

# NEWS BULLETIN

J. WALTER THOMPSON COMPANY

April 13th, 1917.

A. M. P. M.  
RECEIVED  
APR 14 1917  
CONFIDENTIAL LETTER  
ANS'D. BY  
J. W. T. CO.

Mr. C. E. Raymond,  
CHICAGO OFFICE.

Dear Mr. Raymond:

## National Outdoor Advertising Bureau

At a recent meeting of the members of the National Outdoor Advertising Bureau whose service we outlined in the Confidential Bulletin of August 29th, the Bureau announced that it is now prepared to give service on a national basis. It has effected arrangements with practically every large bill posting plant in the United States with the exception of a part of the Pacific Coast.

You will recall that our contract with the Bureau calls for a commission of 10% on paint, 5% on posting - any revenue left after financing the organization to be devoted to paying an additional 5% on bill posting. In addition to this, profits in excess of the amounts needed to meet the above requirements are to be divided as dividends to the stockholders.

For these reasons is it to our advantage as a member and stockholder in the Bureau to place as much business as possible thru them.

In billing our clients, we will charge according to the card rates of the plant owners with whom the contract is placed and allow any cash discounts that we receive. For our own commission we will depend upon the Bureau. This means that we receive 10% on the paint business we place; 5% on the posting, with the possibility of an additional 5% on posting and a dividend. The more business we place with the Bureau, the more chance we have of this extra commission on posting and the dividend.

We are doing this, of course, because we want to bring the poster franchise back into agency hands. This is the sole purpose of the Bureau, and when it has accomplished this, it will be dissolved and the Agencies will place their business direct with the bill posting plants.

As we said in the letter of August 29th, the Bureau is acting as the agent for the Agency, and contracts with the plant owners will be signed by both the Bureau and the Agency placing the business. The Agency pays the Bureau five days in advance of the date on which the obligation is due the plant owners, and all cash discounts allowed the Bureau, will, in turn, be allowed the Agency, provided it pays its

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bills within the discount period.

According to our agreement with the Bureau, we are under obligation to take up all paint and posting business with them first.

If at any time the Bureau is unable to procure as low terms for the Agency as it can get direct, the Agency agrees to notify the Bureau and give it an opportunity to procure other terms. If the Bureau then fails to meet the terms offered the Agency direct, the Agency is at liberty to place such business thru other sources.

Or if the Bureau is unable to procure satisfactory service where the Agency desires to have outdoor advertising matter placed, the Agency is at liberty to contract independently of the Bureau. In all of the details of handling the work the Bureau operates just as a bill posting plant or a paint system. It really constitutes an expert service which is broader than that offered by the plants and paint systems themselves.

Whenever a client wishes to make up a schedule for a specific piece of work, if you will get in touch with Mr. Lewis of the New York Office, he will notify the Bureau to send you or the client an estimate. This will come through in exactly the same way that it would from an agent.

If there is any point we have not covered or made clear, won't you let us know.

\* \* \* \* \*

With best wishes,

Sincerely,

J. WALTER THOMPSON COMPANY

Stanley Resor

PRESIDENT.