

NEWS BULLETIN

J. WALTER THOMPSON COMPANY

November 8th, 1916.

CONFIDENTIAL

Messrs. J. W. Young & H. T. Stanton,
Cincinnati Office.

Dear Jim and Henry:

We are pleased to include in this letter comments of our branch offices on the new minimum of \$3,000 a year established in the New York Office.

Mr. Raymond writes, as follows:

"We are with you all the way along the line on the \$3,000 minimum service charge. ✓

We claim to ante-date you by about two or three weeks on this matter, as we have been negotiating with a Grand Rapids firm on that basis and have what practically amounts to an acceptance.

I believe the adoption of this marks a new era in the J. W. T. Co. business and profits."

Mr. Walter Resor says:-

"I quite agree with your letter of October 30th regarding a minimum charge of \$3,000 a year. The effect of a rule of this sort ought to be good.

Of course we will want to consider very carefully what to do on the old accounts, such as SIMMONS CHAINS - for a number of reasons I should want to continue handling that account - possibly we can push him over the line into the \$3,000. gross profit class. This year it will be all of \$2,500.

I heartily agree on this action regarding new accounts and the principle of the thing is Okay. With regard to old accounts, let's make every effort to get them up into that class, or be mighty sure that if we can't do that we at least make money on the present basis."

When in Detroit and Cincinnati Mr. Farnsworth, Mr. Young and Mr. Stanton heartily agreed to the establishment of the new minimum. The only point that has been raised at all,

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and that we think is covered by the original letter on the subject, is in regard to cases where the work is purely automatic, or in some rare cases, where there is a wonderful product and the company cannot stand that amount at the start. We have known some such cases in our experience.

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Referring to the new account secured by the Chicago office, Stiles Brothers Company of Grand Rapids, Mich., we quote the following from a letter received from Chicago relative to this company:

"The members of this concern interviewed every Chicago agency of any standing whatever. We were informed that every other agent was willing to take the account on a straight 15% commission basis. Our proposition to them involved a service charge of \$3000, and it was made quite plain that we proposed to dominate the account so long as we retained our connection with it. ✓

We were somewhat in doubt as to the reception which this angle of our proposition would meet, and were very much surprised to find that, instead of its acting as a hindrance to landing the business, it was really the thing which put it over.

The same day that the letter of acceptance was received from this concern, a letter from Mr. Resor also came to hand, announcing that hereafter the minimum service fee in the New York office would be \$3000. The Chicago office had previously reached exactly the same conclusion and, in fact, are inclined to consider that charge too low, if anything.

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We take pleasure in announcing the completion of the new J. Walter Thompson letterheads. Perhaps you have already received your stock, but we enclose herewith a sample of your letterhead.

You will notice that we have eliminated from the design the "J. Walter Thompson owl". This will be eliminated from all stationery of any kind that goes to the advertiser, but will remain on all printed matter going to the publishers.

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With very best wishes,

Sincerely yours,

J. WALTER THOMPSON COMPANY

Stanley Resor

President

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