business and is today the dominating factor in it. Under these circumstances it would be somewhat natural if the company considered its product developed to a static point and therefore concentrated its entire energies on more intensive marketing. Instead, the governing policy seems to be that competition from without is less to be feared than complacency from within. This is evidenced by periodic improvements both in the product and package, each aimed at meeting the changes in public taste—often before the public is conscious of such changes.

Packaged dates were first introduced to meet the trend toward sanitation in food products, and a growing preference for branded goods of known merit. While the trademark and general characteristics of the earlier packages have been retained, there have been frequent improvements in the "eye value" and utility of the package. To the layman it would seem that little could be done for the product, itself, aside from selecting the best dates and packing them with due regard for sanitation. It is, therefore, surprising to see what has been accomplished within seemingly narrow limitations. As an illustration, consider dates as a substitute for candy. In this field dates have been handicapped by hard pits and stickiness in handling. Until recently the packages opened from the small end which made the contents hard to get at. To meet these conditions a new type of product and package have been introduced. This package opens from the top like a box of candy, exposing an appetizing row of dates which have been pitted and pasteurized. This new package weighs approximately one-half pound and sells for twenty-five cents—a remarkable value when compared to the price of moderately good candy. Progress is now being made in further reducing the stickiness of the product and enhancing its appearance by a glazing process.

Another appropriate example is that of a national distributor of floor coverings. Some five years ago this company became convinced that the buyers' market was here to stay. It decided at that time not to oppose the economic tide, but to swim vigorously with it. As a prelude to action it set out to get the facts on which to base a merchandising technique appropriate to the new era.

As a foundation on which to build, a comprehensive evaluation of the carpet and rug market was set up for every county in the United States. This appraisal, when broken down into sales districts, provided a basis for measuring and comparing the potentials of individual territories. The next step was a study of its jobbers' territories. Factors such as freight rates, back hauling and geographical relation to competitive jobbing centers were combined and charted to show the contour of each jobber's logical territory. Each section of these contours was then studied to show the percentage of total volume which should come from each. Thus the jobber was provided with a working blue-print of his territory. He was not only able to closely estimate his total volume but to know what each section should produce. The next important project involved a study of the wholesale prices which should obtain throughout the country after giving effect to fluctuations in the cost of haulage. This resulted in a division of the United States into eight price zones, with definite wholesale prices for each one. These were the prices at which a jobber located within a given zone would make quotations. Thus a retailer located twenty-five miles from a given jobbing point in Zone 4 would know that the lowest price to him or any other dealer within that zone would be according to the Zone 4 price schedule. The effect of this plan has been to stabilize prices and practically eliminate price cutting. Another important undertaking was to provide the trade with a modern substitute for rule-of-thumb buying methods. The tastes and preferences of the consumer were exhaustively studied and compared with the current sales records of the company by grades, sizes and patterns. From this composite information it was possible to establish a fairly accurate rating. Distributors and dealers are given this information currently so they can quickly estimate relative salability. Thus a dealer by eliminating the dead stock—which results from haphazard buying—is able to serve his customers better and at the same time improve his profits. A natural sequel to systematic pattern selection is that of establishing the total inventory which should be carried by the individual store and its breakdown in grades, sizes and patterns. As may be imagined, the creation of an inventory schedule applicable to the general run of establishments is a man-sized job in itself. Nevertheless, by the use of a unique mechanical device it has been put in such simple and compact form that any dealer of moderate intelligence can use it to practical advantage.

These various projects are of course merely the highlights of a carefully integrated marketing plan. While its primary aim is to raise the level of retail merchandising methods, its tonic effect reaches back into the mills. The ratings established for the dealer's guidance are equally valuable in scheduling mill production. Thus the trend is toward "sure-fire" merchandise and a reduction in inventory deadwood. A phase which has specific bearing on buying fatigue is the success which has come from grading up the appearance of the cheaper floor coverings. Patterns and colorings formerly confined to the highest priced lines are now found in carpets and rugs within reach of the average consumer. Good taste as expressed in authentic patterns and coloring has proved itself a potent stimulant.

Turning to another industry we find a wholesome example of co-ordinated marketing effort which starts with production blue-prints and follows through to the consumer. As the world's largest producer of quality oil burners, this company has had to maintain standards which precluded competitive pricing. Its sole selling weapon has been dependability and low operating costs, qualities which can only be capitalized by dealers of exceptional caliber. Previous reference has been made to the man-power problem of this company —that is, of securing intelligent and resourceful selling material which can be technically trained and made available to the company's dealers. The solution to this problem was found in a central training school which not only supplies the essential technical background but the technique of selling oil burners. The marketing philosophy of the company is that a vast hidden market exists for their product right now; that the families in this market have both the buying power and the need for the product which intelligent presentation will crystallize into orders; that the average installation cost of $1,000 is no sales handicap when the return on the investment is properly dramatized. In short, that buying inertia can be overcome by first-class selling of a first-class product.

This policy, on which the company has achieved conspicuous success, came in for severe testing last summer and fall. Residential construction declined sharply, followed by the market crash which dealt a body blow to semi-luxuries. But if any vindication were needed, here it is. Sales increases over the same months of the previous year were: November 72 per cent, December 193 per cent, January 149 per cent, February 68 per cent. And it is notable that since this company's dealers are permitted to stock burners only for immediate requirements, these sales records do not imply a transfer of factory inventory to the dealer, but actual consumer installations.

Up to now, reference has been confined to producers and distributors. Let us briefly consider an example in the retail field. There is in New York a well-known department store which for generations has bowed down at the altar of price—naked and unadorned. Dealing strictly for cash it boasted that the worst that could happen to anyone was 6 per cent under the price of any other store. Acting strictly and energetically—but somewhat unimaginatively, within this policy, it achieved substantial success. And then, a few years ago, the whole atmosphere of the store commenced to change. With one foot still firmly placed on the proven appeal of "subway prices" for cash, it started to explore higher merchandising regions. It contrived to identify itself with the trend toward modern art and good taste in articles of utility. Its advertising ceased to be a dull catalogue of cut prices on well known merchandise, and became bright and sparkling and persuasive.

Goods were made attractive and desirable in their own right rather than simply as "bargains." Using the slogan "It's smart to be thrifty" a competitive liability was transformed into an asset. As the tone of the establishment improved, it commenced to recruit from the higher income groups. Fashionable suburbanites and the Fifth Avenue "carriage trade" came, and saw, and were conquered.

Now when the market crash came, it simply emphasized a trend which had been long under way. The goddess of price is still on the altar, but no longer unadorned and therefore infinitely more captivating. In all this we see the creation of an atmosphere in which buying fatigue cannot exist. It is apparent of course that equality of opportunity does not exist among all retail outlets. They cannot all, by taking thought, add a full cubit to their merchandising stature. But all of them can in some degree raise the level of their merchandising