

J. WALTER THOMPSON COMPANY

November 30, 1923

NEWS LETTER NO. 3

Mr. W. E. Penick, a son of the President of Penick & Ford, Ltd., one of our clients, writes to Mr. Kinney in part as follows:

"I have been trying to handle the advertising of our grocery stores, but feel that after a year of it, we have not done everything we could do to get the most out of our money spent in the newspapers.

"The trouble I find is that there are really so few items that are leaders it necessitates running these items over and over again to the point of monotony. I am trying to find out how some of the larger chains handle their advertising to relieve this monotony and to get the most out of the money spent.

"I suppose you know that the syrup business in the South has been particularly good this Fall, and I think that you are coming in for a large part of the credit on account of the fine advertising campaign which is being run this year."

Mr. Kinney says that until a year ago Mr. W. E. Penick was associated with Penick & Ford, Ltd., but is now Vice-President of the H. C. Hill Stores, Inc., in charge of 100 chain stores. The letter is of interest not for the compliments to us but because it shows how the advertising of the chain store inevitably depends for its pulling power on the featuring of advertised brands.

AND BY THE SAME TOKEN

The A & P Company grocery chain had two full page advertisements in the New York Evening World in which six of the twenty-nine products important enough to be mentioned were: Royal Baking Powder, Sun Maid Raisins, Brer Rabbit Molasses (Penick & Ford), Fleischmann's Yeast, Aunt Jemima Pancake Flour and Diamond Crystal Shaker Salt.

A & P grocery chain store system dates from 1859 and operates 8,500 stores throughout the United States.

J. WALTER THOMPSON COMPANY

- 2 -

TEXAS HAS LARGEST COTTON CROP SINCE 1914

Texas as a market for every commodity should be at the present moment one of the centres of interest to American manufacturers and advertisers. This state is enjoying great prosperity with a bumper cotton crop and 1923 cotton prices averaging higher, with the exception of one brief period, than they have been since Civil War days.

And Texas is not a one crop State. Although she produces 34.5 per cent of the American cotton crop, Texas also produces 24 other crops in sufficient quantities to attract the attention of the crop statisticians at Washington. The 1923 total crop values in Texas may pass the billion dollar mark, which will break the 1919 record when total crop values for the state were \$1,071,000,000. Final government reports on this will be available in December.

The crop potentialities of Texas may be gauged from the fact that of 112,000,000 acres of land classified as tillable only 30,000,000 or nearly 27% are in cultivation, leaving 82,000,000 acres of tillable land untouched.

B. A. McKimney, governor of the Dallas Federal Reserve Bank states that debts have been paid at the rate of \$1,000,000 a day since September 1. Farmers' notes of many years' standing and legally outlawed and old book accounts are being paid at banks and stores, while notes are being taken up before reaching maturity. There are increasing cash purchases of better goods, and growing bank deposits are evidence that a surplus remains after debts have been cancelled.

The people have the money and are in the market for all varieties of products. There are increases in the sales of drygoods, farm implements, drugs, furniture, groceries, etc. It is interesting to note that, next to farm implements, groceries show the greatest increase in sales - 18.5%. Farm implements lead with a 55.3% increase.

As a determining factor in consumer buying power in Texas it is interesting to note that, regardless of the smaller valuation of Texas farm property, the net earnings per farm average 15%. The nearest approach to this is California, 12%, Illinois 7% and Iowa 5%.

A portfolio of detailed information on this market will be routed by Miss Symington to anyone in the New York or branch offices who may be interested.

J. WALTER THOMPSON COMPANY

- 3 -

CHICAGO OFFICE NEWS

WOMEN ARE TREMENDOUSLY INTERESTED IN NEW USES FOR CREAM OF WHEAT

The reaction of the public to the new Cream of Wheat dishes recently exhibited at the Food Show in the Coliseum was very interesting in view of the recipe slant which is being tried out in Cream of Wheat copy. There was great exclaiming and surprised questioning over such delicacies as salmon loaf made with Cream of Wheat, stuffed tomatoes and Cream of Wheat cookies, the latter being eagerly sought for as free samples.

Miss Wyse of the Chicago Office Domestic Science Department and several assistants were on hand to give out samples, answer questions and take names and addresses for the mailing of recipe booklets. This exhibit was one of the most attractive of the show.

A test campaign featuring Cream of Wheat recipes is now running in the Fort Wayne newspapers. At the end of the scheduled 14-week period, we expect to have some very definite data in regard to the recipe idea, to be considered in the National advertising later.

We have sent to Chicago for some of these recipe booklets for those of the New York Office who may be interested. Phone Miss Symington if you want one.

Several new members have been added to the Chicago organization during the past few weeks.

C. O. Woodbury, as art director, brings valuable training to his task of creating new ideas in the advertising art work of this office. Mr. Woodbury spent some time making special study of drawing at the Royal Academy in London, in addition to his studies at the Chicago Institute of Art, the Chicago Academy of Fine Arts and the Art Students' League of N. Y. In New York last winter he held a night class in drawing which attracted many distinguished members. He has won his most marked success with lithographs, etchings and wood cuts which have been reviewed in recent issues of "Arts and Decoration", "The International Studio" and "The Century Magazine."

Edward W. Ellis comes to the J. W. T. Co. as a "getter of new business" with years of successful experience as a business executive behind him. Since his graduation in 1911 from Harvard he has been connected in various capacities with Lockwood, Green & Company of Boston and Kissel, Kimmeott & Company of New York. More recently he was the Chicago partner of Blodgett & Company of New York.

J. WALTER THOMPSON COMPANY

- 4 -

CHICAGO OFFICE NEWS (Continued)

There are three new copy writers - Allan B. Richardson who comes from the copy force of the A. W. Shaw Co. of Chicago, Myron E. Chon and Miss Edda D. Morgan.

Miss Frances Winans returns as assistant to Miss Wyse of the Domestic Science Department after two years absence, during which time she managed two well known Chicago tea-rooms.

W. B. Ricketts leaves the ranks of the Chicago office contact men to enter the radio business.

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LUX USED FOR DISHWASHING IN BOSTON HERALD AND TRAVELER'S NEWLY OPENED MODEL KITCHEN

The Boston Herald & Traveler have just opened a Better Home Bureau under the direction of Marjorie Mills.

They have an up-to-the-minute model kitchen under Miss Stena Holdahl who was a food research expert with Van Camp and the Modern Priscilla proving plant.

Each week there will be different products tested and the resultant recipes will appear in the Sunday Herald, and during the week, in the Traveler. Up to date one week has been devoted to evaporated milk, one week to raisins, dates, nuts and cranberries and the past week has been given over to various new uses of cheese. The products used will be featured both in the Herald window, where the kitchen can be seen from the street and in use by Miss Holdahl.

Advertising campaigns will later be tied up to this kitchen. Any product using a certain amount of space will be entitled to one week's exclusive use of this kitchen. The product will be displayed, tested and used as a basis for the week's recipes.

Miss Mills is making appointments to speak before women's clubs, organizations, etc., in which the finished product made in the kitchen will be shown and definite recipes given. The products actually used will of course be named.

In one week there were 500 women visitors to the kitchen. 100 women came in with a definite question to ask on their housekeeping problems.

Everything in this model kitchen being white, it was decided to paint the walls, ceiling and woodwork white. Barreled Sunlight being used extensively throughout the Herald printing plant, they have used it in this kitchen also.

It is interesting to note that in this model kitchen Lux is given unusual prominence in that a package is always kept in a soapdish, being used by Miss Holdahl for the washing of dishes.

J. WALTER THOMPSON COMPANY

- 5 -

RETURNS ON PEBECO SAMPLING

The returns on Pebeco advertising this year have given us interesting information on sampling.

We have gone through various stages in our advertising. At first we had no coupon and no illustration of tube. We offered a mouth gland test, a junior size tube of Pebeco and a booklet - for 10 cents. Then we added a coupon, later an illustration of the tube; and last of all the 10¢ offer was changed to a free offer. In this case the booklet was included but the mouth gland test was not mentioned.

A perfect comparison cannot be made owing to the different sizes, changes in copy appeal, illustrations and headlines. The following table of half-pages from Literary Digest shows how the returns increased at each change in offer:

Returns

29	No coupon No tube	10¢ offer featuring mouth gland test
52	Coupon No tube	10¢ offer featuring mouth gland test
126	*Coupon Tube	10¢ offer featuring both tube and test
1121	*Coupon Tube	Free offer featuring tube

In the Ladies' Home Journal, in the Spring, we showed no tube or coupon and had a 10¢ offer. Our highest number of returns was 31.

This Fall, we showed a tube and a coupon and offered a free tube with words, "Free offer," featured. Our September advertisement pulled 5818.

If the returns keep up at the present rate, we can figure on sending out about 200,000 free samples this year. It will cost the advertiser around \$16,000 for the samples, packing, mailing, etc. To take care of this, fewer free samples are being distributed through the dentists. We feel that a sample tube is appreciated much more when it is requested in answer to an advertisement than when it is received from a dentist.

We are preparing an exhibition of these advertisements to put on the Art Department bulletin board. This exhibit will then be routed to the branch offices.

(*) This was the same advertisement, identical in every respect except in the offer.

J. WALTER THOMPSON COMPANY

- 6 -

AN EXTENSIVE INVESTIGATION IS AFOOT

A field investigation of consumers and dealers is now under way covering five products of our client, Wm. R. Warner & Co. The field work involves consumer investigations in 20 cities in 9 states and a dealer investigation in 27 cities in 13 states and the District of Columbia.

The field investigation work will not be completed before December 20, and involves more or less continuous travel until then for the following members of the staff:

Dr. Watson, Mr. Leffingwell, Mr. Stansbury, Mr. Clifford, Miss Maule, Miss Sherrill, Miss Stocking, Miss Elmore, and Miss Frisby.

CINCINNATI MEDIA INVESTIGATION METHOD FOLLOWED IN INDEPENDENT INVESTIGATION MADE BY PHYSICAL CULTURE

Additional proof that the figures obtained in the Cincinnati investigation of the subscription circulation of the principal magazines are probably indicative of the character of national circulation, is given by a recent check of the subscription circulation of Physical Culture Magazine. While this magazine was not one of the forty-four included in the original investigation, its circulation in Metropolitan Cincinnati was checked. At the same time, the publisher made a similar check in Chicago and Detroit, using the same method that was employed in Cincinnati.

While there are wide differences in the character of the population of these three cities, the percentages of the subscription circulation in each of the three occupational groups are significantly close. A summarized comparison of the check follows.

	<u>Cincinnati</u>	<u>Chicago</u>	<u>Detroit</u>
Occupational Group 1	53.1	58.7	58.4
Occupational Group 2	33.9	32.8	32.4
Occupational Group 3	9.0	6.4	6.5
Institutions	3.6	1.4	2.2

J. WALTER THOMPSON COMPANY

- 7 -

CHICAGO OFFICE CONTRIBUTES TWO ARTICLES TO NEW ADVERTISING TRADE PUBLICATION

"Advertising Technique" is the name of a new publication whose purpose may be inferred from its slogan "A Journal Devoted to Better Advertising Production." It is published in Chicago and the first number contains the opening of a series of talks on building advertising - "Defining the Selling Job" by J. D. Woolf of our Chicago Office. An article entitled "Preparation of Color Pages for the Magazines" is by Geo. W. Speyer, manager of mechanical production in our Chicago Office.

The other articles and their writers are:

How to Prepare Art Work for Rotogravure
O. M. Broduscher,
Rotogravure Department, Chicago Tribune

Not Theory, but Practice Counts
Claude Early,
Mechanical Superintendent, Pictorial Review

A Few Suggestions on Typography
Herbert A. Knight,
J. M. Bundscho, Inc., Typographers, Chicago

A brief outline of the Offset Process
E. N. Cedarleaf, Advertising Manager
Walton & Spencer Co., Chicago

How to Get Effective Reproduction by Help of Photo
Retouching
M. B. Kruisenga,
Ball, Kruisenga & Co., Chicago

The Art Director and His Responsibility
Thomas E. Booth, Art Director
Chicago Office, George Batten Company, Inc.

It is hoped that this journal will be of great assistance to all agency people, especially those engaged in contact with clients, copy, art, mechanical and traffic departments.

We feel that this magazine will supply a real need for those of us who have not had an intensive or prolonged training in the mechanical department. Extra copies of this little publication have been sent for. Ask Miss Symington for yours.