a roar the motor starts and the plane runs, bumping and rattling, along the ground. Suddenly the bumping stops, you look down, and with a distinct shock see that the spectators and aerodrome already look absurdly small below you. There is a lurch. One wing points towards the ground as the plane banks in a huge circle to gain altitude, and you are off.

“The plane seems to be as steady as if on rails, and there is no sensation of being without support below. The noise and vibration is so great that conversation is impossible. Anyway, the passengers are too interested in looking down to talk.

“All around the country is spread out as if seen from the top of a high tower. And it seems almost as stationary. There is no rapid change of scenery in an aeroplane journey.

“Some one points ahead to a long streak of sand flecked with white—the shore of the Channel. It seems many minutes before you are actually over the water which stretches like a solid, blue, sunlit plain, with small irregularities stationary on its surface like the ripple marks on a sandy beach. Here and there are long white streaks which you recognize as the wakes of almost invisible little steamers.

“Just below you is a city with long piers stretching out into the Channel and a harbor reaching inland. It is Calais, one hour after leaving London. Just beyond are green fields interspersed with queerly shaped, geometrical patches of ploughed land.

"But a grey haze begins to hide the fields and you notice flecks of rain on the window beside you. And the plane begins to behave in a disagreeable way, suddenly dropping a few feet and bringing up with a jolt and a jar, as it strikes air pockets. It is like an automobile whose driver makes no attempt to ease or avoid the bumps in the road.

"Then suddenly the motor stops. The quiet seems overwhelming. The nose dips down and through the mist you see Le Bourget Aerodrome. Little by little the ground seems to rise up to meet you, finally strikes you with a heavy thud, and you find yourself bouncing across the field to where a bus is waiting to take you to your hotel.

"It is just two hours and fifteen minutes since you left the ground at London."

Mr. Gordon C. Aymar, of the Art Department, has designed a medal for the Near East Relief to present to its workers in recognition of service. Photographs of the medal, which was cast by the Gorham Company, are printed in the January number of the *New Near East*, with this description:

"One side of the medal shows shields with lesser shields, representing: the Crescent for Turkey, the Lion for Persia, the Mountain for Armenia, the Cedar of Lebanon for Syria, and the Jerusalem Cross for Palestine. Above is the Star, emblem of the Near East Relief, and around the lower edge the words, *Opus Justitae Pax*—"The work of righteousness shall be peace." On the reverse side is the monogram of the Near East Relief and the words, 'For faithful and unselfish service to humanity.' The medal is designed to describe the spirit, courage, and motive of our workers, and is presented to them in full appreciation of their efforts."

Altogether there are between six and seven thousand items in a well stocked drug store—coming from several thousand different manufacturers and importers.

Mr. David N. Walker, Jr. has been appointed an associate representative in the New York Office.

Population and its Distribution helps the Government solve a problem

AUTHENTIC information obtained from the J. Walter Thompson Company's publication on the distribution of population recently enabled the Joint Commission of Agricultural Inquiry of the United States Congress to complete some important investigations. The problem of compiling a report on present agricultural economic conditions with regard to marketing and distribution found the commission with no reliable data to follow. The needed information was an analysis of service costs of commodities on the long and intricate journey to the consumer from the manufacturer.

A copy of *Population and its Distribution* was discovered in an office of the United States Chamber of Commerce. The tables of retail and wholesale outlets found in the book were of immediate and valuable interest to the members of the commission. It was possible to find out the average amount of a given product furnished through each retail and wholesale outlet to each family and to each person in the various states and in cities of fifty thousand people or more. This information was later related to manufacturing data secured from the Census of Manufacturers. A copy of the tabulation is on file in the New York Office.

A letter to Mr. Resor from Mr. Irving S. Paull, Secretary of the Commission, follows:

"When this Commission faced an almost entire dearth of reliable data relative to the distribution of population and industries, your book, *Population and its Distribution*, proved to be the key with which to open almost every possible resource.

"In fact, I was so well pleased with your book that I made inquiry as to its tabulation and secured the services of Miss Ruth Stocking, who has in every particular lived up to the best of our expectations.

"While we regret to have her withdraw from the work of this Commission, we still find pleasure in knowing that she is going back to an organization possessing the constructive vision to produce results of this character."

President of large Insurance Company endorses Dr. Watson's plan

ENDORSEMENT of Dr. Watson's recommendations for an educational campaign in insurance has come from the president of one of the large life insurance companies of America. Mr. Philip Burnet, president of the Continental Life Insurance Company of Wilmington, Delaware, has answered Dr. Watson's article* in the *Insurance Field* of November 25th. He holds that Dr. Watson's plan would bring to the insurance business an increase in annual net profits and savings of "something like ten million dollars."

In his article, Dr. Watson pointed out that "even the most conservative insurance men feel that greater prestige is desirable." He gave the "causes leading to popular prejudice against the insurance salesman." His article outlined an educational campaign for the insurance business. The cost was given as two million dollars.

In his reply, Mr. Burnet expresses the conviction that such a campaign would accomplish five results at least: it would increase the amount of insurance sold, draw into the business of selling insurance a great number of first rate men who would otherwise not engage in it, reduce the number of policies that are voluntarily terminated, reduce the overhead expense of the business, and retard the increase of taxation on insurance. The first three of these results alone, Mr. Burnet says, would mean a saving and an increase in volume of nine hundred million dollars annually. Another hundred million, he states, would probably be added by the other two advantages resulting from the campaign, namely, the reduction of overhead and the retarding of the growth of taxation. Taking ten dollars a thousand as the accepted average rate of surplus earnings in the insurance business, Mr. Burnet concludes that the addition, by Dr. Watson's proposed advertising campaign, of a billion dollars to the volume of business done by the companies "would have an economic value

* How to Break Down Resistance to Life Insurance. A reprint of this article has been made, in pamphlet form, and can be had by applying to the Business Extension Department of the New York Office.

to the companies of something like ten million dollars over and above the saving in overhead and taxation, which two items alone should defray the advertising cost."

"As a by-product of such a campaign, if intelligently carried out," writes Mr. Burnet, "there would be another factor of great economic value, which it is difficult to put into figures, namely, the greater understanding and appreciation by the public as a whole of the value of life insurance and of the important place of the life insurance man in the life of the community, resulting in turn in a very different attitude of courts, juries, legislatures, and all governmental bodies; but above and beyond that, resulting also in so inspiring the majority of the thousands of life insurance men with a feeling of the use and dignity of their work, as to unlock their deepest energies and make their work a pleasure and pastime, chiefly because of their realization of the fact that their real importance to the community is beginning to be realized and understood by the public as a whole."

Under the bushel?

THE anonymous author of "Making the Big Idea Graphic," an article in *Printers' Ink* of January 12, has drawn upon the work of the J. Walter Thompson Company for a number of his examples.

"Some ideas," says the article, "can be made graphic diagrammatically. Others can best be made graphic pictorially. Still others photographically. Some few can be expressed in figures or symbols. And occasionally we find an idea that is word-graphic—that is to say, can be expressed or pictured graphically in words alone.

"Taking the last class first, the Woodbury slogan, 'A Skin you love to touch', while it often is illustrated with paintings or drawings of beautiful faces and loving couples, is so word-graphic that it would and does register by itself. It is a *picture-idea* that does not definitely require further visualization."

And later: "However, while word-graphic ideas are sometimes sufficiently graphic of themselves, frequently they can

be made more telling by the introduction of some picture or device—the O'Sullivan heel illustration of the man poised over the heel of a shoe on an anvil with sledge hammer about to descend makes more graphic—in fact literally hammers home—the O'Sullivan idea, 'With every step on hard heels you are pounding away your energy'."

Further on: "The manufacturers of Brenlin window-shade material have long harped on the fact that Brenlin shades have no 'filling'. It is difficult to make graphic, for it is one of those subtle ideas that try to hide in arguments and copy phrases. Yet this advertiser has made 'filling' a vital issue by means of two little curtain cuts—one a 'filled' curtain, ragged with holes, and the other a Brenlin shade in perfect condition, due to the fact that it was made without 'filling'. And Brenlin advertising has gone a step further and made the 'filling' idea graphic by illustrating the method of testing a shade, this being accomplished with a hand holding a penknife and scratching a shade to see whether any 'filling' would come out."

Then, a few paragraphs below: "Some ideas are best made graphic with simple pictures or photographs. Such an idea was the one featured in Swift and Company advertising a while back. This idea, boiled down to a sentence, was: 'Buy a whole ham'. And it was made wonderfully graphic and suggestive by means of three photographs.

"One photograph showed the 'shank' of a ham, boiled, on a platter garnished with parsley. The second showed another platter on which was a delicious-looking ham steak, attractively garnished, with a caption suggesting the use of the centre slices boiled or fried. And the third showed the 'butt' of the ham, baked, with an appetizing spice-studded crust. Not only did these three pictures make the idea graphic, but they teased the reader to try the idea—to buy a whole ham."

And again: "The 'big idea' behind the Stanley Vacuum Bottle—'It will not break'—is made graphic by always showing the bottle falling or striking. Normally, one almost catches one's breath as a vacuum bottle starts to fall, so this manufacturer proves the merit of his bottle by tumbling it recklessly through the advertising pages of our periodicals in a way that is bound to draw attention and make sales."

J. WALTER THOMPSON COMPANY
ADVERTISING

244 Madison Avenue
New York

First National Bank Building
Cincinnati

Hanna Building
Cleveland

Lytton Building
Chicago

80 Boylston Street
Boston

Kingsway House
London