

same proportion, on the reasonable theory that "what has been done, can be done again."

If this information is available and the concern willing to consider this a sufficient guide for the immediate future, it can readily establish county quotas with little difficulty and assign its counties and their quotas to proper salesmen, based on accessibility and opportunity for results. Quotas of various units cannot be equal. Percentage secured rather than volume, gives a valuable line on merit of performance.

Some other factors are necessary in cases where past records are not available. Also, where they are available, additional factors are useful. For instance, it is of extreme importance to consider not merely what each county has produced, but also what prospective purchasers each county contains. Otherwise a county in which no sales have been made in the past would have no quota at all.

However, the past sales factor, if obtainable, should be retained, as the selling resistance is not as great in a cultivated territory as in virgin field, with rare exceptions.

2. Population as a Factor

In estimating possibilities, the nature of the product again must be considered. If it is something that everybody can use, then the population factor is of value.

It is a very simple matter to secure the population of each and every county in the country, and if the population factor only were to be used, it would only be necessary to assign to each county the same share of the company quota that it contains of the country's population, in this way:

Total Population	Total Quota	Quota Ratio
U. S. A. } 100,000,000	U. S. A. } 25,000 points	.00025
Smith County } Population } 200,000	Quota Ratio } .00025	equals } Smith County } Quota } 50 points

Census tables show the population other than whites in each state, as a guide to any arbitrary deduction that may be considered desirable.

3. Composite Sales and Population

If a concern can in this way establish a quota on one hand based on past sales, and on the other hand, based on population, and desires to use both factors, it has only to consider the relative value of the two factors, and give each its share of the total company quota, in this way:

Factor A—Past Sales.		
U. S. A. Total } 100,000	1922 Quota } 25,000	Past Sales Ratio } 0.25
Factor B—Population.		
U. S. A. Total } 100,000,000	1922 Quota } 25,000	Population Ratio } .00025

If we decide that the relative value as a guide is, say, past sales 40 per cent and population 60 per cent, we divide our quota so that 40 per cent of 25,000 points or 10,000 points is to be based on past sales and 60 per cent of 25,000, points, or 15,000 points based on population.

This changes our ratios in this way:

Past Sales Ratio 0.25 X 40% equals.....	0.10
Population Ratio 0.00025 X 60% equals.....	0.00015
To prove this:	
Total past sales 100,000 X 0.10 equals.....	10,000 points
Total population 100,000,000 X 0.00015 equals..	15,000 points

Total Quota 25,000 points
Applying this to Smith County:

Past Sales 200 points X 0.10 equals.....	20 points
Population 200,000 X 0.00015 equals.....	30 points

Composite Quota, total..... 50 points
All other composites would be worked out in the same way based on the actual count applying to each county as ascertained from dependable figures.

4. Business Enterprises

A third factor may be "business enterprises." For instance, if the appliance is one that could be used in any store or office of any size whatever, a quota can be assigned based on the number of concerns in business in each county. This count can be secured from concerns who make it a business to supply such statistics. If certain kinds of business can use the commodity and others cannot, the lists secured may cover any lines of business selected, or eliminate any that are specified. In this way, the company quota can be divided among counties in proportion to the concerns in business that each county contains. This can be the sole factor or can be used as a part factor, with others.

The formula to be used would be:

Total U. S. A. } Enterprises } 3000	Total U. S. A. } Quota 25,000	Quota Ratio } 0.25
Smith County } Enterprises } 3000	Quota Ratio } .025	Smith County } Quota } 75 points

5. Business Enterprise Ratings

As a further refinement, the business enterprise lists last referred to can be divided according to "rating" and certain rated groups given a larger valuation than others. If a formula is decided upon, a line can be secured on the total value of the business concerns in each county, as prospective buyers or distributors, based on their business ratings.

To illustrate rating groups:

Group 1—Over \$10,000.
2—\$3,000 to \$10,000.
3—Below \$3,000.
4—Not rated.

To secure the relative value of such groups it is

necessary only to have county sales records, showing not merely sales as a whole, but also divided into these four or any other standard groups.

Having secured the total number of concerns, or "business enterprises" in the county, dividing the count into these groups, their relative value is secured by dividing the total in each group into the money value of past sales to this group, thereby producing group ratios of valuation.

6. Classes of Business

A still finer distinction can be drawn by determining arbitrarily or, better, by past experience, the relative sales value of concerns engaged in different lines of business, with or without reference to ratings as well. By placing a fixed valuation for instance on a wholesaler rated above \$10,000 as against a wholesaler rated below \$3,000, or on a manufacturer rated between \$3,000 and \$10,000, and a retailer not rated at all, a very fine estimate can be made of the value of each potential market.

This fixed valuation is secured by division of the enterprise total of each group into the past sales to that group. The result may be something like this:

Groups	Enterprise Value
A Banks No. 1—over \$5,000,000 deposits.....	125.
B Banks No. 2—\$1,000,000 to \$5,000,000 deposits	30.
C Banks No. 3—\$300,000 to \$1,000,000 deposits.....	10.
D Banks No. 4—below \$300,000 deposits.....	6.14
E Financial other than banks.....	1.39
F Government, City, County and State Offices.	.96
G Public Service Corporation	3.92
H Manufacturers rated over \$10,000.....	2.13
I Manufacturers rated \$3,000 to \$10,000.....	.54
J Manufacturers rated below \$3,000.....	.069
K Manufacturers not rated75
L Wholesalers over \$10,000.....	6.22
M Wholesalers \$3,000 to \$10,000.....	1.78
N Wholesalers below \$3,000.....	.84
O Wholesalers not rated.....	2.01
P Retailers over \$10,000.....	.75
Q Retailers \$3,000 to \$10,000.....	.23
R Retailers below \$3,000.....	.092
S Retailers not rated.....	.43
T Miscellaneous over \$10,000.....	5.14
U Miscellaneous \$3,000 to \$10,000.....	2.26
V Miscellaneous below \$3,000.....	.19
W Miscellaneous not rated.....	.542

Or any other desirable groups, such as garages, department stores, drug stores, etc.

Of course, these valuations are absolutely fictitious. Each concern must work out its own groups and values, or have it done by some one who knows how.

To use this plan it is necessary to secure the enterprise count of each town containing business enterprises.

This can be secured from concerns specializing in business lists and enterprise counts.

It is necessary only to decide on the desired groups,

and supply proper forms on which to enter town totals. The count of rated groups is secured from Dun's or Bradstreet's.

Some 30 additional reference books can be used, containing classifications not included in Dun's or Bradstreet's, such as Building and Loan Associations, Electric Light Companies, Gas Companies, Water Companies, Physicians, if desired, etc., etc.

Having secured town totals these are grouped according to counties, and states.

The enterprise valuations are extended only on county totals, thus minimizing the labor.

7. Possibility of Additional Factors

Other factors, no doubt, are being used or can be suggested. The foregoing will serve as suggestions and as a basis for discussion, and it is hoped will lead to the narration of other plans that are in use or under consideration that can be made valuable on their own merits or in connection with some of the factors described.

III. APPLYING COUNTY QUOTAS

Having established county quotas based on single or composite factors, applied to counties, let us trace their application to agencies, branches, dealers and salesmen.

Any agency, branch, dealer or salesman covering one or more counties would be assigned the total quota of his county or counties; viz:—

Agency	} carries total quota of counties assigned as a territory.
or	
Branch	
or	
Dealer	
or	
Salesman	

If the concern makes several classes of goods, it is, of course, assumed to have assigned quotas in each class, instead of just sales as a whole. This is important to assure proper attention to the entire line.

It is, of course, quite possible that the agency, branch, dealer and particularly the salesman, may have less than an entire county. The quickest way to subdivide a county is to take out and handle as a separate unit, each city of any size that the county includes. The remaining towns are included in townships, and each county, therefore, consists of the cities and townships it contains.

Picturing this division:

Smith County	} (a) Agency, dealer or salesman	} List of Cities List of Townships
Divided into		
	} (b) Agency, dealer or salesman	} List of Cities List of Townships

As all the county statistics were built up from the figures on record as to each town in the county, it is a