

**THE  
MACARONI  
JOURNAL**

**Volume 10,  
Number 4**

**August 15, 1928**

# The Macaroni Journal

Minneapolis, Minn.  
August 15, 1928

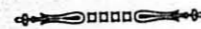
Volume X

Number 4



*A Monthly Publication  
Devoted to the Interests of  
Manufacturers of Macaroni*

## READ IN THIS ISSUE



- "Cost of Macaroni Manufacture"* - - by G. G. Hoskins  
*"Need of Macaroni Statistics"* - - - - by B. R. Jacobs  
*"Play in Your Own Back Yard"* - - - by F. S. Bonno  
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All delivered at the Silver Jubilee Conference of the  
Macaroni Manufacturing Industry in Chicago last June.





This ancient Genoese watch tower near Bastia, France, has proved its powers of resistance against enemies, elements and the tooth of Time. Proportionately, our fibre shipping boxes also resist abuse because built with judgment.

### Only Shipping Boxes Built with Judgment Give the Service Shippers most Desire

Strength, toughness, endurance—these factors are more than ever a requirement by shippers in fibre shipping boxes. "These boxes must stand up" and face "rough house" tactics without giving way. They must carry safely and far, and protect such items as veneered doors, automobile bumpers, fragile glassware and vases, lamp shades, mattresses, rugs, enameled tile, perishable fruits, meats and vegetables, delicate instruments—and thousands of varieties of goods that fifty years ago were packed by obsolete methods into impractical boxes.

Naturally we must keep step with the advance all along the line. We MUST know every phase of Industrial fields—and we DO know them. It is our business to build with judgment, hence we fit our boxes to the needs and peculiarities of each industry as you would a glove to your hand or a shoe to your foot. Knowing each field, we "prescribe" accordingly. The result is shipper's satisfaction because he saves from 30% to 70% of former packing and shipping expense, and whittles down troubles to a new minimum.

Boxes built with judgment serve you best. Therefore we can offer you the FREE service of our expert box designers to help you improve and reduce your packing methods and costs. Their special, thorough knowledge and judgment is yours without obligation. It is an opportunity to help your business you cannot well afford to pass up. Fill in and mail coupon today.



A Strong Solid Fibre shipping box that will protect your goods and deliver them in good condition.

**CONTAINER CORPORATION OF AMERICA**  
AND  
**MID-WEST BOX COMPANY**

111 W. Washington St.

CHICAGO, ILLINOIS



Six Mills—Nine Factories

Capacity 1200 tons per day

RETURN COUPON  
CONTAINER CORPORATION OF AMERICA  
111 West Washington Street, Chicago, Dept. 20  
Gentlemen: Please have one of your experts check our packing and shipping methods—without obligating us for purpose of reducing our costs if possible.

Name \_\_\_\_\_  
Title \_\_\_\_\_  
Firm \_\_\_\_\_  
Address \_\_\_\_\_

# Join your Trade Association

## AS A Silver Jubilee Year Member

There are many things which a well-supported TRADE ASSOCIATION can do for you and the Macaroni Industry that makes it a distinct asset to any business to be a member.

Not the least among them are these:---

1. It associates you with the better class of manufacturers.
2. It allies our trade with all the leading business lines.
3. It spreads favorable information about our business, our food.
4. It gathers and communicates invaluable data to its members.
5. It watches legislation in state and nation, —boosting the good, fighting the bad.
6. It serves as a medium for united action to elevate the industry through education.

### JUNE JUBILEE MEMBERS

Reported in July 1928 issue of Macaroni Journal.

### JULY JUBILEE MEMBERS

New Haven Macaroni Co., New Haven, Conn. Joined July 7.

Names of The Silver Jubilee Year Members will be announced from time to time in subsequent issues of The Macaroni Journal.

Volunteer your application to the Secretary by signing this.

National Macaroni Manufacturers Association  
Braidwood, Illinois

Please enroll our firm as a JUBILEE MEMBER.

(Sign here).....

# THE MACARONI JOURNAL

Vol. X

AUGUST 1928

Number 4

## Improved Service Through Increased Consumption

As the Macaroni Journal has well attested, the industry is growing rapidly. The demand for macaroni is increasing and the manufacturers are striving to meet this demand. This is a good thing for the consumer, as it means that there will be a greater variety of products available and that the quality of the products will be improved. The manufacturers are also striving to improve their service to the consumer, and this is another good thing for the consumer. The manufacturers are realizing that the only way to succeed in this industry is to provide the consumer with the best possible service.

HEAVY BUILT MEN are the ones who are most likely to be successful in the macaroni business. They are the ones who are able to handle the large quantities of macaroni that are required for the business. They are also the ones who are able to provide the best possible service to the consumer. This is a good thing for the consumer, as it means that they will be able to get the best possible service from the macaroni manufacturers.

It is a good thing for the consumer that the macaroni manufacturers are striving to improve their service. This is because the consumer will be able to get the best possible service from the macaroni manufacturers. This is a good thing for the consumer, as it means that they will be able to get the best possible service from the macaroni manufacturers.

The macaroni manufacturers are realizing that the only way to succeed in this industry is to provide the consumer with the best possible service. This is a good thing for the consumer, as it means that they will be able to get the best possible service from the macaroni manufacturers.

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Without doubt, the macaroni industry is a growing one. The demand for macaroni is increasing and the manufacturers are striving to meet this demand. This is a good thing for the consumer, as it means that there will be a greater variety of products available and that the quality of the products will be improved. The manufacturers are also striving to improve their service to the consumer, and this is another good thing for the consumer. The manufacturers are realizing that the only way to succeed in this industry is to provide the consumer with the best possible service.





# Mueller and Party on Airplane Flight Seek to Banish Practice of Refilling Flour Sacks

As a change from the convention thrills, former President Henry Mueller of the National Macaroni Manufacturers association chose to go from Chicago to Jersey City by airplane, not because he was in a hurry to leave the convention city but merely "as a change from potatoes" as he would put it. Two New Yorkers accompanied him on the trip, namely, W. A. Schmitt of the Central Advertising Service and C. H. Rider of Street Car Advertising. A large monoplane operated by the

Chicago, in company with Henry Mueller, airplane trips were the subject under discussion. A chap living in Chicago with whom we became acquainted suggested that we might take a ride in the Ford plane operated by the National Air Transportation company, flying over Chicago twice daily, covering a circuit of approximately 50 miles, the fare being \$10. It was decided that we make this trip during one of the macaroni convention days and I was appointed a committee of one to make the arrangements.

Incidentally, in making the arrangements we learned that this National Air Transportation company operated cross country

weather conditions prevailing in the southern part of Pennsylvania were as bad as the northern part. Therefore we abandoned the idea of reaching Curtiss Field. Mr. Mueller was very much disappointed because of his policy to finish anything he ever starts.

Some of the impressions that we received while en route are as follows:

The principal product of Ohio is beautiful rugs.

That when the pilot shuts the engine so that he can listen to a question one would ask, one sometimes forgets the question.

That Pittsburgh is not such a big place

Three meetings were held in July by the Consolidated Classification Committee of the Interstate Commerce Commission on the railroads' proposal to change the freight classification to prohibit the shipment of flour and semolina in secondhand bags other than seamless grain sacks.

The National Macaroni Manufacturers association was represented at practically all of the hearings. At the Chicago hearing on July 16 and 17 President Frank J. Tharinger, Director G. Hoskins, and Secretary-Treasurer M. J. Donna appeared to protect the interests of the macaroni men.

From the outset it was discovered that the need for the proposed change was being blamed on our industry because of the numerous and heavy claims for loss and damages in semolina shipments due to the free running qualities of that product. Members of the committee made it clear that the proposed modification was not a sanitary but rather a loss-and-damage proposition.

There were placed in evidence numerous claims for loss and damage filed against the railroads by macaroni manufacturers within the past 2 years. For instance one claim was for \$111.45 loss on one car shipment; another claim totaled \$262.59 in a shipment of 60 bags of 140 lb. jutes. A third example was a claim originating in New York city on a shipment of 14 cars where the loss and damage totaled \$76.42. Because of the long distance and heavy shipments to the eastern markets, the commission charged that the greater proportion of the claims originated in the eastern territory.

It was pointed out that the move was not inspired by manufacturers, millers, or bag makers, but that it was purely a railroad freight proposition. The committee was most fair to all interests and at the suggestion of the representatives of the bakers and macaroni manufacturers, it agreed to delay decision pending a survey of these industries to be instituted by the respective trade associations.

To properly survey the used bags situation in the macaroni field a questionnaire was submitted to the members of the National Macaroni Manufacturers association, and the data compiled therefrom will be submitted to the Consolidated Classification Committee.

To permit nonmembers to file similar information and thus enlarge the scope of survey, the questionnaire is published herewith and nonmembers are requested to fill out the questionnaire and mail it immediately to the National Macaroni Manufacturers Association, Post Office Drawer No. 1, Braidwood, Ill.

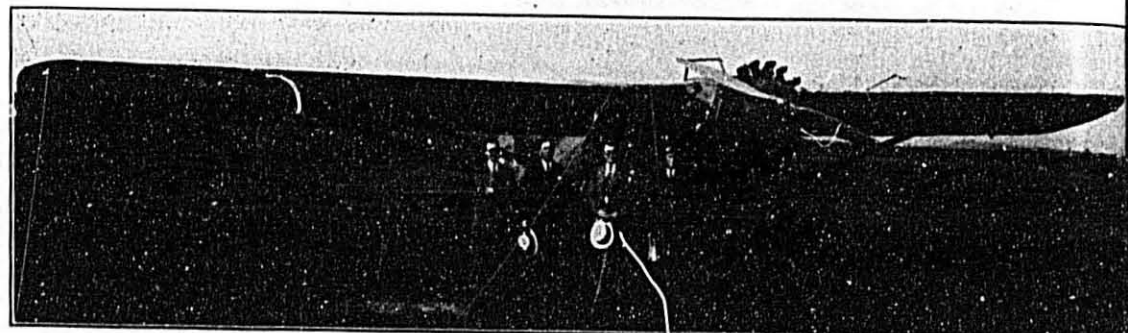
Indications are that the reuse of cotton bags will be prohibited at an early

day, but through united action the use of jute bags may be retained. The commission does not intend to prohibit the reuse of grain bags, according to the wording of the docket. Interest in the macaroni men's attitude is keen and there should be no delay nor hesitancy in filing returns which will remain confidential—the summary only being submitted to the commission:

## QUESTIONNAIRE ON USE OF SECOND HAND BAGS (and CLAIMS)

(Fill out with PENCIL and RETURN TO)  
National Macaroni Manufacturers Association  
P. O. Drawer No. 1  
Braidwood, Illinois

- In what kind of bags is your Flour or Semolina shipped?  
Cotton.....; Jute.....; Grain.....; Others.....
  - Do you return bags for refilling? Yes.....; No.....
  - How do you return them? Bundled.....; Sacked.....; Loose.....
  - Do you inspect and clean them before returning? Yes.....; No.....
  - Explain your cleaning process.....
  - From your experience is the loss and damage to Semolina in USED BAGS:  
Heavy.....; Medium.....; Light.....
  - Explain the Kind, Number and Amount of Claims filed against Railroads for Flour and Semolina losses and damages sustained during the Years 1927 and 1928:
- |            | No. of Claims | Total Am't. Asked | Total Received |
|------------|---------------|-------------------|----------------|
| Cotton     | .....         | \$.....           | \$.....        |
| Jutes      | .....         | \$.....           | \$.....        |
| Grain Bags | .....         | \$.....           | \$.....        |
- Do you file claims direct or through your mill?  
If through the mill, explain as in Question No. 7.
  - Are you in favor of the proposal of the railroads to prohibit the reuse of USED bags of such kinds as:  
COTTON — Yes or No; JUTES — Yes or No; GRAIN — Yes or No.



Henry Mueller, W. A. Schmitt, C. H. Rider and pilot at McKeesport Field, Pittsburgh, where Chicago-Jersey City planned flight was broken by Allegheny mountains fog. Mueller is No. 2 from left.

National Flying Service was selected for the trip which unfortunately ended short of the destination.

The air voyagers left the Chicago Airport at 7:30 a. m. June 22 and arrived at Cleveland on time for the first stop, having traveled more than 100 miles an hour. Their destination was Curtiss Field in New York. They were not, however, able to complete their second hop. After battling fog and other hazardous weather conditions near the Allegheny mountains and learning that even the brave Lindbergh and mail fliers had been forced down on account of the weather, the pilot decided to land at McKeesport Field, Pittsburgh, and to allow his passengers to make the remainder of their trip by train. The trio had completed approximately 450 miles in less than 5 hours, enjoying every minute of it and regretting inability to complete their trip. The accompanying photograph of machine, pilot and passengers was taken at McKeesport immediately after landing, as Mr. Mueller says—"without a hair ruffled."

C. H. Rider, who was appointed as the official reporter of the air crew, describes the trip minutely, giving the details as follows:  
On the Broadway Limited bound for Chi-

planes and we immediately conceived the idea of flying back to New York. We chartered a plane and on Friday morning, the day after the last convention day, at 9:22, we left the Chicago Municipal Flying Field in a Wright Whirlwind Traveler bound for Curtiss Field, piloted by Robert Coulter, the flyer who took Lindbergh's place in the mail service.

We flew over the lower part of Lake Michigan, following the state boundary line of Indiana, Michigan and Ohio, over a part of Lake Erie and landed at 12:22 at Cleveland flying field, having covered a distance of 325 miles in 3 hours.

At Cleveland we were met by a delegation of macaroni men and Mr. Ammon, manager of our Cleveland office. We motored into Cleveland and had lunch at a hotel. On returning to the flying field we were informed that the air route to New York over the Allegheny mountains was impossible, the mountain peaks being covered entirely by fog. We afterwards learned that the mail planes were down and that Colonel Charles Lindbergh had been forced to land some place in Pennsylvania. We were also informed that the air route to Pittsburgh was good for flying. Therefore, we decided to go to Pittsburgh, a distance of 125 miles.

This trip was over somewhat of a mountainous country and was the most interesting part of the journey, air pockets being numerous and altitude being necessary. We were lost for 15 minutes and the trip was made in one hour and a half.

When we landed at the flying field near Pittsburgh we were informed that the

when seen from an altitude of 5000 feet.

That the cattle in a field look like eggs on a leaf.

That the top of a cloud looks the same as the bottom.

That the approach of a mountain is preceded by a "zoom," that gives one the impression that something went wrong, or that the pilot deliberately intended to ram the mountain.

That on making a landing it is customary to circle a field first, the actual landing is accomplished by sticking one wing of a plane in the center of a field and swinging in a circle like a merry-go-round.

That the sensation of flying on a straightaway is like being suspended in the air.

That Smith is a cautious and farsighted fellow, inasmuch as he took along an umbrella in case of accident.

That Bob Coulter is a damn good pilot and that all airships should be equipped with sky hooks.

That a cane can be used advantageously to hook around one's neck to keep it from getting stiff.

That the courage displayed by Henry Mueller on this trip was of the brand essential to acquiring and maintaining the enviable position he now holds in the business and financial world. That if I was going to fall out of an airship, Henry Mueller would be a good man to fall out with.

That flying costs money.

That the greatest disappointment in flying is not being able to keep a date with a reception committee at your destination, and last but not least that flying is just a trifle uncertain.



## Overproduction Causes Red Figures

Slowly but surely manufacturers in the Macaroni Industry are beginning to realize that there is and must be some connection between overproduction and the "figures in red" that too frequently appear in the firms' books. This awakening was manifested at the Chicago meeting in June and the interest shown in the facts and figures presented by G. G. Hoskins whose paper appears in this issue.

As a result of this awakening, a meeting of the eastern manufacturers was held last month in New York city by the bulk men, who seem to be even more unfavorably affected than the package firms by unfair competition due to lack of cost knowledge. The meeting was presided over by G. G. Guerrisi of the Keystone Macaroni Manufacturing company of Lebanon, Pa., a director of the National Macaroni Manufacturers association. Among the leading firms represented were A. Zerega's Sons, Atlantic Macaroni Co., Brooklyn Macaroni Co., DeMartini Macaroni Co., Independent Macaroni Co., Westchester Macaroni Co., Ronzoni Macaroni Co., Savoia Macaroni Company, Cardinale Macaroni Co., and several others from the New York district.

Mr. Guerrisi who led the discussion spoke as follows:

Gentlemen, we have come together on a very important matter. The importance is stressed by your willingness to come. Now that we are here sitting around the same table let us be straightforward and frank in our statements. We are all vitally interested in the advancement of our industry. Let us forget the idea of trying to force the other man out of business. Such tactics may have been all right a generation or more ago but we are now living in an age that despises such business tactics. Instead of trying to trample our fellow manufacturer into mud let us try and help him see the light of this new age. Allow me to repeat what I said at the Chicago convention, quoting from Patrick Henry, "United we stand, divided we fall. Unless we hang together we shall all hang separately."

Let us do business on a business basis. Our customers are laughing at us because of the small and foolish things we stoop to in order that we might perhaps make a sale.

Gentlemen, we are absolutely on the wrong track and no one can set us straight excepting ourselves. You all know that the demand for our product is not increasing with the production of our factories. When conditions like we have at present hit us the only thing to do is to regulate our production. So many of us make the mistake of keeping up our manufacturing schedule even though the sales are not keeping up. This always leads to the same thing and that is that eventually our stock of finished goods accumulates to such an extent that we are obliged to move it quickly. Carrying an excessive inventory costs much more than we realize. By tying up our capital in finished goods we are very often forced to find new channels for our goods and in doing so must sell our competitors' customers. You all know that in order to sell the jobber who has been buying regularly from another manufacturer we must underbid him. This always starts trouble.

We all have what we call our regular customers. They will always buy as much macaroni as they can sell, so that if they are not selling as much one time as another we must believe that the demand varies. This demand does not vary much more than 25% at any season of the year.

Gentlemen, it is a shame that we can not help ourselves better than we have. You probably are saying to yourself: "Why doesn't he give us a plan to work by?" If you men will excuse the reference to my plant I will give you a plan and show you in figures how it works out.

Working 10 hours per day I can produce approximately 80,000 lbs. per day. Basing the selling price on what I was getting for macaroni before this price cut started and today's price I find at least a 13% reduction. Taking a selling price of 7c per lb. less 13% would show a present selling price of .661c per lb. Our goods cost us about .6c per lb. Taking the 80,000 lbs. at .6c we find the total cost per day of \$4800 and by selling at .661c per lb. we would receive \$4880 or a profit of \$80.

By reducing production 25% which is really greater than necessary and maintaining the same selling price we will come out ahead. By reducing 25% we would manufacture only 60,000 lbs. using the same cost of 6c we have

### Interesting Discussion of Industry's Vital Problems at New York Meeting

\$3600. Using Mr. Hoskins' figures as well as our own I find that the overhead amounts to .013c per lb. multiplying this by 20,000 lbs. which we would lose by operating only 75% we have a loss of \$260 per day in overhead. Added to the \$3600 we have \$3860 as the cost of manufacturing 60,000 lbs. Selling this 60,000 lbs. at 7c or the original price we would receive \$4200, or a profit of \$340 per day.

From these figures you can readily see that if we all agreed to reduce our production when the demand slackened and maintain our price we would be far better off. Surely with a little cooperation we could put this industry on a profitable basis.

Let us look at this thing in a businesslike way. Let us lay our cards on the table and be frank with each other. It is the easiest thing in the world to get a profit if we will but manage to produce no faster than we sell it. I have followed this method the last few years and am pleased to say that I have profited very handsomely by it. Just as soon as I see my finished goods accumulating, instead of going out as forcing the sale too much I simply reduce my production.

In this way I have been able to show a fairly respectable statement to my board of directors each month. I am sure that from the figures just given you can see what control of production would mean to our industry. Instead of worrying over a surplus of finished goods we would have a steady demand and I am sure all be happy.

By having an overproduction we are simply placing ourselves into the hands of the shrewd and often unscrupulous buyer. In other words, we are more apt to believe him if he says he can buy macaroni from another manufacturer at so much less when our warehouse is full of goods than if it were moving out as fast as we make it.

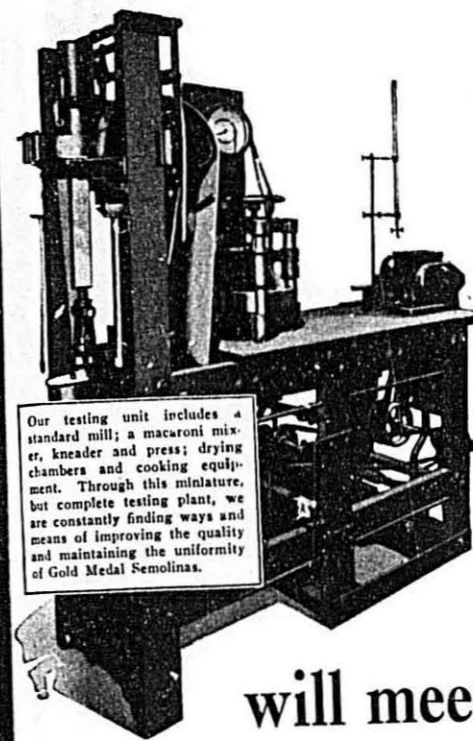
Let us make up our minds here that we try this thing out as I am sure that once we get into operation no one will be willing to go back.

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The relation of production to cost and to sales price was discussed at length, practically all of the representatives taking a lively interest. It was (Continued on Page 37)

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Our testing unit includes a standard mill; a macaroni mixer, kneader and press; drying chambers and cooking equipment. Through this miniature, but complete testing plant, we are constantly finding ways and means of improving the quality and maintaining the uniformity of Gold Medal Semolinas.

Our testing plant is complete—even to miniature macaroni-making equipment. That's why we can say

## Gold Medal Semolinas will meet your rigid requirements

OUR years of experience in the manufacture of semolinas have taught us that a chemical analysis of durum wheat does not go far enough.

While it is absolutely necessary, it does not tell us all we should know about the wheat. Therefore, we decided several years ago to secure the additional information through the installation of special experimental equipment. In our miniature "semolina mill" samples of wheat are made into semolina and then go through practically the same process as does the commercial semolina in a commercial macaroni factory.

By means of these tests we have constantly improved the

quality of Gold Medal "Tested" Semolinas and met the demands of manufacturers regarding such physical characteristics as color, strength, granulation, cleanliness, and cooking quality.

The continued success which manufacturers of macaroni products are experiencing through the use of Gold Medal "Tested" Semolinas, is positive proof to us that our conscientious efforts to constantly improve the quality of our semolinas is well worthwhile.



Gold Medal Semolinas are guaranteed. If any sack does not prove satisfactory in every way, the full purchase price will be refunded.

## GOLD MEDAL SEMOLINAS

"Tested"

WASHBURN CROSBY COMPANY

Millers of Gold Medal "Kitchen-tested" Flour

General Offices: Minneapolis, Minn.



# Nine Addresses Delivered at Jubilee Year Macaroni Conference

## Value of Research and Statistics to Our Industry

By B. R. JACOBS

Washington Representative of the National Macaroni Mfrs. Association.

Research and the compilation of statistics are so obviously valuable to an industry that it is hardly worth while to discuss the question of this value. So many associations, particularly those with headquarters in Washington where access is easily had to government statistics, are benefiting by research that they are carrying on and the gathering of statistical data that I have been at a loss to select from the large mass of information at hand just what might be most valuable to present to you.

On the subject of statistics, I have gathered information from just a few trade executives, from the Chamber of Commerce and the Department of Commerce to show just what use is being made of the statistical data that they gather periodically.

Some associations, such for example as the Automobile association, Rice association, the National Canners and various others, compile monthly very complete statistics on the following subjects:

Production, Shipments, New Orders, Canceled Orders, Unfilled Orders, Plant Capacity, Plant Operation, Operating Costs, Wages, Number of Employees, Stocks on Hand, Sales, Product Consumption, Raw Material Consumption, Markets, Terms and Imports.

Most of them, however, are satisfied to compile statistics on a few subjects which are of vital importance and of immediate value to the members.

Under the title of "Leveling the Peaks and Valleys of Business," the Chamber of Commerce of the United States has issued the following bulletin on the collection of statistics by trade associations:

"Trade associations can render their members no more valuable service than perfecting their methods of gathering, compiling and reporting to them and making available to the government and public, current figures which

will give a composite picture of what is going on in the industry. It is on the basis of such facts that not only the producer, distributor and consumer may act intelligently but also the Secretary of Commerce is enabled to report the trends of industry and business.

"The peaks and valleys of supply and demand in commodity markets—sometimes called the 'ups and downs' in business—are due in no small degree to the lack of dependable figures to guide or influence judgment in the individual regulation of production and distribution. Individual errors in estimating or guessing as to production, shipments, stocks, etc., in the aggregate often culminate in over-production and the stagnation of distribution in many lines, to the great loss and detriment of all concerned—unemployment and market demoralization are some of the byproducts.

"The task of the trade association in dealing with this problem is twofold.

"First—to convince its members of the great value of developing vital facts as to what is going on in the industry and the practical use which may be made of them in control and management.

"Second—since the Supreme Court stamped with its approval the gathering and distribution of trade statistics as information, as a legal and legitimate activity for trade associations to engage in, associations should reconstruct, where necessary, their machinery and methods of developing and reporting facts of interest to those concerned.

"Further, that it is desirable that these reports be standardized to an extent which will make them reasonably comparable with those in allied lines, thus offering an additional service.

"No more forceful testimony as to the value and use of industrial trade statistics could be advanced than the following excerpts of letters from principal executives in manufacturing concerns regarding the factual data gathered by their own associations."

Since the recent decision of the Supreme Court concerning the gathering and distribution of trade statistics by trade associations there has been a great stimulus to this work as may be shown by the following statements received from executives of trade associations.

The Hardwood Manufacturers association has the following to say concerning the gathering of statistics:

Dear Sirs:—  
Replying to your favor of January 12 in regard to trade association statistics, I will answer your questions in order.

1. Trade statistics gathered by our association are decidedly helpful in the operation of our business. In fact they are a necessity.

2. Figures on production, shipments, stocks and new orders are extremely valuable, but I believe they should be added reports on prices received. This of course covers past sales.

The price reports are valuable in that they show the final result of the changes in the production, shipment, stock and new order figures. In other words, past sales reports give the net result of the interplay of all the economic forces affecting the industry. I desire to point out a important factor in the value of the past sales report. They are:

a. In most groups there are a large number who either give insufficient attention to the other data mentioned above or are unable to accurately analyze it. The past sales report, in a measure, supplies this deficiency.

b. A study of the data on production, shipments, stocks and new orders as compared with the price data over a period will make anybody be an expert economist or an ordinary business man, better able to interpret the statistics which he gets currently.

The two major objectives of statistics are, first, that all those engaged in industry may be on an equal basis as possible in regard to knowledge of the basic industrial facts, and, second, that each concern may regulate not only its price but its sales and production policy in harmony with economic conditions. The result is honest and intelligent competition wherein the smaller units have a fair chance against the larger ones and an order of production and prices in a manner that will eliminate the wide price fluctuations which otherwise will take place in many of the industries. In a word, the result is market stability, desirable not only for the seller but for the buyer and the general public. This means material reduction in waste, fluctuations in commercial mortality, uniformity of employment of labor and economic health.

For the reasons briefly indicated above, I would most emphatically recommend the inclusion in statistical reports of prices received for past sales.

Permit me to say that our position in this country today in reference to economic statistics is comparable to the position of individual firms, say 10 years ago in regard to accounting and cost finding. The firm which 50 years ago had anywhere near an adequate accounting system was looked upon as extravagant and visionary. It was very difficult even a few years ago to explain to a man who did not have an adequate accounting system why he should have one and the advantages which he could get from it. Such a thing was so foreign to his experience and training that he was unable to grasp its significance.

I believe that a few years hence when we look back we shall find that industrial statistics have gone through a similar course and have arrived at an equally important position in the estimation of the commercial world.

Statistics such as those under discussion will prove to be one of the powerful factors in our development of world trade.

Among other association officials who have expressed their views on the subject of gathering and distributing trade statistics are the following:

**American Walnut Manufacturers Association**

1. Besides the tabulated statistics we also furnish the membership with charts to which they may add the com-

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pared report from month to month and have furnished them a similar sheet on which they can chart their own individual statistics and make comparisons with the general tendency of the industry.

In one of our supplementary reports we show quarterly the geographical distribution of business. In other words, we divide the United States into 25 or 30 market areas and show the exact quantities of our material going into each market. This information in a general way keeps us posted as to the tendency in the various localities and promptly advises us if our material is gaining ground, standing still, or is slipping. Incidentally it destroys the alibi of the incompetent salesman in certain territories. Before this report was made a distant salesman would explain failure to obtain business by reporting that there was absolutely no buying in his district. Today if he comes in with such a story and his home office discovers the buying has been active in his district there is strong probability that an incompetent salesman will be looking for another connection.

The best testimony that our members give that they are depending on the statistical information and using it is, when the reports happen to be late they let out a tremendous yell and, since we will not compile a report until all members have sent in their reports, the member or members that make us late are bulletined so that they get the full blame. They are seldom the cause of a late report twice in succession.

In my opinion the outstanding reason why trade associations have not done more effective work along statistical lines is because the members of the trade associations have not been willing to supply the data necessary and they have not been willing to do so because of suspicions regarding each other rather than any lack of appreciation of the desirability of combined figures that would record the state of the particular industry in question.

**American Zinc Institute**

We issue our statistics as of the 10th, and are bothered by our contributors from the afternoon of the 9th, so anxious are they to get these figures to use in planning their forward operations.

**The Asphalt Association**

One of the most comprehensive statistical reports which we compile is the census of paving in American cities

which we make every 3 years. We compile monthly a tabulation of states, counties and cities which are either contemplating, authorizing or selling bond issues for paving work. This is distributed to our members so they may know the localities that are contemplating paving and where money is available for such work.

We feel that a great many trade associations have already done effective work along statistical lines. We do not find any obstructions to this work in the fields which we have considered desirable to compile information.

**California White & Sugar Pine Mfrs. Assn.**

The principal argument we use in endeavoring to get statistical cooperation from our members is that facts are of greater value than fiction in the conduct of any business. We believe, and our members generally believe, that a true statement of stock conditions in the long run is to the advantage of both buyer and seller, and for that reason we have fairly good support in preparing them.

The one great drawback to developing more intensive statistical service has been the question of legality. A recent decision of the Supreme Court of the United States has removed a great deal of uncertainty and I expect that within the next few months the various statistical services conducted by various industries will receive a decided stimulus.

**The Leather Belting Exchange**

Regarding the work as originally done, some of our members attached a very high importance to it and used it in many ways in comparisons with their own figures, the main point being that our work gave them an opportunity to compare the movement of their volume and the average of their prices with their competitors, and made possible an accurate estimate as to just how their business was progressing in comparison with the general industry.

The specific point of benefit to our members in the statistical work which we formerly did was that they were kept accurately informed regarding what their competitors were doing, both in volume of sales and in prices.

In the language of the learned supreme court justice, this helped very much to stabilize business, and some of them used it in connection with their own statistics, and some simply profited from the general impression which it conveyed.

Statistical work requires a high state

of cooperative spirit. In new organizations in which the members are not intimately acquainted, it is very difficult to induce them to supply the intimate and confidential information necessary for the completion of statistics which have any value. The smaller people are always very suspicious of the larger ones, and the smaller they are the more suspicious they are, but among our larger people there has developed a very ready interchange of information regarding business conditions which has been thoroughly helpful.

**National Paper Box Mfrs. Assn.**

When asking our members to contribute information we particularly stress the advantages to the individual member by being able to compare conditions in his own plant with the average determined for the industry. We try to show them that it is of particular importance that the paper box industry be able to furnish statistics when called upon, which will show the total investment of our industry, the total sales, the amount paid for wages, the amount of boxboard consumed, the total amount of federal, state and municipal taxes, and like questions. We particularly stress that it is only through the cooperation of the members of the association that we are able to arrive at even an approximate figure.

**National Paving Brick Mfrs. Assn.**

From what I have learned of our manufacturers' use of our monthly report on stock, production, orders and shipments, it appears that most of them use it to give themselves a picture of the condition of the industry and either consciously or otherwise these data are used by them in directing their own undertakings.

One manufacturer told us that when the report is received he promptly compares his own company's business for the same period on the same items covered by our report. If he finds his company's performance conforming to that of the industry as indicated by this report, or if his performance is better than that indicated by the diagram, all well and good. If not, the industry's monthly report suggests to him to investigate the cause of his company's activities in any one of the phases covered by the report, being below that of the industry.

The specific points of benefit we stress are:

First—The fact that this report gives the manufacturers a definite and accu-



rate picture of the industry's statistics each month.

Second—That this report is more accurate and more typically representative of the industry the more nearly 100% of the industry contribute to it.

Third—That the publicity given to this report by trade papers, newspapers, the several government agencies, Federal Reserve banks, etc., is of the very greatest value to the industry.

Fourth—From this report each manufacturer is able to gauge the activities of his own company in reference to the industry. We also point out that in our particular report, giving the distribution of shipments and unfilled orders by states, each manufacturer can guide his sales efforts to the best advantage.

Fifth—We point out to our members that if the manufacturer will study these reports when they come to him it will tell him everything he wants to know and should know about the industry and from it he can guide his company's policy for future work.

One manufacturer stated that he looks forward to this report each month and considers it the most valuable material issued from the national office. In this particular case much of his business is concentrated in one territory but he uses the report to give him an index of the entire industry's activity, comparing it in turn with his own company's business.

Another manufacturer states that he compares his own company's activities with the corresponding activity on the report and if he finds his own company is below the average he promptly brings the matter to the attention of the men in his company with the view to remedying the condition.

Answering your question number 4, we are able to get data from our members representing 70% or better of the total tonnage capacity of the paving brick industry. We have gotten as high as 79% and on one occasion dropped as low as 59%. It takes persistent effort on our part, however, to maintain a 70% average.

Simplifying the statistical reports, especially those using charts and graphs, makes them more readable and more popular.

One of the most outstanding reasons why trade associations have not done more effective work along statistical lines has been the fear of government prosecution. This, of course, is now practically eliminated, but it will take some little time even yet to thoroughly convince all manufacturers that

the collection and dissemination of statistics is a right and proper function of an association and that this work has the approval as well as the encouragement of the government. It will take a long educational campaign among all business men to make them fully appreciate the necessity and value of statistics in guiding them in the conduct of their own business.

The thing that makes this work hard is the overdoing of the matter by so many agencies collecting statistics and issuing reports. The average business man does not have the time to properly digest these and consequently loses interest in them generally. This applies in the same way to the great number of questionnaires that the companies have to answer.

#### The Silk Association of America

The benefits which have been pointed out to our members in urging their cooperation and contribution to our statistical service are as follows:

- (a) A guide against wasteful and uneconomical production.
- (b) Price policy may be guided by facts of trade conditions instead of guesswork.
- (c) Stabilizing effects on the market, resulting from the possession of reliable information instead of chaotic rumors.
- (d) Aid in determining the best buying time.
- (e) Lowered costs to individuals for information obtained through the association.
- (f) Seasonal trends.

The questionnaire should be simple and if possible should be prepared so that the information is readily obtained from records regularly kept by the contributors.

Confidence and interest in the work seems to be gained also through group meetings where the value and merits of the statistics may be discussed.

For our purpose it may be necessary and desirable to gather statistics only on production, shipments, stocks on hand and price of passed sales. This information would be exceedingly valuable not only to the large manufacturers but also to the small ones. It would result in reducing overproduction and stabilizing the markets and preventing the sale of macaroni products at a loss, which is a common occurrence.

Every industry that has tried it has benefited from the dissemination of such information. Every industry that has established a research department has benefited from the results of such work; from the large manufacturers, such as the duPonts, the General Electric, the Eastman Kodak, and other concerns that spend millions of dollars a year in research, right on through to the smaller industries, all have benefited from research. As an example and to illustrate the revolu-

tionary changes that have taken place in an industry closely allied to the macaroni industry, I wish to cite only the great advances that have been made in the baking industry.

Twenty-five years ago when I started in cereal work there were only a few men who knew anything about cereal chemistry. Flour analysis and shop control were looked upon as extravagances and ridiculed by most bakers and millers. The idea of a baker or a miller getting any benefit whatever from a chemical analysis of his wheat or flour or from the use of thermometers in the shop was almost past the comprehension of the large majority. In 1907, just about 21 years ago, I made tour of the country, visiting practically every large city in the United States and every large bakery in the country.

It is my recollection that I found not more than a half dozen bakers using thermometers in their bakeshops and not more than 3 or 4 who had chemical laboratories, and some of these had them because they were interested in other products which required chemical analysis. Note the changes that have taken place. The making of good bread has been taken out of the realm of guessing and placed under control where practically every loaf of bread that is made is a good loaf of bread. Sour dough and overfermented doughs are almost unknown, exact temperature controls are the rule and in fact practically all control is automatic and foolproof.

The advancement that has taken place in the baking industry has been duplicated in almost every other industry. The rule of thumb methods of production have been substituted with the scientific, accurate methods using instruments which accurately measure what is taking place instead of guessing at it. I could stand here and recite to you the names and work of a great many industries which have and are profiting by research. But research work should be preceded by control. The first step that every industry has taken is in the control of its processes and its raw material and this has always been followed by research which has resulted in advancement in the industry. But I am not going to take up much of your time in generalizing on these subjects. I am going to cite to you a few examples in our own industry which have resulted in benefits to individual manufacturers.

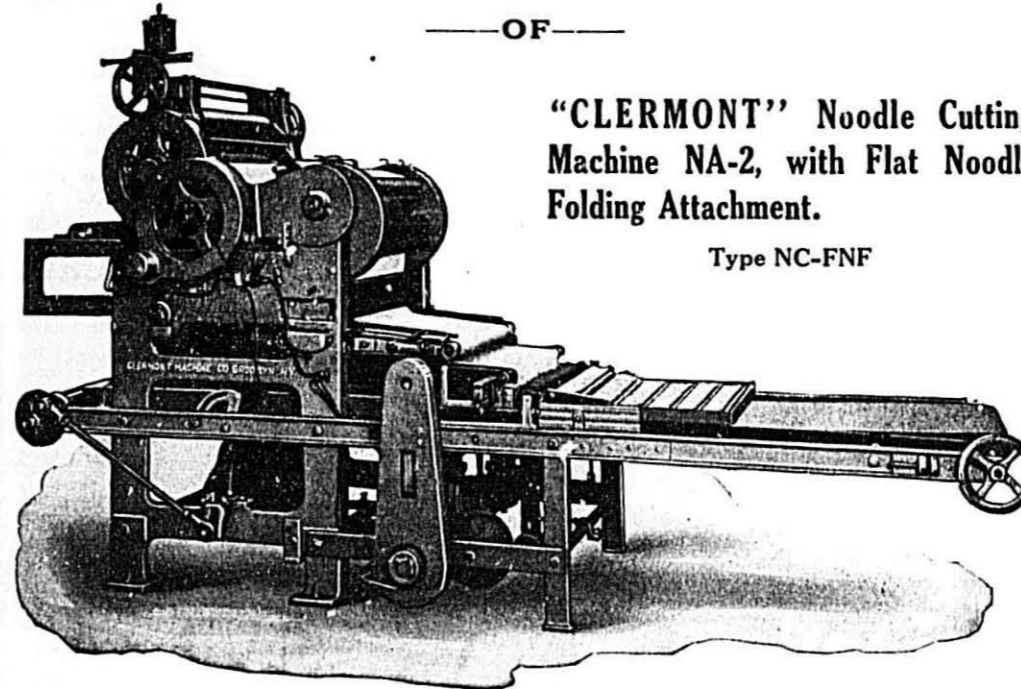
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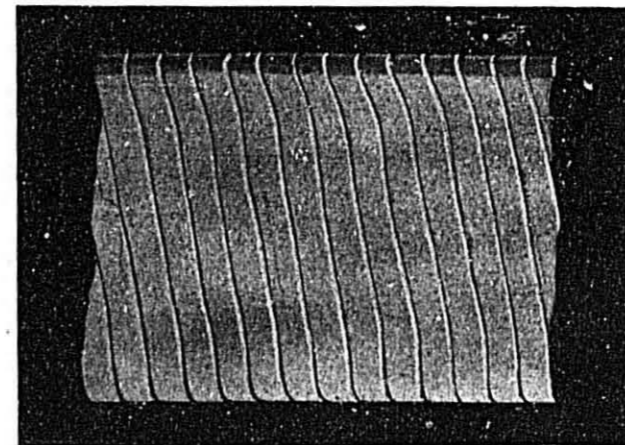
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manufacturers. A few months ago I had a case where a manufacturer purchased more than 7000 lbs. of dried eggs; when the product arrived it was found to be corn meal and the manufacturer in question had paid around 70c per lb. for the product. Chemical control at the source might have avoided a loss of upward of \$5000 which this manufacturer is now endeavoring to collect from the egg dealer.

Another manufacturer who was in the market for frozen eggs had 2 samples submitted to him; one contained 39% of solids and the other contained 43% of solids. The first was offered to him at 37c per lb. and the second was offered to him at 40c per lb. On the basis of the egg solids the first cost him 94.9c per lb. and the second cost him 93c per lb. Since he was in the market for approximately 100,000 lbs. there was a difference in price of \$1900 and the difference was in favor of the higher grade product. This manufacturer, therefore, profited to the extent of \$1900 by merely having 2 analyses made of the samples that had been submitted to him because he made a contract for the 43% egg at 40c per lb. instead of the other which seemed to be cheaper. Not only that, but the contract stipulated that the buyer should from time to time be entitled at the cost of the seller to have analysis made of the shipments received and he was to be allowed 1c per lb. for every per cent of egg solids below 43% that the shipment showed.

A few weeks ago another manufacturer sent me two samples of dried egg yolks which were offered to him at 68c per lb. They were both pure, both looked very much alike but one contained 2.4 times as much color as the other. Therefore, so far as color is concerned, one was worth 2.4 times as much as the other and yet both were offered at the same price. Only a chemical analysis could have revealed this difference. Numerous manufacturers send samples of their raw material to the laboratory for analysis and in this way they keep up the standards of their product as well as having the satisfaction of knowing that they are receiving what they have contracted for.

In spite of the fact that numerous individual macaroni manufacturers have first class cost and production figures and also have considerable technical work done for their individual wants, still there is no coordinated effort in the industry for the collection

of statistical data nor for the technical service that the industry is in need of. Many plants have no control over the conditions under which their products are made. For example, there are no uniform or accepted figures concerning the ideal conditions under which the drying and curing of macaroni should be carried out. Numerous plants have no thermometers nor hydrometers for determining the temperature and humidity of their drying room. We are woefully behind almost every other industry in the amount of

technical knowledge we possess for carrying on our business in the best and most economical way.

It behooves us to awaken an interest in these matters and to gather statistics and carry on certain fundamental work for the benefit of all. No individual manufacturer can or will do this but it should be the business of the association to provide the means so that this work may be done and given to the members as a part of the service which the National association should give.

## Cost of Manufacturing Macaroni

By G. G. Hoskins, Foulds Milling Co.

Last April a group of macaroni men just returned from the government hearing on semolina standards sat in President Mueller's room in the Mayflower in Washington and talked of the June convention. Secretary Donna and our president were planning the program.

Dr. Jacobs and I held forth at some length on the need for a larger understanding of costs of manufacture. General cost data and reliable statistics were conceded to be essential. We talked too much. President Mueller listened and decided that



such enthusiasm should be encouraged and then and there ordered us to prepare to lead discussions at the convention. Hence the first and third items on your program for this afternoon.

If I were to get up here and read a lot of figures to you gentlemen you would either go to sleep or get out. Maybe the figures would be all right, but if I can't get you interested in them the nights and Sundays I have spent on this subject for the last 3 weeks would be wasted. Therefore I have had all the figures mimeographed and handed to you for reference.

There are certain objectives at which we should aim in a discussion such as this.

1. To obtain for the industry a set of reliable average costs with which to compare individual costs.
2. To encourage those who do not keep an adequate cost system to install such a system.

3. To determine the effect of volume production on costs.
4. To measure the ability of the industry to absorb more volume without increase in capacity.

One hundred questionnaires were sent out; 12 were returned. From them and from my knowledge of manufacturing I have evolved what I consider to be a set of figures that when equaled by any plant for an average of a year's production will be a sure indication that that plant is well managed and operating efficiently according to present day standards.

Table 1 is a balance sheet of flour purchased against goods sold. Note how production is divided. Such a division makes it easy to arrive at the cost of any item of a varied line. Broken goods are carried as "goods in process" until they are packed up ready for shipment. Therefore, on the inventory broken goods would carry the same price as bulk goods.

Table 2 is a cost statement. Expenses included under each item thereon are described in table 2A. The flour loss actually averaged 6% as given by the questionnaires, but I have used 4% because I believe some of the returns included broken goods in the loss. I do not include broken goods in the loss because it is possible to get something more than cost of labor and materials out of broken goods.

You will notice I have included an item "unfit for human consumption" in the loss. Some return can be realized from this item but it is so small that the best practice dictates charging it off as a loss and calling anything received from it just so much velvet.

One questionnaire returned showed 99% of finished goods out of 100% of flour—another 99½%. It is not my intention to criticize anyone's system of costs but as long as I cannot even guess who is responsible for these figures, I think I may speak freely.

It is not possible to produce macaroni products that will keep and have only a 1% loss between the incoming flour and the outgoing goods. Fifty-six cars of semolina analyzed by the American Institute of Baking by the approved government vacuum method over a period of 3 months last winter averaged 14.43% moisture. The government requires that macaroni products

must not contain more than 13% moisture when shipped. Here is a loss of practically 15% in itself and it seems ridiculous to expect that a plant can be run without some loss from goods damaged by oil or dropped on the floor in the process of manufacturing.

If the plant in question uses southwestern patent flour it may be possible to approach this figure, because I understand southwestern patent averages lower in moisture than semolina.

Packing room overhead (see Table 2) is made a separate item, because in order to properly allot it to the varied lines, it must be based on actual goods packed. Production is figured on the basis of flour transformed into salable goods. Variation of goods in process makes goods packed different from goods produced.

Shipping costs are based on actual goods shipped which does not necessarily correspond with goods produced. Over the year shipments will approximately equal goods produced but when monthly statements are made they will vary widely.

If all goods are shipped prepaid "freight out" may be made an item in general costs, but freight is such an important item in our costs today that goods should be sold on an F. O. B. plant basis or freight allowed as a deduction from the invoice. Perhaps then many of us would stay in our own back yard. I predict Frank Bonno is going to give us an earful along that line later this afternoon.

Bulk and broken are considered as one item, because the packing characteristics are identical. One of the things that could be done to bolster up prices all along the line and which would not react to the disadvantage of anyone would be to make available, for use of association members, technical data that would tend to cut down broken goods produced. Millions of pounds are sold every year at nearly the cost of flour and each pound so sold takes the place of bulk goods on which a profit might be made.

Selling and advertising expense is approximated at 5% of the selling cost. Many returns showed a lower cost than this and many a much higher selling cost. So much depends on the policy of the company that no general figure can be accurate, but in view of the fact that 5% brokerage is not uncommon when goods are sold through brokers it seems to me that this figure ought to be about right for all lines except widely advertised brands.

It is no doubt too high for a straight line of bulk goods, but hoping that it might fall on fertile ground I will just drop the seed of thought that it is better to spend 5c a case on increased sales effort to get 6c a case more for the goods and maintain a price on which a profit can be realized, than it is to let the buyer dictate the price at all times.

Selling prices are calculated at cost, including advertising and selling plus 10%. The net profit, as shown on Table 3, is 8.7% on sales. An investment of \$300,000 is required to make 4,000,000 lbs. a year and this profit represents 9.91% return on the investment.

Neither interest on borrowed money nor interest on capital invested has been in-

cluded in costs, because for this purpose I have assumed that the company is operating on its own capital and dividends should come out of profit.

9.91% return on investment is not high. I have not made allowance for returned goods which should be deducted from sales. Our prices cannot be changed readily with the fluctuations in the raw material market, and it fluctuates enough every year to make a very substantial difference in profit depending upon whether we have bought right or wrong. If everybody bought for immediate needs prices could change with the market, but the fellow who covered at the season's low dictates the price at which all the rest of us have to sell.

To those who say these costs are too high and that macaroni can and is made cheaper—I say "congratulations on your management," but at the same time it would not be out of place to see just exactly where you save the money. Take your plant operations for last year and spend the time to figure them out along the lines of tables one, two and three. You might be surprised.

Maybe you were the fellow that quoted the Buyemcheaper company 6½c for bulk goods on a 3½c semolina market and guaranteed them to be made from durum wheat semolina and caused the M. J. Donna Macaroni company to meet that price to hold the business in hope he would get the price back later. Donna had been selling at 7½c and everybody was happy. He made up his mind, however, that when you came back with a 6c price he would let you have the business. Now you have the business at 6c and Donna figures he has done the industry a good turn by helping to put the skids under you.

Maybe Donna could stand 6c because he has a well established line of package goods and a large volume and 6c would even pay a small portion of the overhead in addition to flour, labor and packing material, but how much better it would have been if you had spent ¾c per lb. to persuade your own home town that there is as much food value in 100 lbs. of macaroni at \$11 a hundred as in 100 lbs. of roast beef at \$57.60. Then your home town retailer would make \$2.50 on the extra 100 lbs. of macaroni he sold. A Friendly Wholesale company would make \$15 on the extra 1000 lbs. he sold. You would clear ¾c per lb. more than if you beat Donna out of his legitimate business, would have a steady repeat business that the Icutem Macaroni company couldn't beat you out of, could contribute ¼c per lb. to the association's Advertising Fund and everybody would be happy, even the Buyemcheaper company for they would never know what they missed.

The cry of manufacturers today is volume production. It is a worthy objective. Increase in volume up to a certain point will unquestionably cut costs. But the methods of getting volume should be carefully considered.

Table 4 shows the variation in volume by months for 8 plants. The cost statement is based on a whole year, but we have figures taken from the questionnaires that show comparative costs for low production, high production and average production.

Table 5 shows this variation. An average of the yearly costs without freight or packing supplies for these 8 plants is \$0.2768. Our statement shows \$0.2554. Therefore it is safe to set up our figures as a guide for good performance.

Months of highest production average \$0.2434, lowest production \$0.3552. The plants average about 8½% capacity at the peak month and do 10.35% of the year's business in October and only 6.63% in July.

Assuming these figures represent the industry at large and that 500,000,000 lbs. of macaroni is produced yearly, we could produce about 10,000,000 lbs. more in October and based on that maximum monthly production of 61,145,000 lbs. could produce 433,000,000 lbs. more in a year without new plants or added equipment.

Now, we all know that full capacity all the time is a pipe dream that never can be realized. But as we approach capacity we lower our costs from an average of \$0.2768 to \$0.2434 or \$0.0334 per pound. A saving of 3 million dollars. Would 3 million dollars spent by this organization double the consumption of macaroni? Ask N. W. Ayer.

Fantastic? Yes, but does it not make you think that a thorough knowledge of costs throughout the industry and a study of the effect of volume on costs might warrant all of us to substantially support a movement to put macaroni on the map. All we ask is that each person in the United States eat 12 oz. of macaroni a month.

I'm trying to prove that lots more can be obtained from cost figures than profit or loss per pound. A thorough knowledge of costs must be the foundation for every move made. Assume you decide you need a volume of increase of 1,000,000 lbs. per year. If you know your costs you can decide whether you want to do it on price, and if you don't want to do it on price how much you can spend for advertising to get it. For example—a plant producing 4,000,000 lbs. yearly at \$0.2768 per lb. can produce 5,000,000 lbs. at \$0.2434, a saving of \$0.0334 per lb. or \$16,700 per year. A price cut of a third of a cent would not get the business because there is no bottom in the macaroni industry but a little expenditure of brain matter plus extra sales effort and a little advertising might increase consumption enough to do it. The point is that knowledge of costs is at the bottom of all moves.

In conclusion I want to stress certain things and if possible start an argument.

1. Bulk goods cannot be sold at less than 3c a lb. above the cost of flour without a loss and to make such a price the customer will have to come and get it. No freight can be paid and no selling expense allowed. The sales price should be 4c above the cost of flour F. O. B. factory.
2. The cheapest package goods cost 4c a lb. above cost of flour without freight out or selling expense, and the minimum price on the cheapest kind of carton packed 24 8 oz. cartons to a case should be, based on 3½c semolina, better than \$1.05 a case F. O. B. plant. Now don't misunderstand these statements. I don't recommend selling as low as this but am making the



statement that no firm can sell cheaper than that and stay in business.

3. Volume production will cut costs but volume is not to be had by cutting the sales price. There is always somebody who will sell cheaper so that in the long run you get nowhere. Spend your extra cash stimulating general demand rather than taking your competitor's market by price cutting.

We don't need more plants or more capacity in present plants. We want every man, woman and child in the United States to eat 1/4 of a lb. of macaroni products each month.

TABLE 1

Development of cost figures for a plant operating efficiently with an established volume of sales and designed to produce 4,000,000 lbs. net annually.

FLOUR STATEMENT	
Lbs.	Lbs.
Flour on hand Jan. 1, 1927.....	80,000
Flour purchased during year.....	4,120,000
Flour on hand Dec. 31, 1927.....	4,200,000
Flour on hand Dec. 31, 1927.....	4,160,000
Sales for year.....	3,900,000
Finished goods Dec. 31st.....	300,000
Less finished goods Jan. 1st.....	4,200,000
Loss.....	160,000

GOODS PRODUCED

Bulk goods.....	1,920,000
Broken goods.....	80,000
N. M. M. A. Goods.....	1,000,000
Private brands.....	950,000
In process 12-31-27.....	50,000
Unfit for human consumption.....	4,000,000
Moisture loss.....	120,000
	4,160,000

SHIPMENTS OR SALES

Bulk goods.....	1,900,000 @ \$0.8100	\$1539000
Broken goods.....	80,000 @ .0550	2750
N. M. M. A. goods.....	1,050,000 @ .0782	82150
Private brands.....	900,000 @ .0717	64530
	3,000,000	241564

TABLE 2

Cost Statement

Net Pounds Produced—4,000,000.		
Flour.....	\$166400	\$ .04160
Repairs.....	3400	.00085
Factory labor.....	2760	.00694
Power expenses.....	9120	.00228
Sundries.....	4000	.00100
Insurance.....	1960	.00049
Depreciation.....	8320	.00208
Taxes.....	1360	.00034
Bad debts.....	1480	.00037
Executive sal. & exp.....	10480	.00262
Office sal. & exp.....	5040	.00126
Discount.....	3800	.00095
General expense.....	2440	.00061
	245560	.06139
Packing room overhead.....	3160	.00080
Shipment—1,000,000 lbs.....	2340	.00060
	248700	.06279
Bulk & brok—2,000,000 lbs.....		.06279
General cost.....		.06279
Packing supplies.....	\$10000	.00300
Packing labor.....	3000	.00150
Bulk cost.....		.06929
N. M. M. A. goods—1,000,000 lbs.....		.06279
General cost.....		.06279
Packing supplies.....	14540	.01454
Packing labor.....	2700	.00270
N. M. M. A. cost.....		.08003
Private brands—950,000 lbs.....		.08003
General cost.....		.06279
Packing supplies.....	17290	.01820
Packing labor.....	2850	.00300
Private brand cost.....		.08399
Selling & adv. exp.....	16965	.00425

TABLE 3A

DESCRIPTION OF TERMS USED IN COST STATEMENT

FLOUR—Cost of flour piled in plant storage including sack charge.

REPAIRS—All repairs to plant and machinery.

FACTORY LABOR—All labor handling goods from flour storage to packing department—includes janitors and plant superintendents.

POWER EXPENSES—Purchased electric power, waste, packing, oil, coal, and power plant labor including firemen and watchmen and plant maintenance not charged to repairs.

SUNDRIES—Miscellaneous manufacturing expense includes all general factory supplies, laboratory labor and expenses, glue and other items not otherwise charged.

INSURANCE—Total insurance on building and supplies.

DEPRECIATION—Depreciation on plant and machinery.

TAXES—All taxes except Federal Income Tax.

BAD DEBTS—Either a fixed sum per month to be adjusted at end of year or actual loss over period covered.

EXECUTIVE SAL. & EXP.—Covers salaries and traveling expense.

OFFICE SAL. & EXP.—Office help and supplies.

DISCOUNT—Discount for prompt payment on sales less discount for prompt payment on purchases.

GENERAL EXPENSE—All other expense not included under "sundries" or "office expense," takes in such things as association dues, magazine subscriptions and charity.

SHIPPING—Labor handling goods from packing room to car or from packing room to truck if goods are trucked.

PACKING ROOM OVERHEAD—Includes salaries of packing room foreman, stock clerk, sealing machine supervisor and all labor unloading cartons and containers and general items not directly chargeable to any certain line of goods packed.

PACKING SUPPLIES—Cartons, containers, wax paper, labels and all other articles used in packing the goods.

PACKING LABOR—Packing labor required for a specific line of goods.

SELLING AND ADVERTISING EXPENSE—Includes salesman's salaries and expense, sales office salaries and expense, advertising, advertising supplies, salesman's automobile depreciation and expense, samples, etc.

TABLE 3

Inventory Adjustment of Finished Goods:

On hand December 31, 1927.....	75000	\$1167.50
Bulk goods at cost.....	45000	3187.50
N. M. M. A. goods—cost.....	25000	2000.00
Private brand at cost.....	75000	6999.99
In process at cost.....	80000	4911.20
	300000	24516.20

On hand January 1, 1928.....

Bulk goods at cost.....	55000	3850.00
Broken goods at.....	15000	1050.00
N. M. M. A. goods at.....	75000	6000.00
Private brand at.....	25000	2250.00
In process at.....	30000	1800.00
	200000	14950.00

Total increase in inventory..... \$241564

Total sales..... \$241564

Increase in finished goods inventory..... 6576

Total cost..... 248140

Net profit..... \$207150

Profit on sales..... 8.5%

Real estate, buildings and machinery..... \$205,000.00

Inventory flour, supplies & finished goods..... 35,000.00

Accounts receivable less accounts payable.....

Total investment..... \$300,000.00

Net return on investment..... 9.5%

TABLE 4

PLANT PRODUCTION PER MONTH EXPRESSED IN PER CENT OF YEARLY PRODUCTION

PLANT NO.	35	100	54	94	58	35	24	51
January.....	8.78	9.3	7.7	10.42	8.9	9.14	9.12	6.21
February.....	6.54	4.5	7.5	10.51	7.5	9.02	7.21	8.41
March.....	10.75	8.9	8.9	4.82	8.4	8.16	5.58	7.91
April.....	10.15	5.3	7.2	7.75	6.9	6.10	5.31	7.02
May.....	8.25	7.1	7.8	4.78	7.5	6.36	6.35	7.21
June.....	9.85	7.5	8.4	6.40	6.9	6.00	6.50	8.22
July.....	3.29	5.7	8.1	9.05	7.9	5.95	6.50	6.14
August.....	9.79	10.1	7.9	8.65	8.4	10.67	8.83	8.41
September.....	7.72	9.6	8.8	7.85	8.3	10.54	8.71	9.90
October.....	10.17	11.9	9.2	10.42	9.2	11.00	8.95	11.99
November.....	8.84	9.6	9.8	9.45	8.9	8.76	9.17	10.17
December.....	5.27	11.1	8.5	10.50	10.1	8.21	8.88	9.97
M. P.....	46	80	90	84.5	87.5	89	100	90
F. G.....	85	97	98	92	99	93	94	915

M. P.—Percentage of plant capacity used during month of highest production.

F. G.—Finished goods obtained from 100 lbs. of flour.

M. P.—33.3% F. G.—94lb

TABLE 5

AVERAGE MONTHLY PRODUCTION

JANUARY.....	8.7%	MAY.....	6.98%	SEPTEMBER.....	8.71%
FEBRUARY.....	7.65%	JUNE.....	7.27%	OCTOBER.....	10.31%
MARCH.....	7.84%	JULY.....	6.63%	NOVEMBER.....	9.47%
APRIL.....	6.96%	AUGUST.....	9.09%	DECEMBER.....	8.91%

COST PER POUND OF MACARONI PRODUCED NOT INCLUDING FLOUR. FREIGHT OUT OR PACKING SUPPLIES

Plant No.	A	B	C	Terms	F.O.B. Plant	Bulk	Pkg.
94	.01948	.03810	.02500	1%	100%	76%	24%
54	.02787	.03304	.03159	1%	Cust.	76%	24%
100	—	—	.024125	1%	Plant	100%	—
59	—	—	.02880	1%	Plant	100%	—
31	.02822	.04409	.02999	2%	Cust.	1%	99%
25	.01927	.02250	.02250	2%	Cust.	15%	84%
24	.03340	.04320	.03730	2%	Cust.	13%	87%
58	.01773	.02854	.02509	2%	Plant	60%	40%
Average.....	.02322	.02768	.02768	—	—	59%	41%

A—Cost for month of maximum production.

B—Cost for month of minimum production.

C—Average cost.

Play in Our Own Back Yard

Effects of Dumping and Price Cutting on Our Industry

By F. S. Bonno, National Macaroni Co.

The price cutter is the bane of all lines of business. The Standard Oil company in one of its publications ably describes this pest as follows:

The price cutter is worse than a criminal, in that he is a fool.

He not only pulls down the standard of his own goods, he not only pulls down his competitor, he pulls down himself and his whole trade with him. He scuttles the ship in which he, himself, is afloat. Nothing is so easy as to cut prices, and nothing is so hard as to get back prices when once they are pulled down.

The price cutter admits that he cannot win by fighting fair.

He brands himself as a hitter below the belt.

If the business world was dominated by price cutters there would be no business at all. (Reprint from Macaroni Journal, issue 12/15/26.)

During the past several months there has been, as you all know, a macaroni price cutting war, followed by a lowering of the grades and qualities of macaroni products generally, and worst of all a falling off of consumption.

These conditions have been brought about by the manufacturer himself. Some wish to attribute this war to outside causes and some say pressure of some kind or another has been brought to bear on the industry.

We have had nothing to force the macaroni industry into a war nor do I believe that any single or even multiplied actions can force a war of this kind in our industry, unless we ourselves want it and bring it about.

There has been no dumping of outside macaroni into the United States. There

A Strong Dependable Durum Semolina for Macaroni Manufacturers who Realize that Quality is the Surest and Most Permanent Foundation on which to Build a Bigger and Better Business

Use



QUALITY

SERVICE

There Is No Substitute For Durum Semolina

KING MIDAS MILL COMPANY

MINNEAPOLIS, MINN.

Write or Wire for Samples and Prices

No. 2 SEMOLINA

STANDARD SEMOLINA

No. 3 SEMOLINA



have been no imported goods dumped on our shores, nor will there be any for some time to come.

But we do have a lot of dumping of our own goods from one territory into the territory of a competitor and in many instances even in territories where the warring factions do not conflict nor compete, where neither does any business. Dumping of this kind causes considerable uneasiness and resentment and soon a spirit of fight, of retaliation, comes on and first thing you know the entire United States is in a macaroni price war. I know of certain factories that are invading a territory where they never before worked nor where they ever had any business. This shows that the fight is general in the industry, and I cannot see why this is, because it causes more ill feeling among the manufacturers and brings on a ruination of the industry.

Dumping of macaroni and price cutting is usually followed by a lessened demand for the products. This causes a curtailment of consumption and there is where the thing hurts all the industry; the manufacturer that is fighting, as well as those that have sense enough to stay out of the fight.

The greatest loss in this fight is the loss to the industry as a whole, and this is curtailment of consumption. This brought about through lower grade and inferior quality products.

I cannot figure why this price war now unless it is a case of retaliation, and this seems to be the issue, and from what I have found out it started through one of our own members coming out each year with a coupon deal, a scheme proposition and, if I may say it, a skin game proposition. The deal usually is, and it has now for several years been put on during the season of the year when the macaroni industry can make a few dollars, and when selling macaroni products is less difficult. It is at a time of the year when there is a good demand for our products and at a time of the year when consumption is greater. All these good points for the industry are upset by a deal or coupons or what not. I know that there is considerable resentment among the manufacturers in regard to this proposition and this fictitious per-case-price to the retailer. I say it is fictitious because the goods really cost the retailer more than this, even though he should use his coupons. But if he does not use the coupons then it is worse than ever, and the poor retailer is surely made a goat. This deal or scheme is not fairly nor honestly presented. I know that during the past season the only talking point was that the goods cost "so much" per case, no mention being made of the high list price, nor that in order to make the goods' cost, even at the fictitious value, certain conditions must be followed and certain things had to be done and certain use made of the coupons. I know in my territory the only thing the retailer tells you—the goods cost "so much" per case. Yet this same retailer is not aware of the fact that the goods are billed or invoiced to him at the factory list price which is \$1.90 per case.

This unbusinesslike proposition or deal has caused considerable trouble, much worry and even loss of business. This is forcing other manufacturers to retaliate, and the others are retaliating, not through

deals, coupons or other frills, but by honest to goodness price reductions. And if any such low figures are to be had by the retailer, why not name the price down low and avoid all the deals, the coupons, the schemes or other frills?

The factory using this deal is actually cheating the retailer. I say this truthfully and will relate one of many instances. In December last year one of my salesmen called on a retailer. This retailer was just opening up a few cases of this coupon deal macaroni, to put it on the shelves. My man offered him my goods. But the retailer answered that our price was too high, yet our list price was 10c per case lower than the list price of the coupon deal macaroni. My man asked the retailer if he was sure that the goods cost him so little. The retailer insisted that it did. So finally a little wager was made for a drink of coca cola and the retailer was asked to present his invoice from the jobber. This the retailer did and he then found out the goods were invoiced at \$1.90 per case and not at the low figure mentioned. The retailer got mad and said he was going to have it out with the jobber salesman, as the salesman told him a lie about the cost of the goods per case. Now my salesman insisted, because he saw 5 coupons on the floor that the clerk had thrown out. The retailer had opened 3 cases and should have 6 coupons. After my salesman explained this deal the retailer looked everywhere for the other coupon but could not find it. This retailer swore he would never buy that brand again, and my salesman sold him. This is a case where the retailer was cheated. And it is one of many instances. This is neither fair nor honest dealing.

Another method used by the jobbers to repay them for the trouble they have to go to in order to handle the coupons. I know of jobbers that went out and be- ked a retailer more goods than he could use, with a distinct understanding that only the quantities the retailer could use would be sent him. The other would be taken up by the jobber. The jobber will open the cases with the 2 coupons, take one of them out and use for himself. He would then later sell this same case at the regular list price and have one coupon. This nets the jobber more profit and really cheats the factory out of the value of the coupon. There are many instances of this.

Deals of this nature and conditions such as have just been stated are the real basis of this price war on macaroni. I know now where several manufacturers are laying plans to fight this coupon deal this next fall, if it is again put on. And these fellows are going to fight it out with real honest to goodness price reductions. Not deals, schemes, coupons or other frills of like nature.

It surely appears to be a fight, and one of the factories that is in this fight wrote me some time ago: "It is a war to the finish; a survival of the fittest," to use his own words. It looks like it is a war of elimination. The small factory will be put out of business and the large ones will have worked for glory; if there is any consolation in this.

The jobbers and retailers have a just basis to complain against us. You can take the present situation, flour and semolina at

high prices, considerably higher than last fall and winter, and yet macaroni is being sold at the cheapest prices in several years—in fact cheaper than I can remember. Just think of macaroni selling for 80c and 90c per case, delivered freight prepaid. This on a basis of 24 7 oz. packages per case. Freight in many instances being 20c per case. From this must be deducted a cash discount, some selling cost. How can any money be made out of selling it? Surely there is none, so this brings out again the fact that we are fighting one another and in the meantime lose money and hurt our own business through lessening of consumer demand and consumption.

A cut in price can easily be made but to raise a price is very, very difficult. It is truly said in the macaroni industry that it is just as hard to raise the price 10c per case as it is to raise it 25c. So we cannot argue that it will be possible to raise prices at will, even though the raise be ever so small.

Prices of raw materials have not declined any from the prices named last fall, so there is no basis upon which we can truthfully say: "Flour and semolina prices are lowered and we can reduce our prices." Even those using winter wheat or ordinary grade of flour face higher prices than last summer. And those of us who use semolina are surely not in a better position.

This brings about a peculiar position, about which a large number of merchants, both jobbers and retailers talk. They argue that with low prices of flour we advance our macaroni prices and when flour is high we reduce our prices. This is a puzzle to them, and honestly it is more of a puzzle to us. It surely appears that the macaroni business fights against everything and that it is always on the wrong side of everything, and is always doing just opposite to what it should.

Some manufacturers argue that the people want a cheap macaroni. Some jobbers has said this same thing. But it is not so; the people are wanting the best and are willing to pay the price for it, for the consuming public realizes that the best even at a higher price is cheapest in the long run.

The jobbers that say their trade demands cheap macaroni are not honest with themselves. If you will look into this you will find that these jobbers are forever changing brands and accounts and each time that they make a change the total volume of the macaroni business becomes less. That the goods get so cheap that even the jobber becomes skeptical of the quality he is buying and refuses to buy because he is afraid he is going to be gyped or caught in some way or another. Then they are right of this stand for the quality of macaroni offered at these low prices is not the same as that of higher prices. Poor goods—low grades of flour used and poor macaroni made. Soft, mushy and dirty macaroni. Macaroni such as an eastern paper called "American low grade"—this is the kind of macaroni sold the innocent consumer. This cheap macaroni is retailed for the same price as the high grade goods are sold for. The consumer brings a package of this poor quality macaroni—cooks it—finds mush and then never again buys macaroni. This in turn decreases consumption.

Realization of low prices—low quality causes a fear of deception in the minds of buyers—jobbers and retailers. When a product is sold below a somewhat known value the buyer begins to doubt the value and quality offered, he becomes skeptical and refuses to buy. He fears that there is a "nigger in the wood pile" and that eventually someone must suffer.

Every item sold has a somewhat fixed value in the minds of buyers and when prices are quoted considerably lower than this known value, and even taking into consideration a price war or depressed market, something happens—and usually it turns out to be a detriment to the manufacturer, for he himself kills the thing that he wants to carry on. The macaroni factories continue to produce volume—and when we talk about there being an overproduction of macaroni.

There would be no overproduction of macaroni if the manufacturer would use some of the same business ideas in promoting consumption rather than promote overproduction through lowering of quality and cutting of prices. In place of the manufacturer cutting prices and lowering quality and losing thousands of dollars—he would use his brains a little, put some of the money he would lose into the National Advertising Fund for Macaroni Products—things would be different, and we would not have the overproduction and price war.

Let us be business men, men of common sense and get out of this rut, and let us do something constructive and of some good for the industry.

Let us place a certain percentage of our sales for advertising and to promote the macaroni industry. Let us contribute to this fund wholeheartedly and let us make a big fund.

See what the rice people are doing. They were brought face to face with a serious situation and when the ultimatum was given them, they got together and signed a 5 year contract that runs into millions of dollars for advertising. The rice industry complained of an overproduction each year. This becoming so great that failure stared them in the face. They were cutting prices trying to unload the production. The banks looked into this and they found that it was not overproduction, so much as it was unreasoned consumption. So the banks insisted upon a policy to increase consumption and issued to them the ultimatum—"No advertising, no loans."

Let us remember that the more rice is sold the less macaroni will be sold, for rice will replace macaroni—and this again brings us face to face with another serious situation. One that is going to affect every one of us regardless of size or capacity or extent of territory. This is something to think about, something to give some consideration to; for it will affect everyone of us and this will be right away. This principally because the macaroni consumption is lowering, due to inferior qualities and low grade. The people are awaiting something new to replace macaroni, and rice will be a logical product.

So it behooves the industry to get out of this rut, better the quality of the goods made, make a real honest to goodness macaroni and then advertise it as a food prod-

uct for the people—the masses—everybody.

Let us get behind our organization, the National association, and let us bring back the macaroni business to where it should be and let us see that a profit is made on every pound that is made, and let us put the industry on a basis that it will be a

credit to this nation and more so a credit to those that are in it, and let us make it an industry that will survive.

Macaroni is a good perfect food. Better than thousands of things that it can replace—and remember that the field is great and the possibilities are many. Let us play in our own back yard.

## A Basic Standard System of Cost

By C. E. MARSH OF WOLF & CO., ACCOUNTANTS

I am very glad indeed that this organization took it upon themselves to express appreciation for the paper which G. G. Hoskins prepared. As an accountant I can rightfully say that to the best of my knowledge I never saw prepared a paper with any more meat in it. The real benefit, however, will come from the paper only so far as the amount of thought the members of this association give to it.

In preparing that paper, I am told through the secretary's office, there were distributed something like 100 questionnaires. It has been brought out that approximately 11 manufacturers responded, indicating at least that 11 manufacturers actually had a definite idea of their costs. As to how the balance of the manufacturers conduct their business, I imagine it is more or less of a thought that they actually do know what their cost of doing business is.

In our work we come in contact with a very diversified class of industries, manufacturers and retailers. One of the outstanding bodies of men with which we have had contact during the past few years has been the retail lumber dealers. Seven years ago the retail lumber dealers I believe would have responded to a questionnaire is just about the same ratio as did the macaroni manufacturers. Today I believe if the same kind of questionnaire were to be sent out to the lumber dealers throughout the country, we'd have probably 75 to 85 replies out of 100 questionnaires.

That has all been brought about, gentlemen, because the association as a body recognized the fact that it is impossible to conduct business intelligently and successfully unless you make a definite effort to study every detail of your business and after you have studied, after you have secured the data and the information compiled from statistics, compared the relative costs of various operations with your competitors, either privately if you care to or collectively through virtually the same system that was carried out by your Association in securing information for the paper which Mr. Hoskins read.

In other words, in the lumber industry today we have in a number of communities what we call cost study clubs. The merchants who some years ago (I refer to the retail lumber dealers) would not, in many instances, even speak to their competitor, today get down to the table of an evening and explain the various items in their costs, how they arrive at such and such a cost.

When we first started our work, we brought out the fact that the cost of carrying lumber in the yard, moving the lumber from the car into the yard and out again, averaged anywhere from \$5 to \$13 per thousand feet. Mind you, we had lumber dealers who would go before a meeting and make the statement,

"I can handle my lumber for \$5 a thousand." The man who actually knew what it was costing him to do business would say, "It costs me anywhere from \$12 to \$13 per thousand."

The result is that our surveys that we have conducted, the cost study clubs that we have conducted, have convinced the retail lumber dealer that it costs him from \$11 to \$13 for every thousand feet of lumber that comes into his yard.

In the old days we had a number of lumber dealers who simply added \$7 or 8 per thousand to their lumber. That condition doesn't exist today because they actually know, they don't guess. They know what it costs them to perform a certain operation.

I am rather inclined to believe, from the short contact that I have had with your secretary and a few members of your association with whom we have contact through auditing of their accounts, that there is just as great an opportunity today in the macaroni business to better the manufacturing condition through a better knowledge of the facts as the lumber dealers ever experienced.

It is just simply a matter of applying your best brain power, because it is going to take effort. There is no uniform cost accounting system, gentlemen, we believe, that can be applied to your business.

The Department of Commerce and the United States Chamber of Commerce advocate very strongly better knowledge on costs. They even go so far as to say a uniform cost accounting system. Our practical experience has taught us that a uniform system in most businesses is not practical, but we have found that we can take certain basic facts of an industry and through those basic facts we can get information that will enable the manufacturer to compare in the final analysis his various operations, applying instead of the uniform system a "standard system," and then apply that standard system to the individual's own condition, his own factory condition. That eliminates the necessity of completely changing a man's system of keeping his records. That is not always advisable. There are always individual problems in any factory that require individual attention.

I only had in mind, gentlemen, taking just a few moments of your time because I believe after the years that your association has given consideration to this, you have reached the point of where you are going to recognize that something has got to be done.

There is no need of trying to create a demand for your merchandise unless you know what that merchandise costs. There is no need of trying to tell one manufacturer that he can't sell for a half cent less until you know actually what your costs are. If a man, through some channel with which I am not fa-



miliar, can produce at a lower cost than you, there is a reason why. Then he can sell for less, but until such time as you know your costs, you have no right to criticize the other man.

If your organization will take it upon itself to apply certain principles individually to your factory, then after such a system has been in operation for some time, you can get with Tom, Dick and Harry and figure out why it is that he can manufacture macaroni at a

lower cost and gentlemen, as your accountants, your secretary yesterday asked me to say just a few words along the line I have been speaking, and as your accountants and due to the fact that we have several individual manufacturers as clients, we believe that you can better your condition but you've got to come from underneath, you've got to start inside your plant, you can't start outside with the consuming public until you get your own house in order.

## Developing Natural Ability of Your Salesmen

BY O. J. McCLURE

When I face an audience for the first time I always think it wise to tell some of the things that I am *not* going to do. This subject of "Salesmanship" is one that is so much misunderstood and it may be that some of you have come here in the expectation, or I might say, in the fear that I am going to give a "pep talk" or an inspirational address, or that I am going to tell a lot of funny stories or success stories or reel off a series of epigrams, but I am not going to do any of these things.

I am going to give you, instead, a very brief outline of what I understand to be, after many years experience as a salesman, the fundamentals of the business of salesmanship. There isn't much room for that kind of thing that we commonly know as pep, high pressure, or anything of that sort because everything about salesmanship is just the plainest kind of common sense. Anything that isn't good, every-day common sense isn't good salesmanship, and anything that is unnatural or artificial is not good salesmanship. Good selling is just like every day living; just as common sense and just as natural as that.

This is a subject I would like to admit I know very little about, and I haven't any hesitancy in saying you don't know very much about it either. Nobody knows very much about it as yet. I believe there are some great discoveries to be made in the near future about salesmanship, but at the present time we are all wandering more or less in the dark about it. It is something that has not only been misunderstood, as I said a while ago, but there have been a great many efforts made in the wrong direction to bring about better selling. The details of selling have been talked about a great deal but the fundamentals, the basic laws of it, have not been discussed very much.

When I first started on the road in 1902 salesmen were taught very little about salesmanship. I was given an outfit of samples and told to go out and sell, and a good many men in this audience had the same experience and started out with the same amount of training, and we floundered around a great deal and some of us have learned something about it and some have not.

I was a failure as a salesman before I began to think seriously beneath the surface and learn for myself the things that really should have been taught to me.

You all know—I assume you do—at least you should know what it costs you to get business. But I doubt if there is a man in this audience who has any concept of what it costs him to lose business. In other words, your selling costs are based on the business that you get but the cost of *losing*



the business that you don't get is a far bigger item, a far bigger drain on your business.

Now one way to get more business is only one of several to get business, is by developing the individual man power of your salesmen, developing the *natural ability* of your salesman. Let's draw that down to a little narrower focus; let's say you have a salesman who is selling \$100,000 of goods a year and the selling costs incident to his work—salary, commission, traveling expenses, or whatever it may be—amounts to so much. He spends a part of that time soliciting the business which he gets but he spends some more of that time (we will say half of that time) soliciting business which he does not get. That is a total loss because it brings no revenue. It varies, I suppose, in every case but it is generally a fact that the business the man is not getting in greater in volume than the business he is getting.

You have very wonderful salesmen if they are getting more than half the business in their territories, in such cases you are spending half, and in other cases three fourths or maybe nine tenths of the sales-

men's money for that which is not bringing in any revenue because they are spending that time on business they do not get.

The obvious way to make more profit is to show your salesman how to do better selling and in that way how to get more of the business which is getting away, because his volume goes up the natural selling cost percentage comes down, and that is why better salesmanship is so necessary.

Salesmen today know their lines fairly well. I am out with salesmen a great deal. I travel with them frequently so I am not working on any theories that are formulated in the office; they are formulated in the field and my observation has been this, that salesmen generally know their line, not as well as they should, but they know it fairly well, but they don't know how to put into effect what they know about their line. They don't know how to use their knowledge of the macaroni business to get more sales. They know their line but don't know how to use that knowledge to make a sale, consequently, their work is not effective as it should be.

In order to teach a man salesmanship you have, in a great many cases, to get his mind off the line that he is selling. He thinks too much about his line. I traveled with a man who is selling lubricating oil. That fellow knew the oil business backwards—knew it thoroughly. He was a great student and had studied the business for years and it seemed on the surface that here was a fellow who ought to be selling a lot of business. His manager told me the next day or so that this man was just barely holding his job. He sold just enough to bring his quota within the mark of being discharged.

I traveled with a man selling varnish and there the same condition prevailed. This man knew varnish but he was not a successful varnish salesman. And then there was another varnish salesman who knew very little about varnish but he was the biggest producer in Chicago because he knew something about how to deal with people, how to persuade them to do what he wanted them to do.

If you undertook to build a woodshed you would begin by laying some two by fours; you would probably put a rock at each corner, start to nail some uprights and in a little while you would have a structure that would begin to look like a woodshed. If you undertook to build a room house you would begin by digging a trench and filling it with mortar and rock and building up from there, and it would be several days before you would have a structure that would begin to look like a room house. But if you undertook to build a skyscraper caissons would have to be sunk to bedrock and work for weeks would have to go on before the structure could be started and then there would be many more weeks of work before you would have even an outline of what would finally be a skyscraper.

Now salesmanship is a skyscraper. It is exactly the same as a mammoth building and for that reason you must begin to consider this subject beneath the surface. That does not look like salesmanship and certainly not like the macaroni business, but you have to begin educating your salesmen

# Maldari's Insuperable MACARONI DIES

LEADING SINCE 1903

F. MALDARI & BROS., Inc.  
178-180 Grand Street  
NEW YORK CITY

AMERICA'S LEADING MACARONI DIE MAKERS FOR OVER TWENTY-FIVE YEARS





by talking about subjects which have nothing to do with selling.

I want to cover a few of those topics and then get on to the points that seem to be more closely connected with your business. I have arranged this subject in 3 main divisions. The first is courage because courage is the fundamental element of all selling. A man is about as successful as he has courage. In other words, if he is scared he can't sell. Don't let any one tell you that there is anything more important in selling than courage. That is the foundation stone—the bedrock about which all selling takes place.

Then next comes vision which is predicated upon courage. We all know that a man can become so scared he can't see to read the typewriting on this piece of paper. We know that is a common experience. We know vision is predicated upon courage and in the proportion that he is not scared, just in the proportion and in that proportion only can he have vision, and vision is that quality of thought which takes in all angles of the situation, which sees the whole proposition and sees it through from beginning to end; in other words, which knows what it is all about.

Then upon the bedrock of courage we have vision and then generalship, which is ability to manage the interview, not the buyer. We have courage as the bedrock and vision is the next step, and the generalship which is where a man puts into effect what his courage and vision possess him with.

With regard to courage we must needs do something more than tell a man he must not be scared—must not be afraid. In telling him he must not be afraid you are likely to leave him worse off than he was before. The way to help a man into a greater degree of courage is to give him specific problems connected with that phase of his work and then show him how to work his way out of those problems.

Let's take one specific thing to begin with. The old belief that salesmen are born and not made is probably the deepest seated and deepest rooted form of fear that a salesman ever has to contend with. The old saying is scoffed at very often and very largely is discredited, yet in spite of that fact the majority of salesmen, yours as well as others, are going around with the notion that they were not born as good a salesman as some one else, and there begins the trouble. If you go to the heart of the thing you will find they believe luck is lined up against them. This man representing a firm in this territory thinks the fellow in the other company or next territory was born with some strange ability that he does not possess, and he just naturally puts a wall of opposition up in front of himself and first he becomes discouraged, then disgruntled and then confused, and so he doesn't call on the right buyer at the right time, and when he does call he makes the wrong impression. The belief that a man is not born a salesman is one of the very first things we need to explain to a man. Explain that he is a born salesman and can be just as good a salesman as any other man.

In salesmanship as in every other calling it often happens that the man who makes the biggest success ultimately, is the man who made the poorest showing at the start.

A lot of fluent ability when a man first begins to sell may only be temporary. My observation has been that the men who made the biggest success had the greatest amount of difficulties to overcome when they started. It is just the same in engineering or law or anything they do.

You must keep telling them there is no limitation; that they are all born with as much as another. That doesn't mean a man can be just as good as the other but there isn't anything to this notion that a man is born not made.

Another related worry is the fear men have of getting old faster than they are providing for their families. They have a constant fear that old age is going to overtake them; and don't think you haven't salesmen who are not worrying about that. They believe you can't teach an old dog new tricks and that if they don't make good by a certain age they can't make good at all. Relieve them of that.

I made this statement before an audience and when I had finished a man got up and said that the idea of an old dog not being able to learn new tricks was wrong. He said that men learn faster after they are 42 years old than they do before. He also told about the dog; said that a dog learns more readily after he is 2 years then before and that an ape learns more readily after he is 14 years old. So there is nothing to that old saying, "You can't teach an old dog new tricks." Some one started it and another carried it along until it has come to be a belief.

This may not seem to have anything to do with the macaroni business but it has a great deal to do with it. It is one of the things that is affecting your salesmen and it is up to you to teach them the truth about it.

Another thing is, that salesmen do not know how to meet their buyers on an equal footing. They either make the mistake of lording it over them or assuming a bombastic attitude, or else they cringe and kotow to them. Both of those ways are wrong. The way for him to meet his buyer on an equal footing is for the salesman to have equal balance with the buyer.

Salesmanship is largely a matter of being in good balance. A salesman has got to be in good balance about everything. He must not talk too much or too little; he must not magnify the obstacles or undervalue them. In short, he must not get out of balance. An engine needs a balance wheel or it will pound itself to pieces. Food rations need to be balanced; everything needs to be in balance, and certainly a salesman must be in balance. I would like to have you pass that along.

I was out with a man selling crackers. He is a wonderful salesman representing one of the big biscuit companies. As I left him in the evening his manager told me that if he had a hundred such men he would corner the cracker business for the whole United States. "He is the bulldog type of salesman—he never quits, he doesn't know anything about quitting." "But," he said, "do you know what I believe is the trouble with most of your salesmen? The trouble with your salesmen is that they don't know how to meet the buyer on an equal footing."

He used the very words I have used so

many times. This man does know how. He does not lord it over his buyer nor does he cringe or kotow but he is absolutely in equal balance with the buyer, and that is a good thing to teach your salesmen. The salesman needs to know more about sizing up the buyer. Let me give you just one way in which he does that wrong. He is too much inclined to spend time with the buyer who is friendly with him, with the buyer who is affable, who is courteous, and who gives him time to say everything he wants to say. But he does not spend enough time with the buyer who may be inclined to be a little gruff.

If you teach the salesman that the friendly buyer is no more likely to buy than the other man, that he is no better prospect than the other man, you will make him a better producer. Spending too much time on a friendly buyer because he is friendly buyer is in comparison just like a baseball player who strikes at all the bad ones and lets the good ones go by. He is rating his buyers on the wrong basis and the result is he wastes a great deal of time. That is another thing that seems to have little to do with the macaroni business, but has a great deal to do with it.

I started out one day with a salesman who was not making good and his manager had told him so, and he wanted to find out what his difficulty was. Before we started out we sat down at his desk and took his card index and went through the cards one by one, and in each instance he told me why he couldn't get the business. I let him go on with 20 or 30 cards telling me why he could not get the business and not in one instance did he advance any reason why he could get the business.

I saw what the difficulty was and I said, "I suppose we had better get started on the day's work," and we did so. Now that man is a sad example of a salesman who makes too much of his difficulties. He is out of balance. He lost his position even though he got 2 trials. He knew the business, is a fine characterized fellow of good appearance and in every way qualified, but he makes too much of a mountain out of little obstacles. Every one of you has salesmen doing that very same thing and it is one of the reasons why they are not selling more goods, and that is one of the things that needs to be taught them.

Here in Chicago a man was given an account and he made 2 or 3 calls. It was a small concern and he didn't think it would ever amount to much. He didn't care anything about the buyer so he cut the same off the list. After a few weeks an inquiry came in and he was assigned to follow up the inquiry so he went out to see the concern. Quite a transformation had taken place and it had grown to be a good sized outfit. The salesman saw at once what a change had taken place and he was a little ashamed to face this buyer and the man began to rebuke him for not calling. "You thought this business would never amount to anything. Isn't that it?" he said.

The salesman said, "Yes, but I will withdraw from this account and have another salesman call on you."

The man thought a moment and then said, "No, I don't believe you had better do that. Now that we understand each other we can get along all right."

It grew to be one of the best accounts this salesman had. Here is a case where the salesman was afraid to probe to the bottom of the problem and find out what was going on and what the prospects were, and the result was he eliminated himself for the time being from an account that had good possibilities.

That is what salesmen are doing; they are afraid to dig to the bottom of an account because they are afraid they can't cope with the situation when they find out what it is. Tell them not to be afraid. If they don't probe to the bottom how can they find out what is being bought and where and why? These are things they have to do and are things you should teach them to do and they will help your men to actually sell more merchandise. I have never known it to fail that where a man began to think about these things and began to study them he became a better producer. He begins to make a better salesman out of himself because he begins to think of what really counts in selling. If instead of cramming these notions and pep things down a salesman's throat, which he automatically rejects, you give him ideas and make him feel he is making a better salesman out of himself instead of you making a better salesman out of him, you really accomplish what you desire to accomplish, that of making a better salesman out of him.

Vision is the ability to grasp all angles and understand what it is all about, to see what the situation is and what the problems are and to understand what it is and what you must do about it in order to make a sale. Salesmen go ahead and work in a little narrow groove and don't know what it is all about largely because they are scared. You are selling ideas. Every piece of merchandise is a product of an idea. You are selling a merchandise called macaroni but still back of that some one had an idea before it could be created, and the merchant today is not buying merchandise, he is buying a sales proposition. He is buying the idea of profit or, if you are selling to a user, he is buying the idea of utility. It is a great relief to get his mind off of merchandise and have him think of himself as selling ideas, either the idea of profit or the idea of utility, as the case may be.

If it is an idea that your salesmen are selling then it must be a change in the mind of the buyer that constitutes a sale. When your salesman makes a call he finds the buyer in one of 3 moods: either he will not buy, or he is undecided, or he will buy. Those are the only 3 ways in which he can find his man. If he has decided that he will buy, then of course the sale is already made. If it is either of the other 2 cases then he must change his mind before your salesman gets the business; so it is the change in the mind of the buyer that constitutes a sale. I find that it takes a great load off a salesman's mind when he realizes he is selling ideas and that the change of ideas in the buyer's mind is what constitutes a sale.

Another thing on which a salesman needs more enlightenment is on this question of personality. Salesmen have been preached to too much about personality. They have been taught they must have a personality or they can't sell. They have been told how

to cultivate a personality and in some cases, I regret to say, the salesmen have been taught that if they develop a certain kind of personality they can use it to control the buyer. That is a very dangerous thing, in my opinion. It is not in accord with natural justice, it isn't common sense, it is unnatural, it hasn't any element of soundness so far as sound salesmanship is concerned. If in salesmanship you can create a personality that can control the buyer, it follows that it should be perfectly right for the buyer to create a personality that can control the salesman. If the salesman learns to control himself he has done a full time job and in that way he has placed himself in position to get business. The control of self is the essential thing and not the control of some one else.

There is too much arguing and not enough reasoning in actual selling. I am amazed when I am out with salesmen to see how much they jump from one argument to another. Their calls are one succession of arguments. They all too quickly lose their tempers or get excited, or plunge into an argument. The only way that you can sell a person, man or woman, is to reason with them. There is nothing else that appeals to people quite so much as reasoning. There are some other elements that enter into making sales but reason is the most effective form of appeal that you can make.

I said a while ago that the salesman is too much inclined to be discouraged by the negative attitude of his buyer. Now I want to say that this negative attitude means almost nothing. Those of you who are experienced salesmen will agree with me, I am sure, when I say that many of your best sales have been made in the face of opposition all the way through, and that you met with nothing but opposition until time of closing. The prospect who is inclined to buy is the person who gives you the most opposition, and the salesman who is the most successful is the one who learns to translate what the buyer says into terms of what he actually means. I dare say he doesn't say what he means one time out of ten.

Just last fall I saw such a case of selling. This particular salesman met with the most complete opposition that I have ever seen. There wasn't one single thing that would lead the salesman to believe he had one chance to get the business and he went out without getting an opportunity to explain his proposition as it should have been explained. It was the most hopeless and most discouraging case I ever observed. But he was not defeated; he submitted his proposition by mail which was the best he could do under the circumstances, and that letter was received by the buyer the day before Thanksgiving Day and the day after he mailed his order back. And that example shows how much we should allow ourselves to be influenced by the negative attitude of the buyer.

I was out calling with a salesman and we called on a concern where the salesman told me he had no chance of getting the business. But I went back with another salesman from that same company a few weeks later and this man, in going to this place, had some very good reasons why he should get the business. He didn't get the order that day but had a

very satisfactory interview which paved the way for getting the business the next time he called. The buyer was ready to give the same negative reply and the only difference was that one salesman was ready to listen to the negative side whereas the other one would not listen to it. That was a case of 2 salesmen from the same company and both calling on the same company, or buyer.

I think in the macaroni business, if you are calling on retail grocers and delicatessen stores, that the problem of selling to women is quite a problem as very few salesmen know as much as they should about selling to women. I am sorry there are not more women here this morning as they always appreciate this. I have heard salesmen say, even in the millinery business, they dreaded to call on women. Their opposition extends around the idea that women don't reason, and they go to their women buyers with that erroneous sense which gets them in bad right at the very start and they do not sell them as successfully as they should.

Women do not reason as we think we reason. We men think we are great reasoners. A woman has a different way of arriving at her conclusion. She doesn't reason things out as we give ourselves credit for doing. She goes about it another way and therefore we think she is not a good thinker and regard her as a nuisance. Let me say if women don't reason the way we do, they have a better way, and if you look it up you will find the best authorities on the subject say that a woman arrived at her conclusion through intuition, and intuition is a more direct route to conclusion. A woman may not know why she thinks so and so but she thinks so and so even when she can't give you all the reasons, but she is no less sure and no less likely to be right, and in fact she is more likely to be right; so that explains why a salesman should never get into an argument with a woman buyer. It is bad enough to argue with a man buyer but still worse to do so with a woman buyer. She puts herself immediately on the defensive because she knows you can best her in an argument and she doesn't want to be bested in an argument, so she doesn't ever argue with a woman. (Laughter.) I see there are some married men here.

A woman may be a little more susceptible to different kinds of sales appeal than men. For instance, if you can get the idea over to a woman buyer that this is the kind of goods they are buying, or this is the way they are serving macaroni, or something along that line, you make a strong impression with the woman buyer; and if you can convince a woman buyer that you are sincere, and go to her and act like a gentleman should act and don't put on any false smiles when you are dealing with her but let her know you are sincere and convince her of that, you get her business. A woman is more susceptible to that appeal than a man. I think, too, that when a woman buyer comes to the conclusion that a salesman or house deserves her business she is inclined to be more loyal than a man buyer.

Now there are a few points about vision. Those are just a few of the many things a salesman ought to know to give him a better grasp of the kind of work he is doing. He gets that vision only in proportion as he learns to overcome being afraid.

I want to tell you of one experience I had and then I want to go on to the question of



generalship, which is managing the interview. A few weeks ago a salesman came to me and said: "I lost my job. Last year I sold \$100,000 worth of goods and this year I sold only \$70,000 worth. The house has dismissed me and I don't know why. I would like to have you go out and see if you can find out why."

I was very glad of the opportunity and I spent some time at it. I would go into the store and say that I was investigating this man's record and his work, which I was. I would ask a few questions about him such as was he steady, was he reliable, could his promises be depended upon, did he know his business (it happened to be a hardware line), and I got "yes" to all these questions. This man was a fine gentleman and he was steady, reliable, could be depended upon, they liked to have him come in; and then I came to the question: "Is he a good salesman and did he sell you as much as he should have sold you?" And they said, "No, he didn't." And that was the answer in every case. He was a fine fellow—the right kind of fellow to be a good salesman, but when it came to the question, "Did he sell you as much as he should?" and the answer was "No," it showed he was simply afraid. He had all the other qualifications but he was afraid if he could try to sell them more he would destroy that friendship, and that was the cause of his failure; and that is the cause of a great many failures.

You sometimes accuse your salesmen of not selling enough because they don't work hard enough. Generally they don't know how and they get discouraged and the first thing you know they are starting out late in the morning and knocking off early in the afternoon, and thus begins that which becomes a total failure.

And now we come to generalship, and this seems to be the most important because it gets a little closer to the actual proposition of selling. People ought to buy what they ought to buy. If a piece of merchandise is the right thing for a man to have, he ought to have it.

I tried to sell for several years, and I found out that they won't do that. Some other influence has to be brought to bear to get the people to buy the thing they ought to buy, so we have to consider ways and means of presenting our proposition to a man so that he will get the inclination to make the purchase. In other words, if you give a man some thought or idea or selling reason before he is ready to receive that he doesn't get much good. Your proposition has to be presented in logical sequence. Your salesman has to go in and make the right impression and then go through in logical order to get his ideas or goods accepted.

We hear a good many things about pre-approachment. It is every bit of preparation that a man has made before he calls on a customer. It is everything we have been talking about—this preparation—and the approach he makes at the beginning of a call often makes or mars the sale. A salesman will go into a place and say to a buyer whom he scarcely knows, "How are you?" and many a buyer objects to this sort of greeting because he knows the salesman is not particularly interested in his welfare and he feels the remark is not at all sincere, and it creates the wrong impression right at the start. Another man goes and says, "Well, what can I sell you today?" That is also the wrong start because a salesman is not at that point ready

to bring that question up and it gets the interview started on the wrong track.

There should be a logical sequence in which the salesman presents his proposition and that logical sequence is more important in one business than it is in another; it is more important in making big sales than in making a little one, and more important where a man makes just one sale than it is where he calls every 2 or 3 days. But still a salesman should know that in this logical sequence the place to begin is with the selfish interest of the buyer. He should begin with something of which the buyer is thinking.

If you are going to change a man's opinion and get him to adopt your ideas, give him an idea where he is thinking—something about his business, or his interests. After you have done that then go on to your product and what it will do for him. That is only a small step and your buyer will never know just what it was that led him along. After you have started in on the product you can take up the question of manufacture and packing and so on. When you go in he is thinking about his business and right there you should give him an idea that will affect his business in a beneficial way and then lead him on to your proposition and then to your merchandise—how it is packed, what a drawing card it is and so on, and then after that the price and terms.

Very seldom do I see a salesman who holds the price back until the proper time. Nearly every salesman quotes too quickly. If he has a low price he thinks the thing to do is to put the price out in front. That is wrong; never do that until you have put out other things to support it, because if you put the price out in front too much that is all he sees, and then every successive point you bring up he weighs that one point against the price. Teach your men to build up the proposition first and then quote the price. It takes some stamina for a salesman to do that. He thinks that if a buyer asks the price he must quote it right away. I know a salesman who made a buyer ask the price 3 times before he quoted him. The first time he ignored it entirely; the second time he said, "We will get to that in a few minutes." The third time he did quote because he had stated what he wanted to and then the price looked reasonable.

I have heard a great deal about this price quoting question, and some of you are probably thinking that you can't handle it in the same manner as can an adding machine salesman or a man selling some specialty. Perhaps you cannot handle it in just exactly the same manner, but you can instruct your salesman about the technique of properly timing the quotation of the price, and if you do you will find that you will have fewer price problems than you had. It won't solve the problem but it will help every salesman that gives thought to the proposition. If the salesman isn't scared he can quote that price at the right time and quote it in a way that will sound right; it won't sound high and he will be in a position to stand by his price.

A salesman will very often allow the interview to get out of his hands because he allows negative suggestions to creep in. We have heard a great deal of suggestion in selling, but we have not heard enough about the suggestion that is negative and which keeps him from selling.

A man I traveled with asked every buyer

he called on, "How is business?" And every buyer said, "It was rotten." Nearly every one gave him a long drawn out story of how bad business was. This man had been with this company and selling for 12 years, and I presume in those 12 years that every buyer he called on, or at least a large majority of them, had answered, "Business is rotten."

With a question like that the buyer naturally has opposition at the end of his tongue, and a salesman should be very careful of what he says because as soon as it is a negative query the buyer takes advantage of it. Tell your salesman not to ask, "How is business?" and give them the reason why.

"Would you be interested?" is another one. A salesman goes in and says, "Would you be interested?" Of course he says, "No," and immediately he puts that salesman on the defensive and he is fighting for his life. What he wants to do is to keep on the offensive and not ask questions or make statements that will get him on the wrong side of the interview. That is managing the interview which is good generalship.

I wonder how many times you have seen a salesman go in with a sales talk all ready, calling on a buyer he has sold to before, and have him become completely upset by some complaint that the buyer has made? He has become completely upset because the buyer complained about the last shipment or something the home office neglected to do. Now there is a way of turning complaints into assets.

Complaints have to go through a process the same as a sale, and the place to begin with that complaint is where he is thinking. Begin with him by agreeing to some extent, either wholly or in part. That doesn't mean you are committing yourself to some kind of an adjustment that he is going to demand. You can simply say something that is in agreement with him. But just like making a sale, begin with the buyer where he is thinking.

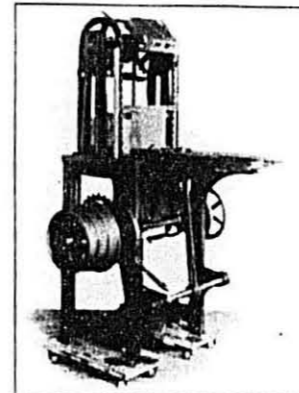
Some complaints can be laughed off but a salesman has to use his judgment about laughing off a complaint. He must learn not to let the complaint handle him. If he is going to handle a complaint he must handle it properly and not allow it to handle him. He must not get angry or get too critical of the buyer, or lose his head. When he does that he is letting the complaint handle him. You want to train your salesman to begin, if possible (it isn't always possible to some extent) to agree with the buyer and then get at the bottom of the complaint just like they would get to the bottom of making a sale. When a salesman goes to the bottom of a complaint 99 times out of a hundred the buyer sees there is nothing to it and it fades out of the picture. Then after he has done that comes the adjustment, if an adjustment is necessary.

These 3 stages have certainly prepared the buyer for a reasonable sale. You want to turn that complaint into an asset if it can be done. Tell your salesman that if he gets angry or critical of the buyer he is just letting the situation out of his hands and is going to make an unsatisfactory adjustment or lose the business, and probably both.

Another thing that your buyer will always be receptive to is the right idea about courtesy. Courtesy is something that doesn't exist on the surface; it is something that is beneath the surface and is the way a salesman is thinking about his customer. If he thinks "I have

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got to call on this old skinflint," and then goes in and puts on a smile he is not sincere and is therefore not courteous. Courtesy is a form of toleration and a salesman has got to learn to take the right attitude toward his customer; he must learn to have respect for his point of view, and courteousness will increase in proportion as that respect increases.

There are a few things salesmen do which prevent them from getting business. For instance, a salesman very often assumes the attitude that it is all right for him to smoke in the buyer's place of business. If the buyer is a smoker he thinks he has a right to smoke. It doesn't necessarily follow that because a buyer is a smoker that the salesman has a right to smoke in his presence. The buyer takes a lot of privileges unto himself that he does not accord to the salesman. When I was selling I made it a rule never to smoke in the buyer's place of business until I made absolutely sure that I was welcome to do so.

Just recently a friend of mine told me he had a complaint from a buyer in St. Louis that the St. Louis representative came in smoking and he objected to that, although this man was a smoker. Now that salesman isn't using quite fine enough judgment about his relations with that buyer. He is overlooking that buyer's opinions for which he should hold respect.

There are several other things a salesman should not do. Sometimes a salesman assumes the idea that he is talking to a man to whom he can use any kind of language, and very often the use of improper language will drive a salesman away from a buyer who is particular about that sort of thing, more quickly and more definitely than anything else. So there again a salesman needs to have more respect for the wishes of the buyer.

I accompanied a salesman who called on a retail merchant and after the interview he said, "What do you think of that call?"

I said, "You did very well, but there are 2 or 3 things of which I would like to caution you."

He said, "I would be very glad to have you do so."

"It was only the second call you made on that man and yet you didn't tell him who you were or where you were from, and all the time you were talking he was wondering who you were. When you make a call and there seems to be any doubt in the man's mind as to who you are, that man's mind should be put at rest. Another thing, you put your hand on his shoulder. I believe he is the type of man who wouldn't object to that but some buyers are very fussy and I don't think it is wise to get unduly familiar with a buyer on short acquaintance. Another thing, you got the man's name wrong. He didn't seem to care about that but another buyer might be very fussy about it."

Speaking of names, I had an office very near to another man whose name was McClure and our mail was all the time getting mixed up. I would get his letters and he would get mine and finally after several weeks of this he came in and said we ought to get acquainted, having the same names. He was a man who was very proud of his name. He knew all about the McClures who had done great things and he ended by saying that McClure was a name that had never been dragged in the dust and he was very proud of it. During the war I

was doing some work in the hospital at the Great Lakes training camp and it happened right after I had met this man McClure. Going through the hospital I met a lieutenant and as I was introduced to him he said, "I am very glad to meet you. I am from a little town in Iowa where we had a McClure who robbed the train and he is in the penitentiary now." Now if any one went to McClure and called him McGuire or McDonald he is the type of man who would resent it very much because he is very particular about and proud of his name. And this shows how careful a salesman should be in order to stay on the right track with the buyer.

Closing the sale is much misunderstood. We hear so much about closing the sale. We also hear about rushing the buyer at the psychological moment to close. Maybe there is a psychological moment, but closing the sale is the same all through because he begins to close just as soon as he begins to open. There isn't any mystery about it. There are those who think they are not born salesmen and there are thousands who think they are not born closers. There isn't any mystery about it; it isn't anything that a man is endowed with; it isn't anything a man can't learn to do. I don't believe there is anything to this rushing a customer. There is a time when a sale hangs in the balance; and there comes a time very often when the buyer is hanging in the balance and when a little more argument and a little more persuasion brings the scale down on the right side, and the salesman who has vision and courage enough and keeps his eyes and ears open senses what that point is that is going to be the deciding factor and he emphasizes a little more on that.

I could tell you dozens of cases of closing and they all teach very much the same lesson. Some I have seen and some I have practiced. Sometimes when closing is done you don't realize that anything different is being done. At other times I have seen men use the most extraordinary methods to make a sale. I remember one case where a man had used every argument. This man was a good salesman—a wonderful salesman. He had used every ar-

## Macaroni in the American Menu

BY "PRUDENCE PENNY"—MRS. LEONA A. MALEK

This is a small world after all. Here I come to talk to you in this hotel about macaroni products at the very moment that Mr. Arnold Shirecliff, the managing caterer of this hostelry, is addressing my school of 600 women on the West Side, telling them about the 50 gorgeous salads, including macaroni and spaghetti, that he has developed here. Immediately after this talk I will hurry over to my school and tell that gathering of women what a wonderful food you manufacture and suggest that they always have macaroni and spaghetti on their shelves as standbys, as food staples, as they have all the other food staples.

I think that macaroni is fast coming to be recognized as a food staple and I am making much of this truth in my cooking schools under the direction of the Herald and Examiner. To send this truth home to the millions of American housewives is your first duty.

gument to sell this buyer and couldn't buy him anyway at all and this is what he does. It looks almost absurd but it got the business. His sales arguments counted for nothing. Quality talk didn't make any appeal, but it happened that this buyer was the same nationality as the firm that this salesman was representing and it also so happened that the buyer was very proud of his nationality. The man had exhausted everything he knew about selling this product and finally he said, "Well, the name is all right, isn't it?"

"Yes," the buyer said, "the name is all right."

The salesman said, "Well, my friend, the goods are just as good as the name." That was all he did. That was his resourcefulness. That salesman sensed the fact that the buyer would respond to that sort of appeal. There was no reason why he should have done so but it was an appeal to sentiment and it got the business after every other appeal had failed.

Now ladies and gentlemen, I have touched upon but a few of the principles of selling and those few have had little more than mere mention. The subject is so vast, so far reaching, and involved with so many varying contingencies and conditions, it would require many sessions, rather than one, to give it anything like a thorough presentation.

But I trust that from what has been said here today you have recognized some point which you can pass along to your salesmen and if so you will surely help them to do better producers.

These bedrock principles of selling are nearly always neglected in an educational program among salesmen. The executive either assumes that his men already know them, or he brushes them aside with the unconsidered opinion that they have no connection with his business. Those of you who will avoid these two pitfalls and give your men systematic instruction in these vital matters will find that you have discovered a new way to increase sales, to cut selling costs, and build up a greater profit account.

You gentlemen who are manufacturing macaroni, spaghetti and allied products have taken for your motto, I see, for your Jubilee year, "A CLOSER COOPERATION BETWEEN THE INDIVIDUAL MANUFACTURER OF THE INDUSTRY AND A KEENER COMPETITION WITH THE FOOD MANUFACTURERS IN OTHER LINES," that dovetail with yours or which you intend to have your product substituted for. Now in that motto and in the facts of the expenditures for the American meal each day of each year, certainly are things worth working toward.

You will perhaps not select as your favorite parable the one which one young Thomas was said to have selected. The minister asked him what his favorite parable was and he said, "The one where it speaks of 'loafs and fishes,'" and I am sure that none of the members of this organization, if you live up to your motto, is going

able to loaf and fish much this coming year.

One third of the sum that is spent for food in the United States brings into the kitchen the bread, the sugar, the carbohydrates, and there you have a chance for saving, in this one third expenditure. One third of the expenditure for food in the United States is for meat, fish, eggs, butter and cheese, the protein supplying tissue building foods, and there also you have an opportunity by your promotion to add your educational work to gather a great many of those dimes and quarters and dollars into the macaroni business.

The United States is said to spend some \$1,000,000,000 a year for food, and that goes into a pocket four hundred seventy million dollars a month, and you can figure out a year's consumption; so I am sure every one in this business, having such a wonderful opportunity to promote and all this opportunity before you, will take advantage of the situation.

*We are eating only about one tenth the amount of macaroni we should, per capita per year, and with all that field I am sure every one who has a very gorgeous imagination of the future of his business has about the best opportunity of any manufacturing organization I know of to realize that dream in a financial way.*

I presume the usual convention story has been told here about cooperation and I think that usual story about cooperation is very fine. That is where the Methodist minister is umpiring a ball game between the Ku Klux Klan and the Knights of Columbus being played for the benefit of the Jewish Orphans association and Colored Peoples Home.

Instead of applying that to your cooperation, for I know this organization is just in cooperation, let us apply that thought of diversity of interest and types to the consumer. I believe your problem is a problem I am helping you with in my work with the Herald and Examiner and in our lecture and cooking school work to get all types of people to accept your product as a staple product on the American bill.

We want to lead all these groups, the same makers of all these groups, to know at least 57 ways to prepare macaroni and these lovely books you are getting out giving 80 ways in one book and even more—we can just get each housewife to know a dozen good, attractive ways to prepare them, and we can gradually lead her on to more and learn more and more, it will be to your benefit.

I'd say that the first thing that you ought to do as manufacturers, of course you want to be the home maker now to work with you and use your product and of course we must sell her, and I think that is probably the easiest proposition we have, to sell the home maker, for she is looking for variety of dishes, looking for health foods, and yours certainly is one and yours is the best for the greatest variety for any one food of perhaps anything I know, really, because it fits in and blends with all foods. I think that the way you can be of the greatest help is to work with the general

members of the family, the men of the family and the children of the family in your promotion work. Your national organization should send out general promotion copy, educational copy that can be used by those of us who are editors of food pages and food sections not only in the newspapers but in magazines, and you can direct that copy to the general consuming public, create acceptance in the minds of the husbands for macaroni in various forms, macaroni as the main dish, as the base of the main dish of the meal, and macaroni as a salad. You are doing a very great deal toward popularizing that, and we are helping just as much as we can.

Just a little over a decade ago, say 15 years ago, it was really an undertaking to attempt to change food habits of a nation. We found in war time that to try to change food habits was really a man size undertaking. People didn't take to it comfortably and happily but we went through that phase and now the housewife is in an attitude of mind of acceptance of anything that is backed by tested recipes or by someone in the food world in whom she has confidence.

Today the public in general, the housewife and the public, is led almost too much, I think the psychologist and teacher would tell us, by suggestion, but that is something you need not worry about. That is perhaps more to your advantage. The more you can suggest the very definite use of your product in all the different phases of food needs, the better.

You have such a splendid product to work with, it must be a great pleasure for you because the manufacture of it so interesting, so clean, the packing of it and the distribution and you don't have such problems of spoilage as so many manufacturers do, that it seems to me you have time to give a great deal of consideration to the general educational promotion work.

It hardly seems necessary, after reading your very splendid trade magazine and all suggestions that you have there and looking over some of the booklets that you have, to make further suggestions. You sent out a great many hundreds of those from our department in answer to letters. I had over 100,000 letters last year from home makers in Chicago and vicinity and over half of those were on food questions.

Of course our field is not limited to food. We have everything about the home, but every home maker who is interested in the rest of her house is interested primarily in the food and so over half of our correspondence, half of our questions, are regarding food, and the great question most frequently repeated is for new dishes and for variety of service.

So you have this food that can be promoted as a health food, for its health value. Now that we are trying to eat less meat as we approach 40 and go over that, your product comes right in to help extend the small meat portion, extend the flavor of the smaller meat portion, giving entire satisfaction to the appetite and giving the grounded meal, and its use as a meat extender I would advance more from the health point of view than from the thrift point of view. You see we have gone along to a state of mind, most of us, it seems—and my study of the home, the children and

the housewife leads me to think, that people don't like to be reminded of the thrift angle.

Macaroni is a wonderful product from the thrift point of view. It is all right to go along on a thrift story with something to sugarcoat it a bit and tell them all about the saving on the meal so that we can have an oriental rug or a grand piano or buy a home, but just taking thrift as a bare, practical proposition, it is not accepted as graciously as you might hope it would be. But if we take this proposition of macaroni as a meat-extender from its health point of view, I think you will find a great response.

Then of course you have the protein value that will go right along in that connection. You know that macaroni shows up very well in comparison with meat, in the protein percentage, in comparison with some of the meat, but the average person doesn't know that. The average man doesn't have any such idea or the average woman. She thinks of the carbohydrate first, and of course in this day and age when everyone is trying to have a bread-and-water silhouette it hasn't been so good for macaroni, but they tell us now that the latest word from Paris is that the plump figure is coming back in style, so let us hope that will be the case. If so, we can then eat our macaroni in comfort.

If the fact is brought out that it contains more of the protein than the carbohydrate, I think we can be able to overcome that prejudice a very great deal.

This point of the use of macaroni and spaghetti and allied products as a gluten food, and the place of a gluten food in the diet of the convalescent and those suffering more or less with digestive troubles and for children, is one to be emphasized. I think that has not been presented so that the average person knows anything about it at all or even thinks of it when they think of macaroni. I have yet to find a lay person who had any of that in their mind.

The ease of digestion—about 90% assimilation, no waste at all,—that is another point I'd like to see you bring out in your promotion and general publicity. Of course we have macaroni played up in its rather comic fashion in the movies and on the stage and now I'd like to see it presented in its more dignified position as a pantry staple for the American housewife. I think every home should have in the kitchen cabinet or pantry staples (however the household is managed) a certain number of packages of macaroni and spaghetti just as there are salt and flour and flavoring extract and baking powder. Macaroni should be on the shelf, and once the housewife comes to understand the variety of its uses she will automatically use more of it, because it answers the call in such a very, very short time.

We have been very busy for many years telling women things to use for unexpected company. What is better than to just slip out to the kitchen, open a package of macaroni, put it in boiling water, go back and talk to your company a little while, then at the end of 12 or 15 minutes skip out and take that off and fix it for the oven or mix it with your cheese or your tomato or whatever it is? Practically anything you have in canned form in your pantry will mix with



macaroni, and the minute the housewife gets that into her mind, that it can be prepared so easily and quickly and will blend with anything, very often she will manufacture a dish right there in an emergency that will be something unusual and a great help.

In this present age the housewife the country over demands foods and equipment that save her time and labor, and it seems to me right there you have one of the biggest points to play up. It fits right in with the present demand for time and labor saving foods.

You do play up the variety of ways but I'd like to see you come out very definitely in a campaign of national advertising (I am thinking of the housewife in all of this), launching a series of advertising or putting on your package or inserting with your packages at certain seasons, having it all uniform, all working together with your promotion which goes to the magazines which you know are very glad to have suggestions from you.

The back-of-the-book editors would act on your suggestions if you have something that you're all together working with, and the material that you send to me and to the other newspaper women's page editors and to food journals—they all would welcome the information you are able to give.

Take a series of one dish dinners as timesavers, for instance. That would be a good subject to start on at this season. I find that the ladies who come to our cooking school classes are much interested just at the present moment in the one dish meal and we are having the main dish salads today in our schools, and we will have the loaf next week, but if the hot dishes and cold main dishes were first brought out and then followed up with the accessories, it would be most welcome information.

You can work the macaroni and spaghetti into your salads and into appetizers. Just a bit of inexpensive fish mixed with or rubbed into a bit of macaroni and spread on your bread or tomato or whatever you are using as the foundation for an appetizer will carry that, and I'd like to see you advise them always to cook enough macaroni at one time for 2 meals. Some people, the very delicate Italian macaroni lover, may think that is not aesthetic enough, that it must be cooked fresh or it won't taste just right, but I'm sure that you will find the American taste will accept the macaroni that is cooked today and kept in the refrigerator, thoroughly chilled. Of course we must have an efficient refrigerator so it is kept at 50° or below, but it can be kept until the day after tomorrow. Have it in a hot dish today and in a salad the third day. This is something that will help a great deal in quantity consumption.

Another series that the housewife would be quite thrilled with is the ways that royalty and celebrities like to serve macaroni. That will take you back more or less into history and I think there are very few people who realize that macaroni has had a day in the orient, that the Chinese and Japanese are both rather fighting for the distinction of claiming it and that the Hindu has used it.

I wonder how many Americans have tried macaroni with the Hindu sauces, the

chutneys and those hot sauces. I think they'd be very popular if we could start a fad for some of these special dishes. I know that you would have an immediate response.

You have started your work on the novelty of macaroni for breakfast served with fruits and that is something, of course, to help increase the consumption of macaroni. It is good but I believe that if we could get across considerable promotion on

## The New Era in Distribution

BY FRANK M. SURFACE, ASSISTANT DIRECTOR, U. S. DEPARTMENT OF COMMERCE

The basic principle of yours and of all similar trade associations is COOPERATION. To emphasize the need of sticking together in a national organization like yours I am reminded of the story of the banana, which said, "Every time I leave this bunch, I get skinned." And I think that there is a good deal of food for thought in this for the present members and those manufacturers who should be.

I plead some ignorance as to the particular activities of your association. I have known your association for quite a long time but I certainly cannot claim to be an authority on macaroni distribution in



any sense of the word. As a matter of fact, I don't like the term "authority." I heard the definition for it the other day. It said, "An authority is a man who has you bluffed beyond your limit." I'm sure that I haven't you bluffed that way or won't have after speaking for a few minutes.

We in the Department of Commerce are much interested in being of assistance to business men wherever we can. We regard that as our chief function as a service organization. I don't know how many of you are familiar with the organization of the Department of Commerce. Perhaps just a word along that line might be of interest to you. I find when we get away from Washington, or even there, a great many people have pretty hazy notions about what the government is down there or how it is organized, and that it is a rather complicated affair.

The Department of Commerce is composed of bureaus. There are 7 or 8 or 9 of them, but the more important ones, at least the ones in which you people are likely to be interested, are first, the one in

the use of macaroni in these various ways. I have suggested you'd find the increase in turnover would begin to show right away.

As a start for that I have written you a story for the Herald and Examiner for Saturday on macaroni and suggested some serious uses and told some of the things about it that I know the women will be interested in, and have offered to send one of your very lovely macaroni books. I hope that will help a little bit.

which I happen to be, the Bureau of Foreign and Domestic Commerce. We think that is the most important one; maybe others wouldn't agree with us.

We have in addition to that the Bureau of the Census, which you all know about; we have the Bureau of Standards, the great scientific institution that is part of the department; we have the Bureau of Mining, occupying somewhat the relationship of mining that the Department of Agriculture does to agriculture; we have the Patent Office; we have the Coastal Geodetic Survey and we have other things like steamboats, lighthouse bureau and other organizations of service to business.

The Bureau of Foreign and Domestic Commerce is the one that probably comes in closest relation to business, ordinarily. That bureau has in the past been very largely a bureau of foreign commerce; the foreign end of it has been stressed—promotion of foreign trade—and that was probably the thing in which the government could assist best when it started out to help business men, because you have much less information, most of you, about how to handle foreign trade, how to promote foreign trade, than you do about domestic business. There are many ways of finding that out yourselves.

Some 5 years ago it was conceived, however, that we might be of some assistance to men in domestic business. After all, 90% of the business of this country is business within this country, domestic business; only 10% is foreign trade. It seems as if you might be able to be of some assistance in connection with this 90%.

So during these 5 years we have made some experiments along this line and I think we have some things which may be of interest to you. I am not going to attempt to tell you all the things that we are doing but I'm going to stress particularly one or two things with regard to distribution.

As your president said, the main problem, the most difficult problem before American business men today is, I believe, the problem of distribution. You have made enormous progress in increasing the efficiency of manufacture. While there are still plenty of problems in the manufacturing field, they are not all solved by any means; you are much further along in that direction than in the field of distribution.

If we look over the field of marketing and distribution at the present time you find that we are trying a large number of experiments in reality. You have, for exam-

ple, the chain store which causes a great many people a good deal of worry and which has expanded rather rapidly in recent years. You have the development of the mail order houses, not only that—but those same organizations are now putting retail stores throughout the country. They are doing many other things, such as putting practically the equivalent of traveling salesmen on the road to introduce their catalogs, and various other methods that are quite foreign to what we used to think the mail order house was.

You have the manufacturers going direct to the retailers, short circuiting the wholesaler and jobber, so to speak. You have the retailers organizing cooperative buying associations to short circuit the channel of distribution. You have manufacturers going direct to the consumer, house-to-house canvassing, and we have a great many other experiments of that nature being carried on. Really, it is an attempt to see if we can not eliminate some of these costs of getting commodities from the producer to the consumer.

It does cost a great deal to distribute commodities and a large proportion of the price which the consumer has to pay represents the cost after it leaves the producer.

There have been many studies along this line. You have no doubt heard and read speeches, etc., as to the serious menace of the middlemen and so forth in the process of distribution. On the other hand such studies as have been made have failed to show that either the wholesalers or retailers were becoming unduly rich. There is no evidence of profiteering. Apparently the large margin that has to be added there is made up of a large number of actual costs which go into the thing. Nobody seems to be profiteering in the thing, particularly, but there are a lot of apparent costs which seem more or less necessary.

On the other hand there are a lot of wastes taking place in the field of distribution. It seems to me that one of the most important things we can do is to study distribution from that standpoint to see if it isn't possible to eliminate some of those wasteful processes which do no one any good, and which add to the cost. Every time you raise the price of a product you limit the number of people who can purchase it. If on the other hand you can lower the price of the product, still keeping a legitimate profit of course (because no firm can exist without a profit), if you can lower the price to the consumer, you can expand your market and the results reach a long way, clear from the producer to the consumer.

We have been devoting quite a little attention the last 2 or 3 years to some of these wastes in distribution. One of the things we have been studying in the cost of distribution from a little different angle than what has been undertaken before, is rather the angle of the cost of handling individual commodities.

Going back for just a moment, I said a moment ago that we have increased our efficiency and lowered our costs in the manufacturing end of the business very greatly, taking it by and large. One of the things that has contributed to that very much has been our developing the science of cost accounting. The manufacturer knows today

pretty well what it costs him to produce a product. There is much room for development along these lines still; we don't all speak alike on these terms and we need uniform cost accounting systems so that we can speak so, and a great many other things are needed but we are getting along further.

One of the things which has contributed very materially to reducing the cost of manufacture has been the knowledge of the details of cost, what the different processes were, the different operations, and it has enabled us to cut off here and there. We have nothing like that in the field of distribution. What distributors know what it costs them to distribute any individual product, or what it costs them to sell an individual customer?

It seems to me that it is along such lines that we are going to make considerable progress.

I will have to speak to you pretty largely regarding wholesale and retail trade, which may be a little off the line that you are mostly interested in, but it is the field we have studied and I think the thoughts there may suggest something to you. We recently obtained information and issued it regarding a wholesale hardware firm. This firm some 3 years ago began to study the question of what it was costing it to handle different commodities. At that time this firm was handling 12,000 items of all kinds in a wholesale hardware store.

They devised a system by which they could allocate the costs of handling different commodities to that commodity. It cost differently to handle nails—the warehousing expense is different on nails than on washing machines or on pyrex glassware or some other item that is handled there—and your handling cost, your delivery costs and turnover costs and things of that sort are different. So they devised this system of allocating their costs and as a result the head of that firm found that practically half of the items he was handling were being handled at an actual loss.

He also began to study his customers, his customer accounts. He was serving about 1,400 retailers. He began to study that from the volume of business which each one was giving him and the size of the orders, and he found that out of these 1,400 there were about 500 whose accounts were so small, the individual orders were so small, that it did not pay him to send a salesman around to see them. He was losing money on doing business with them.

He did a few other things with regard to purchases, etc., but in any event he had the courage of his convictions and he eliminated about half of his items, eliminated his unprofitable customers. This reduced his volume of business about 30%, reduced his territory about one third, but after 3 years operation his dollar profits have increased by 35%. In other words what he was doing before was giving away his profits that he made on profitable commodities by handling items which were costing him more than he was getting out of them.

I think that leads to some thoughts that might be helpful. We are just completing an analysis of a wholesale grocery concern which is going somewhat further into this subject, and it is bringing out very much the same line of information. This particular wholesaler was handling about 2100

items, is handling about that number at the present time. The ordinary chain store however, doesn't handle more than about 700 items. This man is handling 3 times as many items as the other.

For instance, if you take it in canned vegetables, this wholesaler was carrying 205 items, different sizes, brands and varieties. The ordinary chain store handles about 65 to 70 items in that same class of goods. If you go back and look over this wholesaler's inventory records you will find that a great many of them are moving very slowly.

For example one item in canned peas he had 10 cases at the beginning of the year. It was 3 months before he sold a single case of that item. In 2 months more he sold another case. All that time his warehouse space was being occupied, he had his money invested in it and he was losing money on that whole operation. His trade apparently didn't demand that item.

I believe that what we are going to come to is a more careful study of the costs of handling individual items and that we are not going to load our shelves up with every conceivable commodity that can be placed on them, because that is where one of the big costs in the distribution game is coming in.

We analyzed the size of the orders of this same wholesale grocer. 22% of his orders in 1927 were for under \$5. If I remember correctly 54% of them were under \$15—more than half. It is a big question whether any wholesale concern, any large concern as this one is, can handle an order under \$15 and come out whole on it. It's a big question as to whether that 54% of the number were not costing him more than he was making on them.

Of course that is a phase of this hand-to-mouth buying of which we hear a great deal and his records gave considerable evidence along that line. For example, in 1923 only 16% of his orders were under \$5. In 1927 it was 22%. That phase of the business was increasing and certainly the profits on a \$5 order are not very big and the time you have gone to, all that paper work, package and delivery expenses connected with it, you are probably pretty well in the hole on the operation.

We hear a great deal about hand-to-mouth buying and as I say, the evidence indicates that it has increased. I wonder, however, if a good deal of it isn't hand-to-mouth selling rather than hand-to-mouth buying. We are so anxious to sell commodities, we are so anxious to expand volume of business, that we are going out and taking business which really is losing us money. Probably some of that has to be done. Any distributor or any manufacturer must handle some orders and handle some commodities which are losing him money. He's got to do that in order to stay in business. But our contention is that he needs to know the facts and that is what we are trying to do; develop a system by which he can know these facts about his business.

If he knows he is losing money on a certain commodity and wants to handle it, all well and good, that is his own affair; but he should reach his decision with a full knowledge of the facts.

There is one other point that I think might be of some interest to you. In this

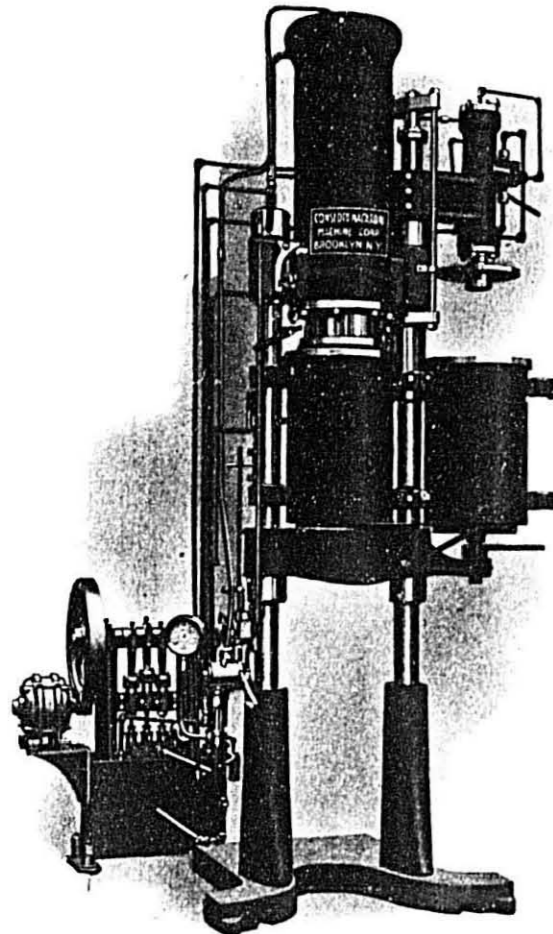


## Consolidated Macaroni Machine Corporation

FORMERLY

Cevasco, Cavagnaro & Ambrette, Inc.  
I. DeFrancisci & Son

*Designers and Builders of High Grade Macaroni Machinery*



16½ inch Vertical Hydraulic Press.

All material is of the best obtainable. No unnecessary weight. This machine weighs 50% less than any press of equal size constructed by any other manufacturer.

AT LAST! The press without a fault  
The machine you must eventually buy to keep abreast of the times.

Simple and economical in operation. Compact, solid construction and long life. No unnecessary parts, but everything essential for the operation of a first class machine.

Only two controls on the entire machine. One valve controls main plunger and raises cylinders to allow swinging. Another valve controls the dough packer. No mechanical movements, all parts operated hydraulically.

**INCREASE YOUR PRODUCTION.  
REDUCE YOUR LABOR AND WASTE.**

The machine shown herewith is our 16½ inch diameter press with a capacity of 350 pounds. We have furnished several of these machines to one of the largest manufacturers in the United States.

A repeat order proves the satisfaction and efficiency of this machine.

This machine is constructed on the same general plan as our other machines incorporating therein such modifications as are necessary in a machine of this size

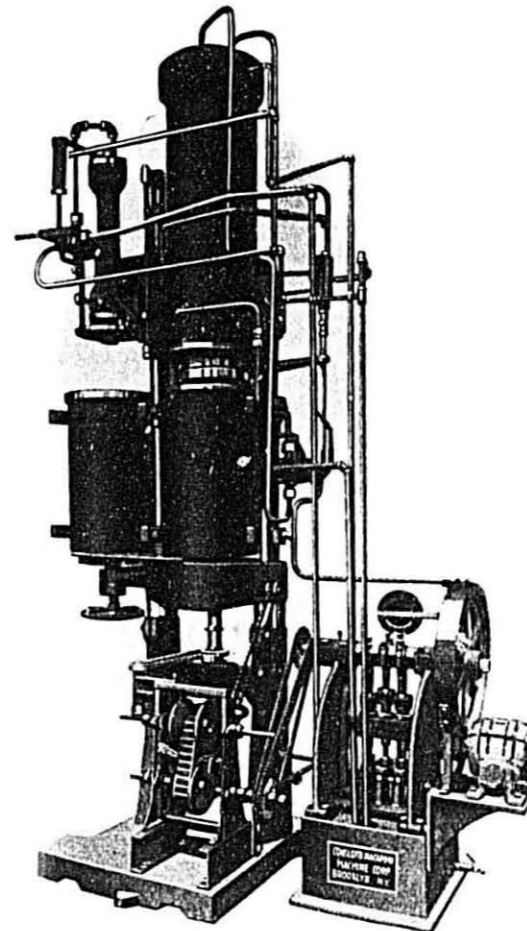
156-166 Sixth Street **BROOKLYN, N. Y., U.S.A.** 159-171 Seventh Street  
*Address all communications to 156 Sixth Street*

## Consolidated Macaroni Machine Corporation

FORMERLY

Cevasco, Cavagnaro & Ambrette, Inc.  
I. DeFrancisci & Son

*Designers and Builders of High Grade Macaroni Machinery*



Vertical Hydraulic Cutting Press. 12½ and 13½ inch diameter.

Only one die is used for both cylinders, as this machine is of the stationary die type, and the die need not be touched until a change in the quality of the paste is desired.

Specialists in everything pertaining to the Macaroni Industry.

Complete Plants Installed. Let us show you how to put your plant on a paying basis.

We Do Not Build All the Macaroni Machinery, But We Build the Best.

The machine shown herewith has been specially designed for those desiring a large daily production of short pastes, but who have a limited amount of space.

Instead of horizontal, this press is vertical, but will give a production equal to our horizontal press.

In order to facilitate the adjustment of the lengths of the various pastes, this machine is equipped with a Reeves Variable Speed Transmission.

This allows the paste to be cut to any desired length with only one change on the drive pulleys.

The general construction is similar to our other machines: four plunger pump, hydraulic packer, simplified controls, etc.

All cylinders are of steel and the main or pressure cylinder is bronze lined.

156-166 Sixth Street **BROOKLYN, N. Y., U.S.A.** 159-171 Seventh Street  
*Address all communications to 156 Sixth Street*



whole field of distribution we are lacking very largely on any statistical information. As you know, we have had a census of manufactures since 1849. We had it first every 10 years, then every 5 years and more recently we are having it every 2 years. We have had a census of agriculture, a census of population and various other sets of information for many, many years. They have served a useful purpose. I think it is one of the reasons we make progress in the manufacturing industry, because we have certain guideposts or measuring sticks which we can set up and see where we are going.

We have never had any statistical figures regarding distribution. We don't know what the total volume of retail trade is in this country and we can't guess at it within billions of dollars. There are many people who feel if we had a census of distribution it would enable us to chart our course in this field with much greater certainty.

Last year through the cooperation of the Bureau of the Census and our own bureau and the Chamber of Commerce of the United States, we took what might be called experimental censuses in 11 cities. Many of you have undoubtedly seen some of these figures from Baltimore, Syracuse, Chicago, Atlanta, Kansas City, Denver, San Francisco and so on, 11 cities altogether. These have brought out quite a number of very interesting things.

For example, it is shown the large number of different classes of outlets through which commodities are moving. In Baltimore, I happen to have a note here that cigars and cigarettes are being sold through 19 different classes of outlets. That included such things as toy shops and meat stores and boot and shoe stores and clothing stores—places you don't ordinarily expect to find them—but the volume of business going through these rather unusual outlets was very large.

There are only 48% of the clothing sales handled in clothing stores or clothing departments; the rest was moving through some of these rather unusual outlets. One thing that came out of that was the large number of small retailers. Taking the 11 cities together there were 93,000 retailers covered. Approximately 13,000 of these were chain store units and we did not get figures of the sales of individual units—the total business of the chain in a given city. That leaves 80,000 stores exclusive of chains covered by this census. 28% of these 80,000 stores (and they are city stores) did less than \$5000 gross business a year. \$5000 gross sales a year is less than \$100 a week. As a matter of fact the average works out for that class to \$44 a week.

19% of those 80,000 stores did between \$5000 and \$10,000 worth of business. In other words 47% did less than this \$10,000 worth of business a year—47% or practically half the number of stores. Their average business on those 47% was \$83 a week sales. I wonder if there isn't a good deal of waste in the distribution system somewhere when we send salesmen around to visit a store which is doing less than \$100 total business per week and he spends a certain proportion of his time getting a part of that business. Can you make a profit

on that kind of business?

This brings out only a few of the things which have come out of this little experimental census of distribution and I hope some time we will have a national census which would show us a great many other things that could be of use.

I should also point out that this 47% of the retail stores, while there were 47% of the number of stores that did less than \$10,000 worth of business a year, they accounted for only 5.3% of the total volume of business. While it was almost half the stores, it was a negligible proportion of the total business.

I don't know what other things I can tell you of interest. We are carrying on a considerable amount of work, particularly in the field of distribution. We are carrying on a series of marketing surveys, regional marketing surveys, attempting to bring together the facts about distribution in different sections of the country.

You know this country of ours is very large. From a marketing standpoint, New England is different from the south and the middle west and the Pacific southwest almost as much as one foreign country is different from another. That is, the needs of the people, their psychology that has to be appealed to in selling, their commodity preferences, their demands, are quite different. We are attempting to make a survey of each of these regions to bring out some of those facts along with, of course, a good many others. We are bringing out a good deal of information which can be of assistance in connection with laying out sales territories and routing salesmen and things of that sort.

We have already published one report covering the southeastern states, from North Carolina through to Florida. Another report is now in the printing office covering New England and a similar report is being prepared on the Pacific southwest and our men are in the field here in this middle western section.

One other thing which we did a year ago

## More Macaroni

BY DONALD McCONAUGHY, N. W. AYER & SON

Since the World war, and particularly since the deflation of 1920-21, business in this country has been undergoing a transition that is little short of revolutionary. During the last decade we have been forced to cast into the discard policies that had stood the test of a century of use. We have seen old industries shaken to their foundations. Economic laws, once deemed immutable, have been nullified by forces unforeseen by economists of an older generation.

In no phase of commercial activity is this revolutionary change more marked than in that of competition. We can all recall the time when competition consisted chiefly in a struggle for orders between concerns in the same line. Such competition was frequently full of suspicion, hatred and jealousy. Competitors ran down each other's goods. Sometimes they even resorted to tampering with a rival's product so as to prove its lack of dependability.

For the last decade competition within

which some of you may have seen is a book entitled "An Atlas of Wholesale Grocery Territories." That was an attempt to study the logical trading areas surrounding the more important centers. It was based upon groceries largely but it also found it fits fairly well the distribution of other commodities.

The way that was done was of course first through questionnaires to the wholesale grocers which enabled us to pick out the important grocery centers, 183 primary centers, and then the territory in which they were distributing was laid out and this was checked against such things as the freight rate breaking point, routes for salesmen and roads for truck delivery and other things which affected the distribution so that this does give you a picture of what might be called the logical trading area surrounding each of these 183 centers in the United States.

That has been found rather useful by a good many grocery manufacturing concerns. It is barely possible that that may be of some interest to some of you people.

We are also maintaining what might be called a special inquiry section or a special information division. As I said a moment ago the government is a big organization in Washington. There are lots of departments and bureaus and divisions and independent organizations that are scattered all over the city in temporary buildings and there are very few people who know much about what is there, yet it is true that in these various divisions and bureaus there is a lot of information of use to business men. We have attempted to organize a clearing house for that information and if we can be of any service to you at any time, if you think there are any problems upon which there might be information there, if you will drop a line to the Bureau of Foreign and Domestic Commerce, Department of Commerce at Washington, we will try and route it out for you and give you such information as is available at least.

an industry has been increasingly overshadowed by competition between whole industries organized for the extension of their own markets at the expense of competitive industries. Unethical practices are rapidly dying out; largely because they don't pay. The present day competition is more ethical, more powerful, more subtle and more pregnant with possibilities of great success or disastrous failure than anything we have known in the past.

It is not safe to designate any industry as safe from the menace of outside competition. Take your own industry for example. Macaroni and your other products are in direct competition with innumerable other foods which are available for the American table. Practically every purchase of macaroni is necessarily preceded by a decision on the part of the housewife, not as to whether she will purchase one brand of macaroni in preference to another but as to whether she will purchase macaroni in preference to some other food.

New foods are constantly tempting the appetites of the American public. Two years ago few had ever tasted or even heard of broccoli. Today it is rapidly becoming a familiar dish. With the introduction of each new food, the outside competition which macaroni must face becomes just that much more severe. The struggle is a never ceasing one. While it is being waged new entrants upset all calculations.

We see the same type of interindustry competition on every hand. The competition of most moment to the cotton manufacturer is the gains made by silk, rayon and other textile products—largely at his expense. Coal must compete with oil in the domestic heating field. Steel must struggle with concrete for the attention of the architect, the engineer and the prospective builder. The manufacturers of ice and the producers of electric refrigerators are competitors in the field of domestic refrigeration.

The radio, the talking machine and the piano are engaged in a 3 cornered battle. Plenty of new roofs are laid each year to take all the composition roofing the producers of this material could turn out. There would be more than enough business for every unit of the industry—if it weren't for encroachments upon the market by the manufacturers of tile, tin, slate, sheet steel, and asbestos roofing.

There are 2 basic reasons for the change which has taken and is taking place in the type of competition.

The first of these reasons is the tremendous increase in production capacity apparent all along the line. Improved organization and mechanization have so increased the productivity of manufacturing industries in the United States since the beginning of the century that on an average 67 workers in 1925 produced as much as 100 men turned out in 1899, and this in spite of a substantial falling off in the number of working hours.

The output of 100 persons in 1899 was equaled in 1925 by the production of 83 persons in textiles and textile products; 81 in iron and steel; 61 in paper and printing; 47 in chemicals; 63 in stone, clay and glass; 44 in metal and metal products; and 75 in food and food products.

I do not know what your experience has been in your particular industry but I should be surprised if it were not much the same. I should also be surprised if it were not much the same in those other industries whose products compete with yours for a share of the consumer's dollar. If we were primarily interested in more macaroni as applied to production, instead of more macaroni as applied to consumption, the problem would be easily solved.

The second cause has to do with what is commonly referred to as the "synthetic age." Consider almost any young woman of the present generation as she sits opposite to you in the subway. Sandals of synthetic snakeskin, synthetic silk stockings, dress and underwear. Synthetic hat, synthetic complexion, synthetic perfume and quite possibly a synthetic brain.

Certainly this illustrates the infinite possibilities inherent in the use of synthetic products. Leather, rubber, silk and cotton are among the industries which have so far suffered most from the outside competition of synthetic substitutes. Synthetic foods

have not yet gained much headway but according to some scientists they are just around the corner.

"New times demand new measures and new men." The problem of selling is no longer one confined to a single industry. The problem has become one which must take into account the activities of a dozen or a hundred industries. The discovery of an obscure chemist in Germany may threaten to curtail the use of, or wipe out of existence, the most firmly established commodity unless steps are taken to meet a possible invasion of its market by a new or greatly improved substitute. The responsibilities of those charged with the formulation of merchandising policies are immeasurably greater than ever before.

The individual concern, however, frequently finds itself helpless to cope with the new competition. While it is defending itself, or perhaps making satisfactory progress on one flank, it finds itself attacked on another. Particularly if the competing industries are organized, the forces marshaled against it are too great. The battle line is too far flung.

What can an individual concern accomplish in the face of organized competition from an entire industry, or from a number of industries? There is no one organization in the United States powerful enough alone and unaided by the direct or indirect cooperation of the other members of its industry, to properly develop a new market or protect an old one. There are hundreds of concerns that are not powerful enough to carry on any effective work alone such lines.

Industrial cooperation, through the medium of a trade association, has been found to provide the only adequate means of meeting the new competition. To large concerns and small, industrial organization offers a means of protecting their vital interest and exploiting their markets to the full extent of their possibilities.

What happens when such organization is lacking is illustrated by the plight in which the structural steel industry finds itself. The industry has learned its lesson and today, thoroughly organized, it is recovering much of the lost ground but it has suffered bitterly for its blindness in the past.

The steel industry grew like Topsy. It was not nursed and fostered. No one worried about its future. It was a basic industry. The majority of its leaders took the position that people had to have steel and that when they wanted it they could ask for it. There were exceptions to that attitude, but for many years it was the prevailing point of view.

What has been the result? The structural steel industry, the industry which fabricates and erects the steel for buildings and bridges, is but one branch of the immense industry that is its parent but the fabricators of structural steel are selling each year 4,000,000 tons less than they should, due to the encroachments of substitute materials.

Within the last few years scores of trade associations have been organized throughout the country. The older associations have widened the scope of their activities and have increased their efficiency. The gas industry provides one of the most striking instances of what the adequately financed, ably directed trade association can

be expected to accomplish for its members.

With the advent of electricity the demand for gas for illuminating purposes began to fall off to an alarming extent. At the present time this demand is almost non-existent. The gas manufacturers have lost one of their most important markets. But the gas industry is not contenting itself with sitting back and bewailing its loss. It is investigating the possibilities of new uses and opening up new markets for its products.

The industry has extended the use of gas for domestic and industrial heating to a point where more of this fuel is used than when homes depended upon gas for their illumination. In 1926 gas served 52,000,000 people in the United States through the medium of 9,800,000 stoves, 3,400,000 water heaters, 4,400,000 space heaters, and hundreds of thousands of central house heating installations.

The gas people are now turning to refrigeration and the artificial cooling of homes. Several types of gas-fired refrigerating units are on the market. The tendency toward the insulation of a new residence is paving the way for the artificial cooling of homes during the summer. One engineer predicts the general use of gas for heating in winter and cooling in summer. It will, it is said, be possible to automatically maintain a temperature of 68 degrees 365 days in the year through the use of the same fuel.

By no means all trade associations have been successful, but failure to accomplish what was expected or hoped for has usually been due to lack of sufficient funds, lack of unanimity of purpose among the membership, or lack of support from the sources from which the industry obtains its raw material. Where these 3 elements have been present in the proper proportions success exceeding all expectations has usually followed.

Support from the producers of the raw material is nearly always an essential and such support reacts as greatly to the benefit of the producers as to those who receive it. The producer's product is not really sold so long as it is in the hands of the fabricator or intermediate industry. It is merely blocking the channels of trade. The speed with which it is moved to make way for other raw material determines the speed with which the wheels in the producer's plant will turn.

The producer's interest in his product does not cease until it reaches the hands of the ultimate consumer and is placed in proper use.

The most conspicuously successful trade organizations of the present day are unquestionably those which have taken full advantage of group or cooperative advertising as a modern means of market cultivation and expansion. Its close interrelation with the growth of the new competition must be obvious. As industry has organized itself against industry in the effort to hold present markets and win greater ones, it was inevitable that advantage should be taken of this great business stimulant.

As group activity has supplemented individual activity, both the opportunity and the necessity have arisen for presenting the claims of the product itself, as differentiated from the individual merits of this or



that or the other brand. Cooperative advertising has met that need. It is estimated that there are nearly 200 trade associations in this country which are conducting educational campaigns of greater or less scope. Their aggregate annual expenditures run high up into the millions.

The Supreme Court of the United States has placed its official seal upon association advertising as one of the essential and constructive activities of an organized industry. In a decision handed down not long ago association advertising was directly and positively commended in the following significant reference to

... many activities which are admittedly beneficial to the industry and to consumers; such as cooperative advertising and the standardization and improvement of its product.

The tremendous increase in the volume of association advertising during the past 2 or 3 years gives convincing evidence that advertising effort of this sort is productive of real results. Without going outside of the food industry, the student of cooperative advertising will find that dozens of associations are conducting successful and profitable cooperative campaigns.

In the food and beverage classifications alone he would find, among others, the following, each of which conducts advertising upon a national basis:

American Bottlers of Carbonated Beverages.  
American Cranberry Exchange.  
Ass'n of American Importers of Spanish Green Olives.  
Ass'n of Hawaiian Pineapple Canners.  
Associated Salmon Packers.  
California Fruit Growers Exchange.  
California Olive Association.  
California Peach and Fig Growers.  
California Prune Growers Ass'n.  
California Walnut Growers Ass'n.  
Canners League of California (asparagus).  
Florida Citrus Exchange.  
Formosa Tea Growers.  
India Tea Growers Association.  
Japan Tea Promotion Committee.  
National Kraut Packers Ass'n.  
National Confectioners Ass'n.  
Oyster Growers and Dealers Ass'n.  
Research Council Ice Cream Industry.  
Sun Maid Raisin Growers.

A short time ago sauerkraut as an article of diet was a joke. During the last 3 or 4 years that attitude has been changed. Today thousands of American families eat, enjoy, and thrive on sauerkraut.

The change was not an accident. The industry organized. It appropriated several hundred thousands of dollars, and by constructive group advertising increased the consumption of sauerkraut over 20% annually. The campaign emphasized the body building, appetite satisfying and palate tickling qualities of that cabbage affair.

The Joint Coffee Trade committee raised the per capita consumption of coffee from 9.13 lbs. in 1913 to 13.14 lbs. in 1925. In 1923 the sale of India tea in the United States was 4,000,000 lbs. Between 1923 and 1925 \$400,000 was spent in advertising. In 1925 the sales amounted to 17,500,000 lbs.

The Sun Maid Raisin Growers increased the total production from 70,000 tons in 1912 to 226,000 tons in 1925. The expenditure of a \$200,000 advertising fund by the British fruit trade in 1926 boosted the sales of fruit by \$10,000,000, or \$50 in sales for every dollar spent in advertising.

A sheaf of telegrams received from the executives of a group of trade associations representing widely different industries, in response to an inquiry as to whether or not association advertising had paid, revealed an almost unanimous vote in the affirmative. This verdict was substantiated by

figures of increased consumption due to advertising which were little short of amazing.

Charles F. Abbott, executive director of the American Institute of Steel Construction, had this to say about advertising, in an address recently delivered by him:

The powerful influence of advertising has been proved many times during recent years, both in the cultivation of old markets and the development of new ones. I am not an advertising man, but it is my opinion that advertising is one of the most constructive economic forces in existence today.

Cooperative advertising is accepted as a necessary part of modern merchandising. It has won a place for itself in practically every industry. Properly prepared and directed it has proved that it can return a profit to the advertiser. But advertising must always be regarded as a business enterprise and not as a magic formula for unearned success. Magic, wizardry, enchantment—to the uninitiate no word seems strong enough to describe the undeniable achievements of advertising.

As a matter of fact the making of successful advertising is a businesslike and complicated affair, requiring both skill and experience. Back of every successful cooperative advertising campaign will be found a thoroughly organized industry, centralized control at industry headquarters under the direction of keen and well trained leaders in merchandising, and a definitely predetermined program extending over a number of years.

So far as a satisfactory increase in the consumption of macaroni is concerned, that increase must necessarily be closely related to and very largely dependent upon the favor which your product finds in the eyes of the American housewife. When the American housewife learns to fully appreciate the qualities possessed by your product, then—and only then—will macaroni reach that position as an article of diet to which it is entitled by its merits.

I venture to say there are thousands of families that all their lives have been served, in their own homes at least, with macaroni prepared in only one way. I venture to say that to the great majority of housewives the thought has never occurred that it might be prepared in any other form. Although in restaurants they may have been introduced to macaroni cooked in a variety of ways, it has never occurred to them to break a lifelong habit.

As a result, macaroni appears on the table of the average American home 4 or 5 times a month at most, even during the winter when it is most frequently used. The probabilities are that it will never appear more often until you do something about it. The housewife will not break her lifelong habit if left to her own inertia. With dozens of other foods clamoring to be purchased, those who have not eaten macaroni in the past are not likely to begin unless they are in some way convinced that they should do so.

The whole problem of how to obtain a greater consumption of macaroni seems to me to revolve about the problem of how to bring the facts home to the consumer. The American housewife must be acquainted with the superior food values of your product. She must be assured that it is prepared from the best grade of American

wheat and packed with the utmost cleanliness in spotless American factories. Above all she must be taught the innumerable forms in which your product can be prepared for the table.

There is only one way to carry your message to her, and that is through advertising—through advertising that will reach not only the housewife directly, but a' the dietician, the home economist, and all others who determine the eating habits of the American people. It is a truism to say that the key to an increased consumption of macaroni is an increased use of cooperative advertising which will react to the benefit of your industry as a whole.

The prosperity of the individual concern is indissolubly linked to the prosperity of the industry of which it is a unit. In the long run only that concern can prosper whose industry is prosperous. Man has existed and progressed upon the earth because of his ability to adapt himself to new conditions. The same thing applied to an industry. An industry can prosper only so long as it adapts itself to new conditions as they arise.

Interindustry competition is a condition which the macaroni industry must recognize and cope with if it is to meet the test of the survival of the fittest. Furthermore, the stringency of the new competition makes it impossible for any industry to rest upon the achievements of the past. With a hundred other foods clamoring for the buyer's attention, it must either go forward or backward, and progress is not to be measured by a mere increase in consumption but by the extent to which consumption meets the market's potential capacity to consume.

In interindustry competition as in warfare the best defense is a strong offensive. Advertising provides industry with one of its most effective offensive weapons. Those who will not use it will find it used against them—and with disastrous effects.

A leading merchandising expert has pointed out that:

1. It is a fallacy that the public will automatically seek the best. It has to be educated and directed.
2. It is a fallacy that the public knows what it wants.
3. It is a fallacy that the public will demand over any great length of time what it is not reminded of.

It has been demonstrated over and over again that the public buys a commodity not upon the basis of its merits—in accordance with the facts—but in accordance with the facts as it believes them to be. The public accepts the picture that is prepared for it. So long as the picture is painted with truth and skill advertising will continue to advance industry through the bewildering mazes of the transition it is undergoing.

As relentless as the forces of nature are the forces of the new competition. Before Mrs. Jones can be persuaded to purchase any particular brand she must be convinced that she wants the type of commodity produced by the industry. No one can buy or use at any particular time more than a small proportion of the various commodities which are offered to satisfy each human need or desire.

Before Mrs. Jones decides upon maca-

# Juliet Macaroni

A NEW PRODUCT

FROM DIES MADE EXCLUSIVELY BY MARIO TANZI CO.

(PATENT PENDING)

348 COMMERCIAL STREET

BOSTON, MASS.





roni for dinner she must be convinced that she and her family will enjoy macaroni more than some other food which might be substituted for it.

The industry that grasps the full meaning of the new competition and adapts its mer-

chandising policies to meet it will inevitably outstrip those which are unable to recognize the situation as it exists, or who fail to place the proper valuation upon public opinion as the controlling factor in industrial progress.

## Curing of Business Ills by Financial Organization

BY O. P. DECKER

I have been assigned a very difficult topic for discussion at this meeting. We naturally dislike being told by some one not in our industry how to cure the difficulties confronting our business. After listening to the previous speaker there is no doubt in my mind that your industry is suffering from a number of conditions which are typical of American industries today.

We who are more or less in the money loaning business to all types of industries have people come in every day, present propositions to us, want to get money and practically all of them, ever since 1922 just after the what I'm going to term panic of '21, suffered from identically the same condition.

But you people in this association I feel are in probably a rather fortunate position. In some ways some people would consider it a rather unfortunate position but I can't help but feel it is fortunate. You people are engaged in an industry that is supplying a local product to this country. That in itself is an extremely important position, but being in that position you necessarily are supplying a product where a large part of your finished goods, as it comes out of your factory and is turned over to your sales department to get rid of for you, consists of the raw material that you put into it.

I dare say that you people in the macaroni industry are in much the same position that the meat packers are in. I think all of you probably have seen the Swift year book in which they state that 87% of the value of their finished goods, of the meat that they turn out, is what they pay the farmer. I know not what the percentage is in your own industry but I'll hazard a guess without any doubt (I think it's correct) that by far the majority of the value of your product turned over to the sales department consists of the raw material you put into it, that you buy in what is pretty close to a standardized price market.

It may be possible, for example, for Wilson & Co. to buy hogs at \$9.10 per cwt. today. Somebody else may buy them at \$9.12 per cwt., but if you run through the records of the Chicago Stock Yards, you will find that by and large and over the course of a single year, you don't have to spread it over more than a year, every one of the meat packers is buying his original raw material at practically identically the same price.

I have no doubt that that condition also exists in your industry.

In addition to having a product that is composed largely of raw material which you buy in a constant market, you also are faced with another problem and that is

that the margin of profit on that product is undoubtedly extremely low. That is true of all food lines. I can refer once more to the meat packers but all of you have seen these so-called Swift dollars that Swift & Co. have put out, and that Armour and Company have put out, showing that the proportion of the consumer's dollar which comes to them that is profit is practically infinitesimal.

That is another feature that you in the food industry have to face, and of course you have the third feature to face which in itself is a hard feature to face but nevertheless is one you can in part get around, a feature the speaker just told you—you are in a limited market situation. You are not, for instance, in the situation of a man who is manufacturing steam shovels. He is finding new uses for steam shovels every day. I dare say you will never find any appreciable uses for macaroni except as a food product. You have one market. That market is limited, and your sole chance of success is being able to pull a greater proportion of that market to your particular commodity.

You have the record there of what the Spanish green olive people did. That is only one. That is one with which I happen to be familiar, and I know it is possible in American industry for a concentrated group to pull more of a limited and a definitely limited market to their particular branch of that industry.

I haven't had an opportunity to study your industry particularly but I again will hazard a guess that, in the attempt to pull that industry to yourselves, each individual has been working toward his own ends and that you have been finding in your industry, as you found in every other American food industry, conditions which are not highly desirable.

I'll hazard a guess that you are finding price cutting in your industry. I'll hazard a guess that you're finding undesirable trade conditions of various types, and I think all of you have to realize that in an industry such as yours the sole solution for the problem for all of you is not for any individual manufacturer to try by some particular method which is not sanctioned by the industry as a whole to get distribution for himself, but rather it is to play the game according to the way that the industry itself plays it and on that basis win his distribution.

For the past few months I have been giving a large portion of my time to a company that makes bath tubs, sanitary and enamel ware of all types. We have run into identically that situation.

During the last 5 years the people who have made money in that industry are the

people who have stuck by the canons of the industry and not those that have attempted to go around on the outside.

The subject that was assigned to me this morning was "Curing the ills of a business by financial organization." I simply want to point out to you certain possibilities along that line. I am not certain that you will agree with my statements but if you will think about them, I think if you will go back into your own business you will find in your own business chances to apply identically this type of organization that I want to mention and I might say in beginning, of course, that the proper financial organization in business is not alone the key to success.

If you gentlemen adopt a cooperative advertising program it will do much toward your success. But in each individual business you've got the problem and you have to face it, that you have a certain market to which you distribute your commodity, a certain amount of distribution that you can count on every year, and then the problem after that, as I see it, is simply to organize your business internally so that you can supply that market which is nominally yours with your commodity and make a profit on it. That is the problem.

The thing to do is to find out how much can you get rid of during a year. If your sales volume is a hundred thousand a year, the thing then for you to do is to build your internal organization so that what you are doing is producing a hundred thousand dollars worth of that commodity a year on the most economical basis possible. That is the thing that has to be done.

All I want to do is simply point out certain of the possibilities within your own business of doing identically that thing. I mentioned to you, just to take one of them by way of example, this bath tub business to which I have been giving some of my time recently. There was a company that has been in business probably longer than any one else in the United States in that particular line. It had a wonderful reputation in the past but its reputation, like most bootleggers' whiskey, is not improving with age; it is definitely growing worse.

What they had to do was to revamp their whole manufacturing program. We did that. Then we found that we could nominally expect to distribute in this country somewhere between 5 and 6 million dollars worth a year of product and we had a factory that would, without the least bit of difficulty, turn out 14 million a year of product.

What is the obvious answer? The obvious answer is that we had too much real estate on our hands. The first thing we started to do was to sell or rent the real estate we had. In other words, we were going to concentrate our production in that proportion of our factory, in that proportion incidentally of our heaviest financial investment, that would produce exactly what we needed, and the rest of it we were going to sell or get rid of.

I haven't any doubt that if you gentlemen would go back and analyze your own factories you might find much the same situation existing. If you have overcapacity the thing that I suggest to you along that line is to get rid of it. For heaven's sake don't try and make a certain quantity

that you can sell, and that is all you can get rid of at the moment, bear the burden of a factory capable of producing a great deal more.

A second thing I want to point out to you is the possibility which few of you may realize and at which you may originally laugh, but did you ever look at your business and ask yourself candidly if you had so much money invested in it? The average manufacturer is always hunting around for cash with which to pay his bills, at even a manufacturer who is constantly hunting around for cash to pay his bills, if he looked at his business, find an old condition existing, and that is that he has too much money tied up in that business.

One of the largest chemical companies in the United States has a treasurer who happens to be a pretty good friend of mine. He recently mentioned to me that he was borrowing money once more with which to pay his bills. I asked him how he was borrowing the money. He said, "We never borrow money any way except on U. S. government bonds that we own."

"Are they assets of the business?"  
"Certainly they are assets of the business."

I said, "What rate do you pay?"  
"We borrow 80 cents on the dollar on those bonds and they are paying 5% interest at the bank."

That immediately struck a queer note with me. There is a man who because of a policy that has been adopted in his business is paying a great deal more for his money than he needs to pay for it and in addition to that has a much larger amount of capital concentrated in that business than the business justifies.

A third thing that I would suggest you watch is the length of time that your receivables are outstanding, or the typical terms—not that you state on your invoices but that you actually allow.

We will go back to Armour and Company, because I happen to be familiar with that situation. At the time their present treasurer came in he found it was typical to sell meat products during the week, collecting the following Monday. That would mean what? At a maximum you might have 7 or 8 days credit outstanding. He was utterly astounded when he looked at his figures, that he actually had credits outstanding that averaged 45 days. Instead of collecting every Monday for the sales of the previous week they were standing out between 7 and 8 weeks. Was that costing Armour and Company money? It was obvious that it was costing a good deal.

So there is another feature that you can watch—the type of thing that you can take stock of and the small saving that you will make there that may mean the difference between a profit and loss at the end of the year.

I can go on and enumerate other cases—cash discounts and similar things—but the essential thing that I did want to bring to you this morning, the one message I did want to give you in the short space of time I have to give it, is the fact that you gentlemen in your industry have a peculiarly aggravating problem due to the high raw material content of your product, due to the fact that such a small proportion of

your total value is within your own control.

But (and this is the important part as I see it) that small proportion that is within your control is the part out of which you bring your profit, and if you simply will watch the amount of space you are using, the way you set your machinery, you will find an increase in your profits.

I was in one plant several years ago that honestly hauled stuff from the top of the 8 story building to the first floor before they finished with it, hauled it on elevators.

Watch your space. Ruthlessly get rid of what you don't need. Watch the way you are spending your money. Don't have too much in your business. I think you will find that the difference between your profits and your losses depends upon the way you manage those few particular points.

## Foreign Trade Opportunity

Reserved information may be obtained from the Bureau of Foreign and Domestic Commerce, U. S. Department of Commerce and its district and cooperative offices by duly registered American firms and individuals upon request by opportunity number. The bureau does not furnish credit ratings or assume responsibility as to the standing of foreign inquirers. The usual precautions should be taken in all cases. References are generally furnished and form part of the reserved information.

American manufacturers and exporters in following up foreign trade opportunities submitted by foreign representatives of the United States government, should not fail to furnish the American consul, commercial attache, or trade commissioner who sent in the report a copy of their letter to the foreign merchant. This practice should work out to the distinct advantage of American exporters, as it will enable consuls and other representatives of the government to follow up the matter personally with the foreign merchant.

### Commodity

Macaroni, spaghetti and noodles.

T. O. No.

31,981

City and Country

London, England

Purchase of Agency

Both

## Overproduction Causes Red Figures

(Continued from Page 8)

quite generally agreed that a better knowledge of cost production and sales was a prime essential and that all

should cooperate in the work outlined by the Cost Committee of the National association.

It was also brought out that the industry is suffering from a lack of production and consumption statistics, which if compiled and distributed at regular periods would prove invaluable business guides.

Reliable statistical service was recommended.

The sponsors report this as being one of the most enthusiastic meetings of its kind ever held in that section, and great good is expected therefrom.

## Collecting by mail is simple if the right letter is used

### "Effective Collection Letters"

by TREGOE and WHYTE

contains 307 tested letters  
which actually brought in  
the money.

The book presents actual EXCHANGES OF CORRESPONDENCE on past due accounts. These include the first collection letter, the replies and answers of collection manager.

You may examine this book for five days without cost. Then, if you decide to keep it, remit \$5. Please use coupon below.

Prentice-Hall, Inc.  
70 Fifth Avenue, New York, N. Y.

Without obligation to me, you may send me a copy of "EFFECTIVE COLLECTION LETTERS" for five days' FREE EXAMINATION. Within that time, I will either remit \$5 in full payment, or return the book to you.

Firm .....

(Please Print)

Name .....

Address .....

.....



## Bright Durum Prospects

The preharvest prediction is that the durum wheat crop this year will be better than the average in both quantity and quality of the grain. Based on figures available the latter part of July the Northwestern National Bank Review, Minneapolis, Minn., states that durum acreage this year is 16.6% greater than in 1927.

This year's durum acreage in 4 northwestern states is precisely one half the spring bread wheat acreage in these states, with an indicated outturn equal to a little more than one third of the total wheat production, all kinds included.

Montana, now the second largest wheat state in the northwest, is included as one of the 4 states, but its durum production has in late years dwindled to practically nothing. North Dakota, the foremost grain state of the northwest, is also our largest producer of durum; the July forecast for that state indicates a production greater by 6,000,000 bus. than the forecast for other wheat.

One half of the durum of the United States is exported in the form of grain, which places the crop distinctly on an export basis. The price is profoundly influenced by the outcome of the North African, Italian, and Canadian crops.

During the past 4 seasons exports of hard red spring wheat from all sections of the United States amounted to only 45,000,000 bus. and most of this (37,143,000 bus.) was exported in the one season of 1924-1925; in the same 4 seasons exports of durum, grown almost exclusively in the northwest, were 100,000,000 bus. ranging in amount from 17 to 30 million bus. annually. Minneapolis and Duluth-Superior are naturally the largest receiving centers for this grain, the latter serving as the chief point of departure of exports, and Minneapolis as the center of greatest distribution to domestic consumers.

Placing durum even more surely on an export basis is the fact that although there has been a considerable increase in the home consumption of American made macaroni, spaghetti, noodles, etc., manufactured from this wheat, we are now exporting about one fifth or one sixth of these products. In the past 4 years the average proportion of durum wheat ground by domestic mills was 21% of the entire crop. This figure is based on returns made to the Department of Commerce by 10

mills representing 8 concerns, which account for the production of practically all durum flour and semolina produced in this country; a majority of these mills, it may be added, are situated in Minneapolis.

Domestic consumption of durum products, as has been said, is increasing, according to the bureau of foreign and domestic commerce: "The amount of durum wheat grown and of semolina produced and consumed in the United States during the 6-month period, July to December 1927, is the greatest reported for any similar period." Also indicating growth in manufacturing, another report, made by the bureau of agricultural economics, says: "In prewar years the United States was the principal importer of Italian macaroni, annual imports amounting to approximately 100,000,000 pounds. During recent years the manufacture of macaroni in the United States has increased materially, and in addition to supplying around 99% of the amount used for domestic

consumption this country has become a competitor of Italy in the export of macaroni products to European markets. . . Production of durum wheat in Canada has been increasing rapidly in recent years and this is becoming a factor in the world trade."

Even at the present rate of increase in domestic consumption, however, it would take a long time for consumption to catch up with production, but if it ever does it will be a boon for growers in the American northwest, the price of whose durum is now subject so closely to the foreign demand. It is a popular grain with farmers due to its rust resisting qualities, and the yield per acre is almost invariably greater than that of other wheat. The July forecast for North Dakota indicates a yield of 12.6 bus. per acre for durum and 9.3 bus. for other wheat. A durum production of 58,167,000 bus. is forecast which if equaled at the time of harvest will give that state the greatest outturn of durum in its history.

### Red Cross Man on Air Tour

R. H. Dawson, salesmanager of the John B. Canepa company of Chicago, manufacturer of Red Cross macaroni products, found it necessary last month to use an airplane to cover his territory, southern Indiana and southern Illinois. Among the places visited were Evansville, Ind.; Bowling Green, Ky.; and Marion, Ill. The various hops were made most successfully in minutes, although it requires several hours by train or automobile to cover the distance. Poor visibility compelled the pilot to fly high over the clouds. Mr. Dawson votes the trip both exciting and successful. In the accompany-

ing photograph of the plane and crew he is shown in the middle of the group.

### Honor Long Service

In celebration of his 20 years of continuous service as a representative of the Pillsbury Flour Mills company in Chicago district, a dinner was given for Frank J. Pastorino at the Palmer House, Chicago, last month. In addition to several close friends in Chicago and business associates, there were in attendance from Minneapolis. John S. Pillsbury, vice president of the company; F. A. Fischer, manager of the durum department, and B. C. Benson, of the mill laboratory. Short congratulatory speeches were made and tokens of appreciation presented to the faithful and honored guest.



R. H. Dawson, John B. Canepa Co., on air trade tour. Dawson between two aides



# Colorful Packages

*designed for your individual needs in a way that means selling success.*

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**Business Shouldn't Be Stud Poker**

What are the influences that lower and destroy profits? There is a long chain of them. It starts with over capacity and includes, among other influences, the craze for volume, over production, obsolete equipment and consequently high manufacturing costs, intense competition, a mobile and even fickle buying public, high selling costs, price profiteering by buyers and price cutting by sellers.

At the very root of our difficulties lies the craze for volume. We'd sooner have volume than profits. A full factory and red ink seem as popular as 70% operation and plenty of black.

We fail to realize that the law of diminishing returns cannot be flouted. The nearer we get to perfect performance the smaller the gain for given effort. It can't be escaped.

I know all the stock defenses of the present passion for volume. I know that increase in production reduces production costs and, if expenses remain the same, increases profits. The trouble is that the rapacious maw of sales gobbles up all production savings and a goodly percentage to boot.

Here is an opportunity for beneficent propaganda, for spreading a fire of sound business doctrine the

country over; for creating through trade associations, chambers of commerce and the business press a country wide sentiment for restoration of fair profits as our business goal.

The second revolution that is needed relates to buyers' profiteering and its accompaniment, price cowardice. The buyer, beset by hungry sellers, has the seller on the run. He plays one seller against another until the price is down not merely to rock, but in a hole blasted deep in the rock by the combined dynamite and T. N. T. of buyers' profiteering and price cowardice.

What are we going to do about it? Here are two suggestions:

First—let all sellers determine not to cut a price or bid once it has been submitted. Let's do all our figuring in advance. Then stick by our price. In other words, let's adopt the system of firm bids and prices.

Second—let all sellers insist on seeing all submitted prices when price concessions are demanded. The purchaser who is "on the square" will show them. Business shouldn't be stud poker with all the cards turned down.

Quoted by Henry Muller, retiring president of National Macaroni Manufacturers association, in his annual convention address.)

**AN EVIL TOOL**

A Chinese legend describes how the Father of Sin decided to have a sale and dispose of all his tools to anyone who would pay his price.

The implements were laid out in a row for inspection and among others were tools labeled "Malice," "Envy," "Hatred," "Jealousy" and "Deceit." Every one had a price tag on it. Apart from the others lay a harmless looking wedge shape tool, very much worn from use, that was priced a great deal higher than the rest.

One of the buyers asked the devil what it was. "That," he answered, "is discouragement; and it's in fine shape."

"But why have you priced it so high?"

"Because it is more useful to me than any of the others. I can pry open and get inside a man's consciousness with that wedge when I couldn't get near him with any of the others. And believe me once I do get inside I can

use that man in whatever way suits me best. Of course you'll notice it is well worn. That's because I use it with nearly everybody, for very few of you mortals know that it belongs to me."

However, the price was so high that this particular tool was never sold. The devil still owns it and is still using it.—Northern Furniture.

**FAMOUS AUTHORITIES**  
— ON —  
**Food and Health Value of Macaroni Products**

**ADMIRABLE MEAT SUBSTITUTE**

By Sir Henry Thompson, Great English Food Authority

Most people can digest macaroni more easily and more rapidly than meat. It offers, therefore, an admirable substitute for meat, particularly for midday meals.

Macaroni helps to increase the alkaline contents of the blood and tissue fluids, and in this way overcomes some of the effects of excess acids which meats cause in some people.

**Some Izaak Waltons**

James T. Williams, president of the Creamette company, Minneapolis, Minn., and C. H. Janssen of St. Paul, secretary-manager of the National Association of Retail Grocers, were men



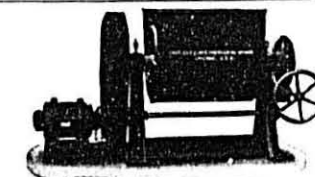
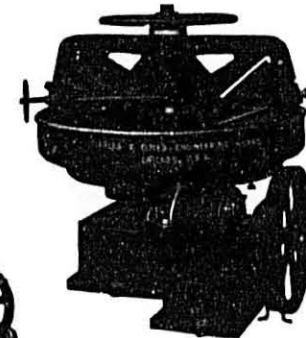
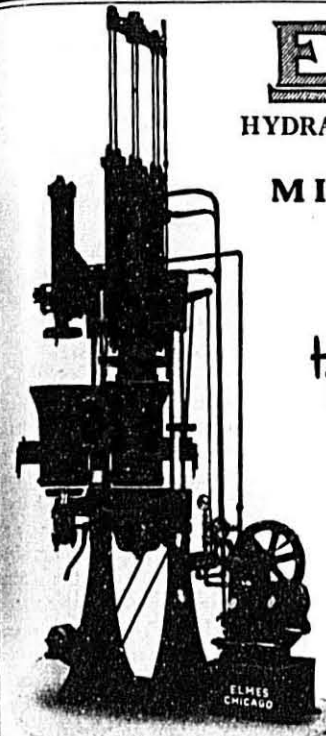
Janssen at left—Williams at right at Mille Lacs, Minn.

bers of a party that enjoyed a vacation in the lakes region of northern Minnesota. "Creamette" Jim has told some wonderful fish stories to his macaroni friends who, while not doubting his veracity, demanded proof. He submitted it with "gusto." Notice the beauties in the accompanying picture taken on the shores of Mille Lacs. It was only part of their day's catch, said Secretary Janssen.

The party fished Bir Sand, Little Sand, Crooked, Leech lakes and Mille Lacs in northern Minnesota up toward the Canadian boundary. The big muskie shown in the picture was caught in Little Sand lake.

Some men make a noise like a lion others just like a li—

**EL-HYDRAULIC-S**  
PREPES  
**ELMES**  
SINCE 1851  
HYDRAULIC MACARONI MACHINERY  
from  
**MIXER TO PRESS**



The problems of mixing and kneading macaroni dough rapidly, thoroughly and continuously for indefinite periods without interruptions for repairs are most vital points for consideration in purchasing such equipment.

We have embodied in these machines the best features compatible with strength and durability which has given them a reputation for superiority of service and output.

The strongest and best material is used in their construction and as nearly as possible they are mechanically perfect.

The action of our kneaders on the dough from the mixer is a thorough mechanical refining process, consisting of rapidly and repeatedly rolling, folding and compressing the dough, resulting in uniform absorption and intermingling of the ingredients, so that the quality of the product delivered by the press is constantly maintained.

All Hydraulic and Auxiliary Packing Cylinders on our Presses are bronze bushed. You'll find Quality and Workmanship in our product.

CHARLES F. ELMES ENGINEERING WORKS, 213 N. Morgan St., Chicago, U. S. A.

DO YOU LIKE  
THE  
**Macaroni Journal?**  
*It Costs Only a Dollar and a Half a Year.*

It is devoted exclusively to the upbuilding of the Industry in which you are vitally interested.

If you are not already a *regular paid subscriber*, why not prove that you are a *booster* for anything that will benefit the Industry by filling in the order opposite and have it come to you regularly for One Year?

THE MACARONI JOURNAL,  
Braidwood, Illinois.

Please send The New Macaroni Journal for One Year to the address given below, for which we enclose check for One Dollar and Fifty Cents.

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## Don'ts for the Salesmanager

By K. G. Merrill  
(Reprinted from Printers' Ink)

There are few policies which, when handled properly, are of more value to the house than that of having the salesmanager cover a territory occasionally with a salesman. It enables him to keep in stride with his work, to encourage the salesmen, to adjust difficulties that may have come up, to get a better grasp on commercial conditions throughout any given territory, and to make a first hand study of the factors which enter his firm's relations with that particular territory.

A great many salesmanagers do this, and most of them carry it out successfully. The writer has done a good deal of it, and it may be interesting and helpful if I try to express the fruits of my experience by giving a few "don'ts" for salesmanagers who are out on the road with their salesmen.

FIRST, I would suggest that the salesmanager should not hang on to his friends too closely. I am assuming that he has previously covered the territory himself and has an acquaintance of some years standing. It is a temptation to "hog" one's friends among the buyers and to demonstrate to the salesman that it is possible, through many years of friendship, to do things he cannot do. This is apt to have a very bad effect on the salesman and the opposite course should be pursued. Every effort should be made to turn one's own friends into the salesman's friends; to pass on to him the benefits which come from long acquaintance.

SECOND, don't lower the salesman in the estimation of the trade by bossing him too hard in the presence of his customers. Your object in going out with the salesman is to make him appear as a "great man," not to raise yourself in the customer's estimation. It is easy enough to speak bluntly to the salesman and ask him to hand you a sample case, or a pencil, in such a tone of voice as to sound as though he were distinctly an employe. Of course he is an employe, but in the eyes of your customer you wish him to be not an employe of yours but rather a representative, an adequately trained and gentlemanly ambassador of the house. Include him in invitations to lunch, praise his work to the customer and tell him how much you appreciate your salesman's efforts. In other words, give the impression that the territory is not suffering in the

least by the fact that the salesman is carrying on the work there rather than yourself.

THIRD, don't make spectacular concessions. A complaint, perhaps, will come up which the salesman could not handle. You as salesmanager of the company could handle it, but I humbly suggest that the adjustment wait until you get back home. To make a spectacular concession in the presence of your salesman lowers him in the estimation of the customer. Suppose that someone has been trying to return a half dozen cases that have been dead stock. Your salesman has been told not to take back cases without the consent of the house. If you walk in and say, "Sure, send them back," it sounds as though the salesman's authority amounted to nothing and makes him appear small in the eyes of his customer. It would be better to turn to your salesman and say, "Jim, make a note of this and write me a letter about it with your recommendations and I'll see what we can do when I get home." This makes it appear that the salesman's recommendations have a strong bearing on the question and entrench him the more deeply in the customer's esteem.

FOURTH, this is a highly personal "don't," but it should be carried out just the same—don't do all the talking. I have had salesmanagers come in with salesmen and sit at my desk and simply ignore the salesman's effort to enter the conversation and insist on doing all the talking themselves. Remember that as a salesmanager more than half your mission is to listen to how your salesman handles his customer and to listen to what the customer has to say in regard to conditions in his territory. You are not out to teach as much as you are out to learn. You cannot learn if you monopolize the conversation.

Of course you know more about the line than the salesman does; but unless you hear him talk to a customer you do not know just how much he does express in his conversation, and it is far better to take the attitude of "summing up" what the salesman says than trying to do all the "say" yourself.

FIFTH, don't confine yourself to big men. That is to say, do not confine your conversations to the bigger executives in the houses where you are calling. A salesmanager who has

risen from the ranks usually makes it a practice to know not only the buyer but also the salesmanager and the stock clerk, and perhaps the man at the city desk, in any jobbing house upon which he calls. It is a temptation to use the old friendship to get things done very quickly with the purchasing agent, but in that way you are not setting a good example for the salesman.

Take time enough with each call to go through the entire organization and help your salesman to become better acquainted with the various men with whom he is doing business, if it lies within your power to do so. If you do not already know them ask the salesman to introduce you to the lesser lights, and in that way broaden your own acquaintance. Many a stock clerk feels complimented to have a salesman bring his manager in to see him. In other words, don't be afraid to meet them all, as even the smaller cogs in the machine have their uses.

My SIXTH point is also personal. Don't let the salesman do all the "toting." Carry the sample case yourself part of the time so that he will feel that you are working together, not that he is being dragged along as a convenience. Don't do all the treating. Let him pay for a lunch once in awhile. It makes him feel that he is a full-fledged salesman.

SEVENTH, above all things do not contradict the salesman in front of the buyer. If the salesman makes a statement which is incorrect make a mental note of it and correct him kindly, after you leave the office. To correct the salesman in front of the buyer is tantamount to proclaiming to all the world that he is not qualified to handle your line of goods, and it puts him in a bad position in the buyer's sight.

Every salesman is struggling onward and upward and, as such is the case, one must remember that certain factors which make one man a salesmanager make another man aspire to the job. He is trying to learn, and if he occasionally makes a statement which is not exactly correct it can certainly be ascribed to his eagerness, not to any other motive. This gives an admirable opportunity afterward quietly to set him right in the matter, and after all probably no harm is done with the buyer. But distinct harm is done with the buyer if a salesmanager thoughtlessly checks a salesman up publicly.

EIGHTH, if you get any orders during your visit with the buyer don't mail them in yourself; let the salesman do it. I have in mind an episode which occurred about 3 years ago. A certain brilliant but sensitive salesman of my acquaintance took his salesmanager in

*Dependable Semolinas  
of  
High Quality and Uniformity*

**NORTHLAND FANCY No.2**

AND

**NORTHERN LIGHT**

**NORTHLAND MILLING CO.**  
MINNEAPOLIS, MINNESOTA

**NEW YORK OFFICE**  
411 Produce Exchange

## Barozzi Drying System

*Manufacturers of Macaroni  
Dryers that dry in any kind  
of weather*

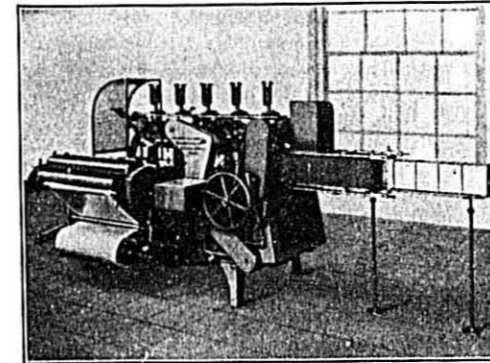
**FAULTLESS AND SIMPLE**

Result guaranteed  
For this industry we design and  
manufacture all kinds of  
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Catalogue and estimate at  
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**Barozzi Drying Machine  
Company, Inc.**

949 Dell Ave. North Bergen, N. J.  
NEW YORK DISTRICT



JOHNSON AUTOMATIC WAX WRAPPER

**Point 7 Fully Automatic In  
Operation --- Labor  
Costs Practically Nil**

**THE  
10 Point  
Line**

- 1 Fitted to Your Plant Requirements
- 2 All Parts Made in Our Own Plant
- 3 Modern Design, and Constantly Kept So!
- 4 Same-Day Shipment of Your Parts Orders!
- 5 Speed with Accuracy Safety and Efficiency!
- 6 Progressive, Straight Line yet Flexible Packaging!
- 7 Fully Automatic in Operation—Labor Costs Practically Nil.

8  
9  
10

WHERE the JOHNSON Automatic WAX WRAPPER is used with either type of JOHNSON Sealing Equipment no operator is required. Packages to be wax wrapped in this instance are delivered automatically directly from the dryer of the Sealer onto the intake conveyor of the WAX WRAPPER.

Should no sealing or filling equipment be in use, an attendant places the packages on the intake conveyor, after which operation the machine is entirely automatic in its action, delivering the wrapped package to the packing table without further attention from the operator.

Since its wrapping speed is from 35 to 90 packages per minute (depending upon package size and weight) this very low labor cost per unit wrapped is easily absorbed.

Write for descriptive circular. Specific plans and operating data to fit your particular need are gladly furnished without obligating you. We urge you to put your packaging problem up to us.

**JOHNSON AUTOMATIC SEALER CO., LTD.**  
Battle Creek, Mich., U. S. A.  
30 Church St.—New York City 228 No. LaSalle St.—Chicago, Ill.

**JOHNSON**  
AUTOMATIC PACKAGING MACHINERY

*Sealer, Bottom and Top Sealing, Lining, Machining, Wrappers (Wax & Glassine)*



to call upon 7 of his customers, all in one day. All 7 of them placed substantial orders. Business conditions had been such that their orders had been delayed some 2 or 3 months, and to get them all in one day was spectacular to say the least. The real reason was that they could wait no longer for the goods. But the salesmanager mailed the orders in himself, making it look as though the salesman wasn't a big enough man to get the business alone. The salesman would have got the orders anyhow, and knowing it he resented the salesmanager's gesture to such a degree that he quit his job. Now here was a case where a house lost a splendid salesman just because the salesmanager could not forego the personal gratification of having 7 orders drop out of one of his envelopes.

TO SUM IT ALL UP—I should say that the meat of the whole question lies in this one sentence: **Your object is to make the salesman appear as a man of consequence, not to make yourself appear as such. Your customers know that you have a job, and you want them to know that any salesman representing your company has a job, too.**

### Newsvertising

The Bureau of Advertising of the American Newspaper Publishers association in its interesting booklet "Good Copy" treats at length of a new kind of publicity which it terms "Newsvertising." This word is coined to describe newspaper campaigns that are keyed to the happenings, fads and whims of the hour.

"Newsvertising" is increasing in popularity among newspaper advertisers. This word which looks rather weird at first glance is obviously a coined term to designate the work of a fast growing school of copy producers.

"Newsvertising" is advertising which rides the wave of current news, fads and fancies. Its advocates believe in talking to people in language they understand and on subjects which are live topics at the moment. The fact that some catch phrase, some favorite bit of slang or some remembered quip is on everybody's lips offers just as good material for "Newsvertising" as the probably more important fact that somebody's motor oil helped somebody else fly to the North Pole.

"Newsvertising" is one of the privileges of the newspaper advertiser. With it he may put the very pulse beat

## BELL RINGER

### TOO MUCH THRIFT

By F. A. Ghiglione, President A. F. Ghiglione & Sons, Seattle, Wash.

In the serious price competition that exists in this section of the country the query arises as to whether or not low prices by manufacturers mean anything to housewives. If there were many more like the one referred to in the incident recorded below, price cutting might die a natural death.

She was a very thrifty housewife, and she went to her favorite store to buy some macaroni. It was 8 cents a package.

"Will you sell it 3 for a quarter?" she asked the clerk. A queer expression crossed his face, "Well we don't usually sell it at that price," he replied, "but if you want it at that you may have it; and the thrifty housewife never 'tumbled' until she told it to the hubby at the supper table that night.

of a nation into his copy and illustration. He and his newspaper reading audience both know "what's going on." He introduces himself on this common ground and talks about his product after his audience has recognized in him a fellow reader of the news—a fellow observer of the passing show.

Among the timely matters associated with this modern trend in advertising are mentioned "Charleston" wherein the phrase "A wicked heel and a Mason Mint" is emphasized and made alive with a pert sketch of 2 twinkling legs in a spotlight; "I have signed up with P. A. for life," used in the Prince Albert tobacco advertising; "S. P. C. Vests" standing for the Society for the Prevention of Cruelty to Vests, used in advertising the Blackstone cigars; "Some Fans! I take off my hat to them, they surely make this lazy air sit up and take notice," used by the Graybar Electric company advertising its electric fans.

There may be a better term than "Newsvertising" to describe the modern tendency to popularize and "news-ize" newspaper copy, says the article, but many advertisers will say there is no better system of gaining attention.

### Measuring and Stabilizing Our Business Progress

By W. Clement Moore

Disastrous and ignorant competition exists today as well as constructive and intelligent competition.

We have both and they are struggling mightily for supremacy.

Which will win?

The business world watches and wonders.

One may bring a panic or near-panic—the other may bring success and prosperity.

The pendulum swings between the 2. The past year has seen many attempts to curb the evil of reckless competition and properly stabilize business conditions.

Mergers have been many.

Consolidations of investments, control of buying, cooperation in warehousing, centralized agencies, strategic distribution centers, mutual deliveries—all these are growing in number and size daily.

Why?

Because business men are puzzled. Because there is an insistent demand for lower prices—and because lower prices are almost an impossibility to bring about with profit in the face of constantly mounting and increasing costs—unless such costs are controlled or reduced.

Because business failures are increasing rapidly and are greater in number today in nearly every line of trade and industry than they have been since 1915, excepting in only a few cases, the years of 1921 and 1922.

So . . .

As in every emergency—wise business men have been drawn together.

They have formed *business councils* in several trades and in several cities. The purpose of such councils being to study and standardize costs—to stabilize the trade or industry—to find out how goods may be produced or sold on a basis that will be economically sound, and just and fair to the producer, the worker, the seller and the consumer—to maintain present employment and prosperity if possible—

to prevent further increase of business failures.

These meetings beget confidence among business men and raise materially the standards of business executive ability, as well as moral standards. Actual monthly figures are brought to these council meetings, properly analyzed and interpreted by some person having such ability and enjoying the confidence of the membership, usually a person not associated with any of the concerns represented, so that his opinion may be unbiased and without restriction.

The result of such united study of costs, business trends and business conditions in any locality or trade has always proven helpful, because it eliminates much of the guess in business that has been and still is the underlying cause of so many failures.

It is a modern, sensible and successful plan of cooperative cost control and cooperative executive management in business.

It is a wise remedy for a very present precarious business situation, and a safety valve for the legitimate and proper regulation of dangerous, ignorant and unwise competition.

### The Mysterious "Hole"

How does the hole get in the macaroni?

That's the sister query to "How old is Ann?" and "How high is up?" It is asked every time a visitor makes the rounds of the Roma macaroni factory, 199 Francisco st. The answer is simple—if you understand it.

Circular dies in the bottom of cylinders into which the kneaded dough is packed give the explanation. The openings in this metal floor, which is about 2 inches thick, are larger at the top than at the bottom. A tiny metal bar, as large as the hole is to be in the paste extends from one side of the upper edge to the center, and is bent to extend down the center the length of the cone shaped opening.

The dough pressed through these holes by powerful pressure, is separated at the top of each hole by the metal bar. But the cone shape of the hole and the pressure exerted from above force the dough together again, and it closes around the bar in the center. Continued pressure forces the lengths of macaroni out at the bottom of the cylinder.

And that's where the fun begins! Just like pale grass sprouting upside down, the inverted forests of macaroni, spaghetti, tagliarini, or what you have, trail

down from the cylinders. Agile workers trim the long trailers with formidable looking knives, and hang it up on racks to dry. To make the lengths even, they clip the straggling ends—then turn to cut the next length from the busy presses.

All the "long paste," as it is known in the vernacular of the macaroni world, is made the same way. Semolina flour is used. This flour was formerly imported but is now produced in Minnesota and North Dakota. Mixed with water, the flour is stirred up in mixers, then transferred to the kneading machine. Here it is punched and poked until it has the right consistency. From there it is put into the presses and forced through the dies.

### 14 Sane Living Rules

Worry over debts or ill health is given as one of the principal causes of human distress by Dr. Robert E. Humphreys of the New Jersey Orthopedic Hospital in outlining a set of 14 rules for sane living as affected by eating habits:

- (1) Don't eat when tired.
- (2) Don't eat when upset by worry or excitement.
- (3) Don't eat when you are going to do things that are upsetting.
- (4) Don't stuff when you are hungry.
- (5) Don't think you need three meals a day.
- (6) Don't eat hurriedly.
- (7) Don't drive an automobile immediately after a heavy meal.
- (8) Don't get into debt too deeply.
- (9) Don't make your golf or other recreation, work.
- (10) Don't rush when you know it's bad for you.
- (11) Don't force a child to eat when he doesn't want to eat.
- (12) Keep a child out of excitement as much as possible.
- (13) Don't scold him at meal times.
- (14) See that he gets plenty of rest.

Food poison comes from 3 different sources: From meats of ailing animals, from rats and mice, and from unsanitary packing and handling. It may be prevented by proper inspection service and greater care in making and handling foods through the various channels from manufacturer to consumer.

### Private Initiative

The success of American industry and America's growth in wealth is based on private initiative. The foundation of her present development was laid in a system in which free play was given to the energy and initiative of the individual and which at the same time encouraged competition and per-

mitted corporate organization in industry.

Whether we shall continue to grow and expand depends upon whether we pursue an intelligent and constructive, or a hostile and destructive policy toward those forces which have brought about our present development.

A sound industrial policy must square with economic laws. And a consistent policy is necessary in order that capital, labor and the public may know what to expect. President Coolidge has pursued a clear, consistent course and has made it plain that his administration will not interfere with legitimate business merely because it is big, but desires that business and industry so far as possible shall work out their own problems, provided they conform strictly to the law.—Andrew Mellon.

### Macaroni First Used in Thirteenth Century

To fully understand the two lines of the classical macaroni song

He stuck a feather in his cap and called it macaroni! one must have knowledge of 14th century British slang. For it was in the 14th century that macaroni was introduced to England and became such a popular dish that the expression "That is macaroni" meant "That is excellent," and so Yankee Doodle, who was of British origin in spite of his later American popularity, seeing the effect of a feather in his cap, exclaimed, in the most popular slang phrase of the day, that it was "macaroni."

Persons who have a feeling for and a liking for words will want to go further back than this to find the beginning of the word "macaroni." It was derived from "marcus," meaning "divine dish." No less than Emperor Frederick II, Italy's famous poet, law giver, soldier and statesman of the 13th century, coined the name. Mystery and intrigue, perfidy and tragedy play a part in the drama the plot of which is concerned with the making of macaroni.

The story continues with an account of the mysterious Chieo and the curious Jovanella, a story so well known to those engaged in the trade but which possesses a charm that should mean much in the way of increased use of these products if made better known to the people of the world.



**MY FAVORITE RECIPE**  
Spaghetti With Tomatoes

By C. P. Walton, Capital Flour Mills

Ingredients

- 1 Pound Spaghetti
- 1 Pint Tomatoes
- 1 Good Sized Onion
- Pepper, Salt and Butter

Method

Drop spaghetti in salted boiling water and cook until tender. Drain and blanch. Cook tomatoes and onion from 20 to 30 minutes. Pour this over the cooked spaghetti and season with salt, paprika and butter (size of an English walnut). Reheat and serve.

(Tell us your favorite Macaroni, Spaghetti or Noodle Recipe.)

**Path of Least Resistance**

Did you ever drive out in the country after a fresh snowfall? Perhaps some other car had been ahead of you. How did you drive? Did you make a new track or did you follow the track of the machine ahead? Ten chances to one you followed the same track. The man who came after you followed in your tracks, and soon there was a rut in which all the machines drove.

It is only the occasional man who breaks his own path. In selling you will find that the greater percentage of your sales force will follow the well defined path. That is why selling is so expensive. The salesman follows the line of least resistance.

All this sounds like good advice but it isn't.

The least expensive selling is that which follows the line of least resistance. Where does the United Cigar Stores establish its stores? It picks corners in the very heart of congested traffic. There may be other cigar stores near the corner but the United gets the corner. It goes where sales are being made and places itself in a position to get the major share of the trade.

Possibly more magazines are sold in the Grand Central terminal in New York city than anywhere else in this country. A new magazine offered for sale at this place will have scores of competitors, yet this is just the place to offer it for sale.

Of course, the suggestion that we should avoid the path of least resistance has some merit, but too often the suggestion is thoughtlessly made. The best people to sell anything to are people who are already using something

similar, and not to people who never heard of the product. Some educational work must be done by every seller who hopes to progress. New paths must be broken occasionally. But anyone who says it is less expensive in energy to break a new path than to follow an old one has never lived in the country, and has never driven through a snowdrift.

The very first thing a seller must do is to find the path of least resistance, and having found it stick to it. A great specialty salesman compelled his salesmen to use a standard demonstration. He didn't encourage his men to wander over the fields of theory and psychology. He ordered them to follow his path, or get off his payroll. What is your pet sales policy? Does it go with or against the current?—(Contributed.)

**"JUSTIFIED ASSAULT"**

How the "bumptiousness" of some government officials who "feel" their importance and their "backing" may lead them to "go to extremes" in interference with private business is illustrated in the following story told in justification of the business man's attitude in favor of self regulation vs. undue government interference.

"You are charged," said the judge, "with beating up this government inspector. What have you to say?"

"Nothing," replied the green-grocer. "I am guilty. I lost my head. All morning I had held my temper while government agents inspected my scales, tasted my butter, smelled my meat, graded my kerosene. In addition, Your Honor, I had just answered 3 federal questionnaires. Then this bird

came along and wanted to take a morning picture of my cheese and I past him in the eye."

**ECONOMY**

Ole Olson had been working as an engine wiper and his boss, a thrifty man had been coaching him for promotion as fireman with such advice as:

"Now, Ole, don't waste a drop of oil—that costs money. And don't waste the waste, either—that's getting expensive, too."

When Ole went up to be questioned on his eligibility for an engine man he was asked:

"Suppose you are on your engine on a single track. You go around a curve and you see rushing toward you an express. What would you do?"

To which Ole replied: "I grab the oil can; I grab the waste—and I jump."

The two P's in prosperity stand for "purchase" and "pay."

**What One Sees in a Mirror**

Too often in business we are prone to recommend remedies for others that we refuse to use ourselves. Taking one's own medicine is usually a bitter dose.

Speaking generally of the conditions in our business and particularly in his own locality, a farsighted manufacturer in the east said wisely:

"Why don't the macaroni makers organize? you ask me. Well, we know that everybody is organized against the manufacturer. They find it a good thing for them and organization would be a good thing for us.

"But macaroni manufacturers can not seem to trust each other. They apparently haven't got sense enough to stick together. So everybody 'does' them and when nobody 'does' them, they 'do' each other.

"After studying our industry, I am of the opinion that no matter how much we differ politically or religiously, we all agree on 2 fundamentals, one, that all the other manufacturers are wrong, and secondly, that we are all durned fools."

**Stuffing Good Things**

Nit: What becomes of the holes in doughnuts?

Wit: They use 'em to stuff macaroni with!

**CROOKSTON-SEMOLINA**

From  
**Amber Durum Wheat**

**STRONG and UNIFORM**  
and of a **WONDERFUL**  
**COLOR**

**For Quality Trade**



**Crookston Milling Company**  
CROOKSTON, MINNESOTA

A nationally-known package produced by Stokes & Smith Machines.



**STOKES & SMITH**

*Machines for Package Filling, Sealing and Wrapping*

An extensive line of machines for packaging. Machines that measure by volume or by weight. Machines that seal and machines that wrap tightly cartons of many sizes.

out dust. Accurate weights guaranteed even on the more difficult materials.

**SAVE---**  
Material, Labor, Contents  
**IMPROVE---**

**A Size and Speed for Every Need**  
Fully automatic single purpose machines for high production; machines of moderate speed, adjustable for size of package and accommodating various materials and various packages for the smaller output. Dusty materials handled with-

Display Value, Selling Power, Preservation of Contents  
Our experience is at your service in solving packaging problems. We shall be glad to have you call on us.

**STOKES & SMITH COMPANY**

Summerdale Avenue near Roosevelt Boulevard  
Philadelphia, U. S. A.

British Office: 23, Goswell Road, London, E. C. 1.



### Patents and Trade Marks

A monthly review of patents granted on macaroni machinery; of applications for registrations of trade marks applying to macaroni products. In July 1928 the following were reported by the United States patent office:

Patents granted—none.

#### TRADE MARKS REGISTERED

The trade marks affecting macaroni products or raw materials registered were as follows:

##### Nood

The trade mark of the Minnesota Macaroni company, St. Paul, Minn., for use on alimentary pastes. Application was filed Feb. 15, 1928, published in the Official Gazette Apr. 17, 1928, and in the May 1928 issue of the Macaroni Journal. Owner claims use since Jan. 30, 1928. The trade mark registered on July 3, 1928, is merely the trade name in white lettering on a black rectangular background.

##### Ritsy

The private brand trade mark of Edward P. Velat, doing business as Ritsy Products Co., St. Paul, Minn., for use on egg noodles. Application was filed Feb. 27, 1928, published in the Official Gazette Apr. 24, 1928, and in the May 1928 issue of the Macaroni Journal. Owner claims use since Jan. 3, 1928. The trade mark, registered on July 3, 1928, is the trade name in shaded type.

##### Lock's

The private brand trade mark of John H. Lock Co., Inc., New York city, for use on macaroni, dried spaghetti and other grocery products. Application was filed Jan. 15, 1927, and the trade mark registered without opposition on July 10, 1928. Owner claims use since Jan. 10, 1927. The trade mark is the trade name in shaded type.

##### Tama

The private brand trade mark of the Tama Trading Co., Inc., Los Angeles, Calif., for use on alimentary pastes, and other grocery products. Application was filed July 13, 1927, and the trade mark registered without opposition on July 17, 1928. Owner claims use since Jan. 2, 1925. The trade mark is the trade name in heavy type, the stroke of the "T" extending over the remaining letters and the closing stroke of the "A" swung backward to underscore the last three letters in the name.

##### Delmonico

The trade mark of the Westchester Macaroni Co., Inc., Mount Vernon, N. Y., for use on alimentary pastes. Application was filed Nov. 17, 1927, published in the Official Gazette May 15, 1928, and in the June 1928 issue of the Macaroni Journal. Owner claims use since Feb. 1927. The trade mark was registered July 31, 1928.

The trade mark is in a rectangle over a scroll in which is to appear the variety name. To the left is a fanciful figure of a maid serving a steaming dish of spaghetti and on the right is the picture of a boy doing justice to a spaghetti meal.

##### Omega

The private brand trade mark of J. T. Fargason Grocer Co., Memphis, Tenn., for use on macaroni, spaghetti, noodles and other grain products. Application was filed Mar. 15, 1928, and published May 8, 1928,

in the Official Gazette and in the June issue of the Macaroni Journal. Owner claims use since 1922. The trade mark, registered July 17, 1928, is the trade name in heavy type.

#### TRADE MARKS APPLIED FOR

Ten applications for registration of macaroni trade marks were made in July and published in the Official Gazette to permit objections thereto which must be made within 30 days of publication.

##### Local Price

The private brand trade mark of the Van Buren County Canning Co., Hartford, Mich., for use on noodles and other products. Application was filed Dec. 29, 1927, and published July 3, 1928. Owner claims use since 1926. The trade mark is the trade name in dark script.

##### My Own

The private brand trade mark of the Janszen Co., Cincinnati, O., for use on spaghetti and other grocery products. Application was filed Dec. 30, 1927, and published July 3, 1928. Owner claims use since 1900. The trade mark is in heavy dark type.

##### Ma Brown

The private brand trade mark of Squire Dinee Co., Chicago, Ill., for use on macaroni and other grocery products. Application was filed Apr. 13, 1928, and published July 3, 1928. Owner claims use since or about Mar. 23, 1928. The trade mark is in heavy black type.

##### Mauxon

The private brand trade mark of Schokoladenfabrik Mauxion m. b. H., Saalfeld, Germany, for use on macaroni, vermicelli and other grocery products. Application was filed Feb. 26, 1927, and published July 10, 1928. Owner claims use since 1855. The trade mark is the trade name in heavy type.

##### Home Brand

The private brand trade mark of Griggs, Cooper & Co., St. Paul, Minn., for use on macaroni, spaghetti, vermicelli and other grocery products. Application was filed Apr. 20, 1928, and published July 17, 1928. Owner claims use since 1877. The trade mark is the trade name in white-faced lettering appearing over a picture of an old fashioned home in an oval.

##### Ribbons of Gold

The private brand trade mark of Gold Rolled Food Products Co., Chicago, Ill., for use on egg noodles. Application was filed June 4, 1928, and published July 17, 1928. Owner claims use since Apr. 13, 1928. The trade mark is the trade name appearing in strands of noodles reaching from a group of wheat sheaves to fancied noodle machines.

##### Montgomery Ward & Co.

As its trade mark for use on macaroni and other grocery products Montgomery Ward & Co., Inc., Chicago, Ill., filed Dec. 8, 1927. Application for registration of a fanciful trade mark. The application was published July 24, 1928. Owner claims use since Oct. 1925. The trade mark is the figure of a beautiful lady in flimsy dress standing with her left foot on what appears to be the globe and holding a lighted torch in her right hand and strands of macaroni in her extended left hand.

##### Gold Medal

The trade mark of John R. Fischer, doing business as Pacific Macaroni Co., Los Angeles, Calif., for use on macaroni, spag-

hetti and noodles made from semolina. Application was filed Jan. 11, 1928, and published July 24, 1928. Owner claims use since Nov. 1912. The trade mark is the trade name in outlined letters appearing over 2 pedestals on which are shown animals holding in their mouths an extended ribbon. A large oval is suspended from the middle of the ribbon in which will appear the name of the variety of the product.

##### Alberto Seminola Albertorettes

The trade mark of the United States Macaroni Co., Inc., Los Angeles, Calif., for use on macaroni. Application was filed Apr. 16, 1928, and published July 24, 1928. The owner claims use since Oct. 1, 1927. The trade mark is the trade name in dark letters of 3 different sizes of heavy black type.

##### La Contadina

The trade mark of the West Virginia Macaroni Co., Clarksburg, W. Va., for use on macaroni and spaghetti. Application was filed April 24, 1928, and published July 31, 1928. Owner claims use since Jan. 1921. The trade mark is the trade name in heavy type.

#### LABELS

##### Feeser's Golden Specialties

This label for use on alimentary pastes for the Feeser Macaroni company, Harrisburg, Pa., was published June 1, 1928, and registered July 17, 1928, given title No. 34,304.

##### San-Filippo

This label for use on alimentary pastes for the Feeser Macaroni company, Harrisburg, Pa., was published June 1, 1928, and registered July 17, 1928, given title No. 34,305.

**Mrs. Klein's Home Made Real Egg Noodle**  
This label for use on noodles for Mrs. S. Klein, doing business as F. L. Klein Noodle company, Chicago, Ill., was published Feb. 20, 1928, and registered July 2, 1928, given title No. 34,349.

#### PRINTS

##### So Much Depends On The Sauce

This print for use on cooked spaghetti in tomato sauce with cheese produced by H. J. Heinz Co., Pittsburgh, Pa., was published June 16, 1928, and registered July 2, 1928, given title No. 11,115.

A wise counselor should in nowise be avoided.

#### VALUE OF TRADE ASSOCIATIONS

The value of the trade association to small business was upheld by one of the large New York banks in the statement: "These organizations are becoming more and more efficacious and their accomplishments furnish a ledge for the smaller business unit. They are becoming powerful not only in investigating and suggesting for cost reduction but also in concentrating for extending markets and developing new uses for products."—Printers' Ink.

### Cheraw Box Company, Inc.

Seventh and Byrd Streets  
Richmond, Virginia

## SATISFACTORY Wooden Macaroni Box-Shooks

**NOTE**—Our shooks are made from tasteless and odorless gum wood. Sides, tops and bottoms are full one-quarter inch thick and one piece. All ends are full three-eighths inch thick.

## The Perfect Egg Yolk

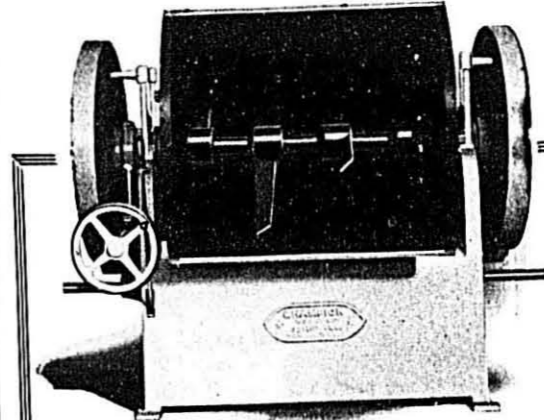
Fresher in Flavor  
Deeper in Color

## Jo-Lo

## Certified American Dehydrated Spray Egg Yolk

### JOE LOWE CO. INC.

117 South Ashland Ave. CHICAGO, ILL. Bush Terminal Bldg. 8 BROOKLYN, N. Y. 5-7 W. Lombard St. BALTIMORE, MD. 1100 Malco St. LOS ANGELES, CAL.



Champion Macaroni Mixer

### MORE BARRELS PER MAN MORE PROFIT PER BARREL

—that's the secret of success in the manufacture of food products, and you can make sure of getting a bigger and better output by installing Champion equipment.

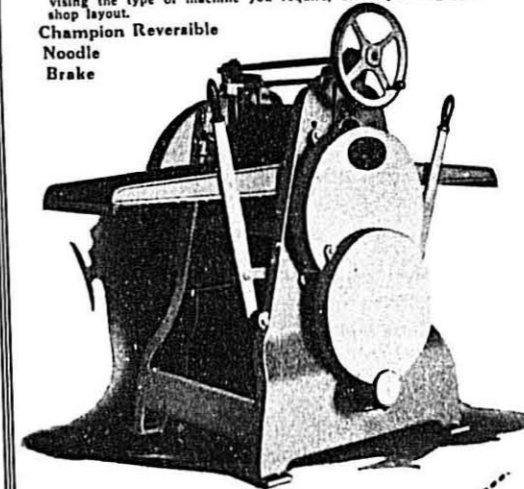
Champion Special Mixers, most efficient for difficult doughs, as macaroni, noodles, pretzels and similar products.

Champion Reversible Brakes, for saving the energy of your men and turning out high quality brake dough for noodles.

Champion Flour Handling Outfits for handling your semolina, for accurate weighing, for securing economical blends.

We sell separate units, or furnish complete plant equipment. Our engineering department can save you many dollars in advising the type of machine you require, or in planning your shop layout.

Champion Reversible  
Noodle  
Brake



We are at your service—write us for full information  
**CHAMPION MACHINERY CO.**

JOLIET, ILLINOIS  
New York Representatives: Frank P. Murray, 210 W. Broadway, New York City, N. Y. Phone Walker 7095

Champion  
Machinery Co.  
Joliet, Illinois

Tell us more about  
 MACARONI MIXER  
 REVERSIBLE BRAKE  
 FLOUR OUTFIT

Fill in  
and  
Mail  
Today

Name.....  
Street.....  
City.....State.....



## Notes of the Macaroni Industry

### Macaroni Factory in Mexico

A concession has been granted for establishment in Torreon of a flour mill and a factory for manufacture of macaroni, vermicelli and spaghetti, according to a report from American Consul Wm. J. Jackson.

The firm is to take over an abandoned flour mill in Torreon, upon which it expects to spend 200,000 pesos (\$100,000). It is understood that machinery for this factory is to be imported and has not yet been ordered. (Macaroni machine firms take notice.)

### Publicity for Connecticut Firm

The Italian Macaroni company of Bridgeport, Conn., was given some exceptionally fine publicity in the June 3 issue of the Bridgeport Herald which has been devoting much space to the industries of that section of the state. The article, which is well illustrated, states that the manufacture of macaroni products has been carried on by the Cataudella brothers, Stephen and George, for 13 years, and that during this period the business increased so rapidly it necessitated frequent removals to larger quarters. Now the firm is carrying on its business in a large plant at Reservoir av., far removed from the crowded sections of the metropolitan district. The products of this firm are well known to southern New England and in New York.

### Federico to Porto Rico

Frank Federico, president of the Federico Macaroni Manufacturing company of New Orleans, La., has spent several weeks in Porto Rico calling on his macaroni agents. Business on the island is improving says Mr. Federico and he is well pleased with the prospects of increased use of American macaroni by the natives.

### Two Big Eastern Mergers

Information from the east is to the effect that 2 large mergers have been consummated involving about a half dozen firms in New York and New Jersey. In Brooklyn 3 firms have merged, including V. La Rosa & Sons, Naples Macaroni company and Sunshine Macaroni company. One central plant will be chosen in which all production will take place. Complete details of the merger are still lacking. In Jersey City the Campanella & Fa-

varo Macaroni Co. has merged with Lino and Glaviano. The object is to concentrate production and reduce overhead expense.

### Coolbroth Makes New Connections

J. E. Coolbroth, formerly associated with the sales organization of the King Midas Mill company, has resigned to assume a new position as sales supervisor of the Minneapolis Milling company, Minneapolis. The change was made last month and Mr. Coolbroth attended the national convention of the macaroni industry in his new capacity.

### Notices of Judgment

In the report of the United States Department of Agriculture for June 1928 showing the judgments obtained against violators of the Federal food laws by the food, drug and insecticide administrators, only one macaroni firm was involved. With the name deleted, judgment Number 15490 as announced by W. M. Jardine, secretary of agriculture, is as follows:

On Nov. 25, 1927, the United States attorney for the District of Colorado, acting upon a report by the Secretary of Agriculture, filed in the District Court of the United States for said district a libel praying seizure and condemnation of 21 cases of macaroni, remaining in the original unbroken packages at Denver, Colo., consigned by a St. Louis, Mo., firm, alleging that the article had been shipped from St. Louis, Mo., on or about Oct. 21, 1927, and had been transported from the state of Missouri into the state of Colorado, and charging adulteration and misbranding in violation of the food and drugs act. The article was labeled in part: "Fusilli • • • Manufactured by said St. Louis, Mo., firm." It was alleged in the libel that the article was adulterated, in that it was colored in a manner whereby inferiority was concealed.

Misbranding was alleged for the reason that the article was an imitation of another article.

On Feb. 13, 1928, no claimant having appeared for the property, judgment of condemnation and forfeiture was entered, and it was ordered by the court that the product be relabeled "Imitation Egg Paste, Artificially Colored," and sold by the United States marshal.

### C.-F.-G. Macaroni Corporation

A merger of 2 large Jersey City firms was effected last month when the Campanella & Favaro Macaroni company and Lino & Glaviano combined interests. Articles of incorporation filed by the agent of the new

Campanella-Favaro-Glaviano Macaroni Corp. states that the firm has authorized capital stock of \$1,500,000. This is divided into 15,000 shares of value \$100 each, of which \$1,000,000 is common stock and \$500,000 preferred stock. At the time of the incorporation \$396,100 in stock was subscribed for.

The incorporators, all of Jersey City, N. J., consist of Salvatore Campanella who owns 655 shares; John Campanella 655 shares, Giuseppe Favaro 655 shares, Pasquale Campanella 218 shares, Giusto Campanella 218 shares, Joseph Campanella 218 shares, Salvatore Lino 447 shares, Domenico Glaviano 447 shares, Salvatore Joseph Campanella 447 shares.

### Incorporates Nobile Firm

Taking as its sponsor the renowned Admiral Nobile of dirigible fame, M. R. Kerbel of Richmond Hill, N. Y., incorporated the Nobile Macaroni Manufacturing Corp. with capital stock of \$10,000.

### Milwaukee Macaroni Survey

A survey of the Milwaukee territory made by the Milwaukee Journal to ascertain the consumption of various products, particularly the advertised brands, shows that macaroni and noodles are not as popular this year as they were in 1925. The survey shows a slight increase in the consumption of spaghetti. Comparisons made on Jan. 15, 1925, and on Jan. 15, 1928, show the following: in 1925 59.5% of the families in Milwaukee served macaroni while in 1928 the percentage increased to 61.7%; in 1925 66.9% of the families consumed macaroni while only 64.5% did so in 1928; noodles also showed a decrease from 47.1% in 1925 to 43.4% in 1928.

### Changes in Chicago Company

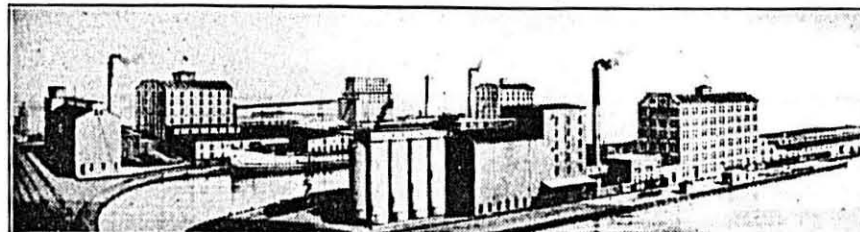
Joseph Viviano, one of the founders of the Chicago Macaroni company recently sold his interest to his associates. He will, however, continue to serve the firm as plant superintendent for a year after which he will probably make California his home.

The Chicago Macaroni company plant at 2148-2180 Canalport av. is one of the largest and most modern plants in the central states. It has a capacity of over 500 barrels a day. G. Matalone and A. Morici are now the principal

April 15, 1928

THE MACARONI JOURNAL

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## THE UP-TO-DATE HOME OF HOURGLASS BRAND SEMOLINA AND FLOUR

Made From Pure, Selected DURUM WHEAT, Which Requisite To Assure all the Essentials of a Highly Nutritious, Palatable Macaroni.

**DULUTH-SUPERIOR MILLING CO.**  
Main Office DULUTH, MINN.

NEW YORK OFFICE: F 7 Produce Exchange  
PHILADELPHIA OFFICE: 468 Bourse Bldg.

BOSTON OFFICE: 88 Broad Street  
CHICAGO OFFICE: 14 E. Jackson Blvd.

### Macaroni Manufacturers!

## TELL IT TO THE CLOCK

A Man May Forget--A Clock Never Does.

If you tell it to the clock of our patented time reversing apparatus it will be done on the second.

### And Another Thing!

Our apparatus guards expensive equipment against damage through broken belts.

### BECAUSE

The instant a belt breaks or leaves pulley the power in that room is shut off and a bell and indicator tell you which room is affected.

### IMPORTANT

Our system protects your motors from overload or undervoltage, which oftentimes cause fire and great damage to your dry rooms.

Don't You Want to Know About this Wonderful Convenience and Safeguard?

Write Now To

**WORCESTER BROKEN BELT DETECTOR COMPANY**  
53-55 NORFOLK STREET - WORCESTER, MASS.

Labels

Package Wraps

Window Trims

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General Color Work

**Riverside Printing Co.**

38 S. Dearborn St.

CHICAGO - ILLINOIS

Color Printers for 58 Years



members of the reorganized firm. A. Culicchia is treasurer and was very active at the Silver Jubilee Convention of the National Macaroni Manufacturers association last June in Chicago.

#### Lo Bue Plant Damaged

A slight damage was sustained at the macaroni plant of G. and J. Lo Bue at 331 Sip av., Jersey City, N. J., last month by fire discovered in an electric motor. Firemen were able to overcome the flames and the greatest amount of damage was by water and smoke. The owners made immediate repairs and the plant was soon in regular operation.

#### Feezer Company Entertains Grocers

The retail grocers and their families in several counties surrounding Harrisburg, Penn., were entertained at the new plant of the Feezer Macaroni company at 17th and Burryhill st., the afternoon of June 28. Refreshments were served, games were played and prizes distributed. Many of the prizes were the products of the firm and articles used in preparing macaroni foods for the table. The attendance was up to expectations of the promoters, several grocers coming from great distances to attend this unique celebration that served to bring about a closer contact between manufacturer and distributor.

#### New Plant in Louisville

In June articles of incorporation for the Kentucky Macaroni company at Louisville, Ky., were approved by the secretary of state. The company is capitalized at \$400,000. A modern plant is being erected at the Floyd st. crossing of the Southern railway. The incorporators are Chester Murphy, Eugene Murphy, and James E. Powers. The capital stock consists of \$100,000 of preferred and \$300,000 of no par common. According to plans the plant will be of a size to handle over one hundred barrels of raw materials daily. It is expected to have it ready for operation next October.

#### Macaroni In Piano Plant

Piano strings in the old Steger Piano company plant in Steger, Ill., will give way to spaghetti strings, because of the purchase recently made by the D'Amico Brothers of Chicago Heights. The large airy piano factory has been converted into one of the most modern and complete macaroni plants, now in full operation. This firm has for years successfully operated a plant at 17th

and Lowe st., Chicago Heights, and requiring more space than was available in the former location, purchased the old piano factory at a bargain and remodeled to suit its needs.

#### Homac Plant Destroyed

Fire caused by the exploding of gasoline tanks in the Sun Oil company's plant nearby brought about the destruction of the Homac Macaroni company plant and several adjoining structures the night of July 2, 1928. The macaroni plant was at 401 Sunset av., Syracuse, N. Y., and has been in operation many years. In recent years J. G. Hotaling was in charge of the plant. A watchman in the oil plant met his death when the explosion sprayed oil and gas in every direction. It was one of the worst fires experienced in Syracuse and caused a loss of \$100,000. Estimate of the loss sustained by the macaroni company has not been made.

#### A New Noodle Maker

Friends of Alex S. Klein, superintendent of the F. L. Klein Noodle company plant in Chicago, are congratulating him on the safe arrival of a son who is already being trained to succeed him. This accounts for the fidgetness of the now proud father at the recent Chicago convention which he attended.

#### Gassing the Weevil

Dr. Patrick H. Mullowney, deputy health commissioner of Boston, Mass., personally supervised an antiweevil fight in one of the macaroni plants in his city last month. This expert in food sanitation carefully guards Boston food products for home consumption, using every known modern method.

The poison gas process was the one employed in this particular case as one of the means to combat insects and other pests that threaten economic loss. Dr. Mullowney explains the insect battle as follows:

#### The Battle

"The macaroni factory resembles the scene of a combat with every element of the battlefield present. On one side is the great army of industrious grain weevils and other vermin. On the opposing side are the scientifically directed efforts of a corps of expert gas men determined to wipe out the pests. "First, the various rooms were fitted with a special series of pipes all connected with an apparatus for pumping a preparation of hydrocyanic gas, one

of the most violent and deadly poisons in use.

"The second step was to make sure no one was in the building, and subject to the deadly effects of the gas. When this process is to be applied, employees are warned that all operations will be suspended on the day in question, and no one is to be allowed on the premises. Windows and doors are sealed."

#### Poison Gas at Work

The city health authorities, Dr. Mullowney explained, are on hand to see that no danger to the public is involved.

"At the time appointed," continues the health director, "the pumping machine is started. All through the system of pipes the deadly vapor is forced. From many openings in the piping system the powerful gas spreads through the different rooms, filling every nook and corner. It penetrates boxes and bags and closes linked grains of cereal.

"Wherever the poison encounters living insect, death is instantaneous. The work of destruction continues for hours, Dr. Mullowney stated, after which an entire day is given to the airing of the building. Skilled men equipped with gas masks first enter the gas filled rooms and remain until the noxious atmosphere has been thoroughly replaced with pure air.

When the 2-day "battle" is over, inspectors from the health department are on hand to take samples of the product, and test them to make sure that there are no injurious effects remaining from the gas "barrage."

#### Campaign is Expensive

"Before this method was applied," Dr. Mullowney said, "the owners of macaroni plant told me that in one year they had returned to them \$500 worth of macaroni because of insect pests alone. This entailed a serious economic loss. While the process of extermination of insects by gas is expensive it is cheaper than the whole sale waste caused by neglect.

"The presence of the pest can be detected by a row of small brown discoloration that permeate the macaroni," he continued.

"These are the eggs of the insect and they make the macaroni inedible. When these are found the whole box or package must be condemned. The same applies of course to spaghetti, vermicelli and similar products.

"The insects find their way into semolina, which is the very heart of the wheat used in the manufacture of macaroni."

#### Some Observations

Your present prosperity isn't worth two whoops, old timer, unless you salt down some of the surplus.

Collective bargaining will be fine if we can have collective sticking to a bargain.

A genius is a man of some ability who hasn't acquired the habit of watching the clock.

Samuel Gompers said the 8-hour day will be reduced. If radical labor succeeds in wrecking the country, the man who can get 8 hours of work will be lucky.

The reason half of us haven't enough sugar on hand to last until morning is because the other half has enough on hand to last until next summer.

If you can't understand the reasoning of the Red, consider the man who wrecks a train in order that he may pick the pockets of the dead.

Tobacco growers are selling their crop as high as \$1.35 a pound, and before long one will be able to buy a first-class nickel cigar for 50 cents.

These are critical times, but whatever happens, keep your nerve, laugh at the panic-stricken, and fatten the little pile in the savings bank.

A good citizen is one that has a conviction that his own little particular task and duty are the only things in the world that really matter.

You can't judge a woman by her appearance on the street or by the appearance of her parlor. Take a look at her kitchen.

#### A Pledge For Motorists

I will not cut in.  
I will not cut corners.  
I will not pass another car on a curve where there is not a clear road ahead.

I will not speed up to pass another car where there is not a clear road ahead for at least 100 yards.

I will slow up at curves and on thoroughfares where children are playing in the streets.

I will not be a "road hog" and will drive on the right side of the street.

I will not pass another car at high

speed at street crossings or race another car while attempting to get past legitimately.

I will observe traffic rules and will not abuse the parking privileges nor park my car on highways except where there is a clear view behind and ahead for at least 100 yards.

I will keep my brakes in good condition, realizing that a driver is only as good as his brakes.

I will not drive a car while under the influence of liquor. One drink is too many for a driver.

The automobilist has to bear more of the responsibility for accidents than the pedestrian by the very nature of things. But it must be recognized that there are some obstinate and reckless pedestrians who do not fear to endanger their own lives as well as the lives of the automobilists. As a general thing the motor car driver has to be careful and watchful.

The most beggarly paid inventor is the inventor of excuses.

#### SUCCESS

It's doing your job the best you can, And being just to your fellow-man;  
It's making money—but holding friends,  
And striving true to your aims and ends;

It's figuring how and learning why,  
And looking forward and thinking high,

And dreaming a little and doing much;  
It's keeping always in closest touch  
With what is finest in word and deed;  
It's being thorough, yet making speed;  
It's daring blithely the field of chance  
While making labor a brave romance;  
It's going onward despite defeat,  
And fighting staunchly what'er you meet;

It's being clean and playing fair;  
It's laughing lightly at Dame Despair;  
It's looking up at the stars above,  
And drinking deeply of life and love;

#### PRICE CUTTING WRECKS BUSINESS

Destructive price cutting brings on "profitless prosperity" which will sooner or later wreck the industry. Price cutting exists because executives still need to encompass a broader vision; they are still the victims of vanity, suspicion or even malice, all of which would vanish with personal contact and understanding.—Forbes.

It's struggling on with the will to win,  
But taking loss with a cheerful grin:  
It's sharing sorrow and work and mirth,

And making better this good old earth:  
It's serving, striving through strain and stress;

It's doing your noblest—that's Success.

—Berton Braley.

It is well to make a good beginning—and it is also well to remember that the end is what determines everything.

#### A Reverie

Here is a toast that I want to drink  
To a fellow I'll never know,  
To the fellow who's going to take my place  
When it's time for me to go.  
I've wondered what kind of a chap he'll be  
And I've wished I could take his hand,  
Just to whisper, "I wish you well, old man,"  
In a way he'd understand.  
I'd like to give him the cheering word  
That I've longed at times to hear;  
I'd like to give him the warm hand clasp  
When never a friend seems near.  
I've learned my knowledge by sheer hard work,  
And I wish I could pass it on  
To the fellow who'll come to take my place  
Some day when I am gone.

Will he see all the sad mistakes I've made  
And note all the battles lost?  
Will he ever guess the tears they caused  
Or the heartaches which they cost?  
Will he gaze through the failures and fruitless toil

To the underlying plan,  
And catch a glimpse of the real intent  
And the heart of the vanquished man?  
I dare to hope he may pause some day  
As he toils as I have wrought,  
And gain some strength for his weary task  
From the battles which I have fought.  
But I've only the task itself to leave  
With the cares for him to face,  
And never a cheering word may speak  
To the fellow who'll take my place.  
—Exchange.

#### WHERE IT DIDN'T SHOW

He was Irish, and was being examined as a possible candidate for a civil service position. The examiner was inclined to carry the proceedings a bit far.

"Have you read the 'History of America?'"

"No, sir."

"Have you read the Constitution of the United States?"

"No, sir."

"Robinson Crusoe?"

"No, sir."

"What the devil have you read?"

"I have red hairs on me chist, sir."—Country Gentleman.



## Grain, Trade and Food Notes

### Italy's "Battle of Wheat"

Protagonists of the Facist party hail the prediction of a bumper wheat crop as a signal victory for their party, states a report from D. F. Spencor, assistant trade commissioner at Rome. It will be an achievement, in fact, since the program has been adhered to with a show of tenacity. The 1927 crop, it will be recalled, was to have shown a large increase in production of wheat but a 6 months drought spoiled all hope of an increase, in fact the total yield suffered to the extent of nearly 7 million quintals (25,700,000 bus.). Since Italy's average annual importations of wheat (including flour) for the past 3 years have been only 23 million quintals (84,500,000 bus.) it is within the realm of possibility that this country may achieve her aim and raise sufficient wheat for her consumption.

Change of diet of the Italian people is playing a large part in bringing to actual accomplishment the Battle of Wheat. Since the last prewar estimate the per capita consumption of meat has advanced from 18 kilos (1 kilo equals 2.2 lbs.), sugar from 7 kilos to 8 kilos and rice from 8 to 9 kilos.

### Changed Objectives of Wheat Breeding

The objectives of wheat breeding have changed notably in the past century. According to the Food Research Institute of Stanford university, Cal., it was not until the advent and growth of world trade in wheat in the last century, and the introduction of the roller milling process in the 1870's, that protein content of wheat received attention from the wheat breeder. Previously the objective had been high yield per acre. Today the objectives of the breeder are complex and his problem difficult. High yield per acre and high protein content are characteristics not easy to combine. Moreover, wheat must be adapted to the locality in which it is grown. Hence the breeder must consider in breeding wheat for each region such problems as the development of resistance to fungous and insect pests, to drought, to cold, to hot winds, to a short growing period, and the like. Changes in agricultural technique such as the successive invention of the scythe, the cradle, the reaper, and the "combine" have called for the development of wheat that would not lodge and would not shatter its seed if allowed to stand in the field after maturity.

Wheat breeding did not become truly scientific until after 1900, when the laws under which the characters of the parents are transmitted to the offspring were not generally known, though they had been discovered earlier. Nevertheless several excellent varieties were developed by more or less haphazard methods. With increasing application of the science of genetics to wheat breeding in the past 20 years, much progress has been made. The equipment of the wheat breeder to deal with changes in objectives as they arise has been greatly enlarged, and more progress may be expected.

### Grain Firms Combine

Two of the world's largest grain organizations were combined last month when F. H. Peavey & Company, Inc., of Minneapolis, completed purchase of the controlling interest in the Van Dusen-Harrington Company, Inc. The combined organizations own and operate grain elevators in Minnesota, North Dakota, South Dakota, Iowa, Nebraska, Alberta, Manitoba, and Saskatchewan. In addition they have many affiliated milling interests. The Van Dusen-Harrington company will continue as a separate corporation retaining its present organization. Frank T. Heffelfinger is president of the Peavey company; Frederick B. Wells is vice president and Charles F. Deaver is secretary-treasurer.

### King Midas Sells Mill

The Shakopee, Minn., plant of the King Midas Milling company was purchased last month by the Haertel company of Minneapolis. The mill has not been in operation since December and is one of the several units made unnecessary because of the centralizing policy of the King Midas Milling company. The property consists of a flour mill of 1200 barrels daily capacity and an elevator of 10,000 bushels.

### Washburn Crosby Company in Big Merger

The Washburn Crosby company of Minneapolis with mills at Minneapolis, Buffalo, Kansas City, Chicago and Louisville, joined several other milling interests in forming the world's largest milling corporation, the latter part of June. Among the other firms interested in the merger are the Red Star Milling company of Wichita, Kans.; Royal Milling company of

Great Falls, Mont.; Kalispell Flour Mills of Kalispell, Mont., and the Rocky Mountain Elevator company with grain elevators in the important wheat producing sections of Montana.

The consolidation is known as the General Mills, Inc., a \$50,000,000 milling corporation of which James Ford Bell of Minneapolis is president and general manager. It is incorporated under the laws of Delaware with an authorized capital of \$50,000,000 of preferred stock and 1,000,000 shares of no par value common stock.

The avowed purpose of the merger according to those behind this move are: greater economics in operation, greater purchasing and selling service, and extension and enlargement of facilities to accommodate the increased demand of a consuming public.

Assisting President Bell in the management of the world's greatest milling corporation, owning mills in 9 states, will be Franklin M. Crosby as vice president; Donald D. Davis comptroller, and Harry A. Bullis secretary.

The Washburn Crosby company, which is better known in macaroni manufacturing industry, will retain its business organization and its valuable connections. To facilitate handling of its large business 3 subsidiaries have been formed with C. C. Bovey as president of the Minnesota division, F. F. Henry president of the Buffalo division, and H. G. Randall head of the Kansas City organization.

### Country Mill Wheat Stocks

Stocks of wheat of the 1927 crop in interior mills and elevators of the United States on July 1, 1928, are reported by the United States Department of Agriculture at 18,856,000 bus. This compares with stocks on July 1, 1927, of 21,776,000 bus. (revised).

In the states east of the Mississippi river stocks this year were 4,305,000 bus. compared to 7,910,000 bus. a year ago. In the states lying between the Mississippi river and the Rocky mountains stocks this year were 10,466,000 bus. compared with 11,451,000 bus. a year ago. Stocks of old wheat west of the Rocky mountains were 3,625,000 bus. compared with 11,451,000 bus. a year ago.

If we live on next year's income, we are at least progressive.

The House of Perfection Always at Your Service

Where Others Have Failed, We Have Succeeded.



Why not deal with a reliable house?

INTERNATIONAL MACARONI MOULDS CO.

317 Third Ave. Brooklyn, N. Y.

"Good Macaroni requires good Cheese"

LOCATELLI'S

—LEADING BRAND FOR OVER 60 YEARS—



GENUINE ROMANO - REGGIANO



LOCATELLI'S GRATED Genuinely imported well seasoned parmesan cheese in original 2 oz. boxes.

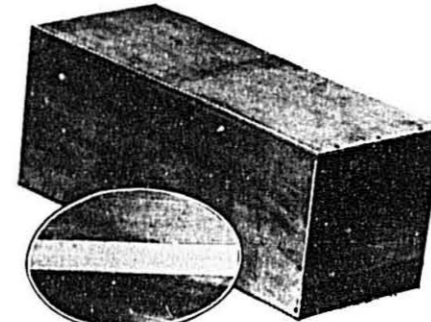
12 BOXES PER CARTON

MATTIA LOCATELLI NEW YORK Branch, Inc. 24 Varick Street (Locatelli Building)

## WOOD BOXES

Our materials --- Gum and Cottonwood, ideal for meeting the essential needs of food packers.

1. Odorless
2. Clean, pleasing to the eye
3. Nail-holding texture
4. Great carrying strength



Inset is actual appearance of finished two-piece bottom.

Hidden under this tape which seals the joint are two corrugated fasteners, holding the pieces together.

We strongly urge use of ends at least one-half inch thick to give a surrounding for the nails that will make them hold. No matter what kind of woods you use this is essential but GUM holds and keeps nails as only Hardwood can.

Our ample facilities, timber supply, experience in this line, and railroad facilities guarantee prompt attention to orders.

ANDERSON-TULLY CO. Memphis, Tennessee Good Wood Boxes



## The Macaroni Journal

Trade Mark Registered U. S. Patent Office  
(Successor to the Old Journal—Founded by Fred Becker  
of Cleveland, O., in 1903.)

A Publication to Advance the American Macaroni Industry.  
Published Monthly by the National Macaroni Manufacturers Association.  
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Braidwood, Ill.

PUBLICATION COMMITTEE  
HENRY MUELLER JAS. T. WILLIAMS  
M. J. DONNA, Editor

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SPECIAL NOTICE  
COMMUNICATIONS:—The Editor solicits news and articles of interest to the Macaroni Industry. All matters intended for publication must reach the Editorial Office, Braidwood, Ill., no later than FIFTH Day of Month.

THE MACARONI JOURNAL assumes no responsibility for views or opinions expressed by contributors, and will not knowingly advertise irresponsible or untrustworthy concerns. The publishers of THE MACARONI JOURNAL reserve the right to reject any matter furnished either for the advertising or reading columns.

REMITTANCES:—Make all checks or drafts payable to the order of the National Macaroni Manufacturers Association.

ADVERTISING RATES  
Display Advertising . . . Rates on Application  
Want Ads . . . . . Five Cents Per Word

Vol. X August 15, 1928 No. 4

### Changes in Postal Rates July 1

**Second Class.** Reduces the rates on the advertising portion of 2nd class to 1½¢ a pound in the 1st and 2nd zones; 2¢ in the 3rd zone; 3¢ in the 4th zone; 4¢ in the 5th zone; 5¢ in the 6th zone; 6¢ in the 7th zone; 7¢ in the 8th zone.

The rate on second class matter when mailed by others than the publisher reduced to 1 cent for each 2 ounces regardless of weight or distance.

Provides for double rates on second class matter which consists of more than 32 and not in excess of 48 pieces to the pound; triple rates on more than 48 and not in excess of 64 pieces to the pound; proportional rates when there are more than 64 pieces to the pound.

**Third Class.** Provides for a special bulk rate of 12 cents a pound when 200 or more, or 20 pounds or more, of identical pieces are mailed at the same time, with a minimum rate of 1 cent per piece. Under this bulk rate a maximum of 1 1/3 ounces could be mailed for 1 cent. The bulk rate on books, catalogs, etc., is 8 cents a pound. The regular third class rate of 1½ cents for each 2 ounces (up to 9 ounces) would still remain in effect, as does the rate of 1 cent for each 2 ounces on books, catalogs, seeds, etc., when not mailed in bulk.

**Private Mailing Cards.** Restores the 1 cent rate on private mailing cards.  
**Business Reply Cards and Envelopes.** Provides for mailing unstamped

business reply cards and envelopes, postage to be collected on delivery, at not more than the regular rate plus 2 cents for each card or letter.

**Fourth Class.** Reduces the rate on fourth class matter 1 cent in the 4th to 8th zones inclusive.

Provides for the appointment of a director of Parcel Post.

**Library Books.** Provides for a special rate on books mailed by libraries and similar institutions not operated for profit of 3 cents for the first pound and 1 cent for each additional pound. This rate applies only in the first three zones and within the state.

**Deficient Postage.** Provides for collection of deficient postage on short paid first class matter of the regular postage on the first ounce, and the regular postage and 1 cent extra on each additional ounce.

**Special Delivery and Special Handling.** Provides for reduced rates for special delivery and special handling.

It taxes one's good nature to watch a taximeter.

### Personal Notes

#### Vacation in North Woods

Two macaroni manufacturers, members of the Kansas City Macaroni and Importing company of Kansas City, Mo., spent their vacation in the lake region of northern Minnesota, fishing and hunting. On their return N. Onifrio and T. Basile called on several mills in Duluth and Minneapolis to look over the semolina situation.

#### On Eastern Tour

J. E. Coolbroth, newly appointed supervisor of sales for the Minneapolis Milling company, is on an extensive tour of the eastern states, calling on company representatives and customers.

#### Fischer in New York

A. J. Fischer, manager of the durum department of Pillsbury Flour Mills Co., made a circle tour of the various branch offices in the east, concluding with a salesmanagers meeting last month in New York city.

Jealousy and gossip are two nonessential products.

**THE HITTER-BELOW-THE-BELT**  
Who gets the benefit of price cutting? Nobody.

The man, who cuts prices puts up this sign: "This way to the junk heap." He admits his own failure as

a salesman. He admits he has been defeated according to the Marquis of Queensbury rules of business. He admits he cannot win by fighting fair.

He brands himself as a hitter-below-the-belt. If the business world were dominated by price cutters there would be no business at all. Price cutting in fact is not business any more than smallpox is health.

Whenever you see this sign on a price cutter's store—"Going Out of Business"—you may be sure that it is a lie. How can he go out of business when he never was in?—Efficiency Magazine.

We wouldn't say that female aviators are flappers.

### Treasurer's Report

I, Lawrence E. Cuneo, treasurer of the National Macaroni Manufacturers association, submit the following report of the association's finances insolar as they were handled by me in my official capacity for the fiscal year June 1, 1927-May 31, 1928.

Receipts from former treasurer, Fred Becker . . . . . \$ 4,528.84  
Receipts from M. J. Donna, sec'y checks No. 111-128, incl. . . . . 14,183.00  
Receipts from Connellsville bank, interest to 4/1/28 . . . . . 38.74

Total Receipts . . . . . \$18,750.58  
Expenditures June 1, 1927-May 31, 1928 . . . . . \$15,818.48

Balance in General Fund, June 1, 1928 . . . . . \$ 2,932.10

#### SUPPLEMENTAL REPORT

Owing to a change in our bylaws necessitating transfer of the funds to the secretary-treasurer, I wish to submit the following supplemental report covering the period May 31, 1928, to July 25, 1928.

Balance reported June 1, 1928 . . . . . \$2,932.10  
Interest from Connellsville bank to July 1, 1928 . . . . . 31.20

Total . . . . . \$2,963.30  
Expenditures—checks No. 122-127 incl. (June 4, 1928) . . . . . \$ 197.53

Balance transferred to sec'y-treas. July 25, 1928 . . . . . \$ 2,765.77

Respectfully submitted,  
LAWRENCE E. CUNEO,  
Treasurer.

A sound book to study occasionally is your bank book.

**WANT ADVERTISEMENTS**  
Five cents per word each insertion.

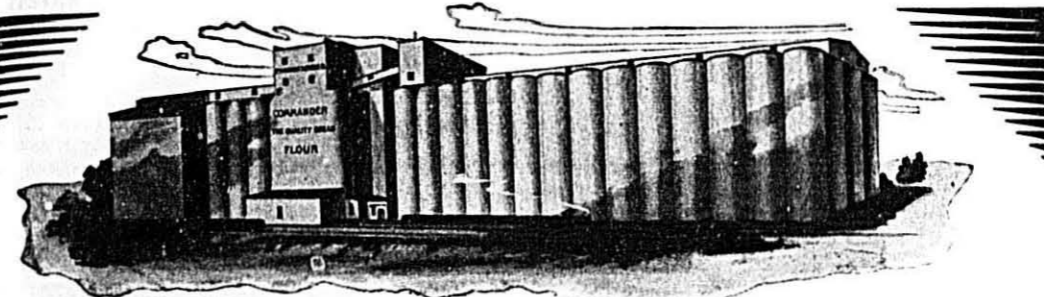
**FOR SALE**—Second hand Hoepner Automatic Scale. Address Box, 69, c/o Macaroni Journal, Braidwood, Ill.

**WANTED**—Bologna style Stamping Machine, 7 inch dia. P. Rossi & Sons, Braidwood, Ill.

#### FLETCHER - EICHMAN & CO.

Importers of  
"Zolty Brand" Egg Products  
Pura Chicken Egg Yolk  
Especially selected for Noodles

**PURITY—COLOR—SOLUBILITY**  
Let us figure on your egg requirements  
1435 W. 37th St. CHICAGO



2,800,000 BU.  
CAPACITY

**THOUGH THE  
OLD CROP YEAR  
IS COMING  
TO A CLOSE**

**OUR  
EXCEPTIONALLY  
LARGE STORAGE  
FACILITIES ENABLE  
US TO MAINTAIN  
THE REGULAR  
STANDARD QUALITY**

*of*  
**COMMANDER  
Semolina**

**Guaranteed  
COLOR  
GRANULATION  
STRENGTH**

**Commander Milling Co.**  
MINNEAPOLIS, MINN.



**OUR PURPOSE:**

EDUCATE  
ELEVATE

ORGANIZE  
HARMONIZE

**OUR OWN PAGE**

*National Macaroni Manufacturers  
Association*

*Local and Sectional Macaroni Clubs*

**OUR MOTTO:**

First--  
INDUSTRY

Then--  
MANUFACTURER

**OFFICERS 1928-1929**

F. J. THARINGER Milwaukee, Wis.	President	M. J. DONNA Braidwood, Ill.	Secretary-Treasurer	FRANK L. ZEREGA Brooklyn, N. Y.	Director
G. GUERRISI Lebanon, Pa.	Vice President	L. E. CUNEO Connellsville, Pa.	Director	FRANK S. BONNO Dallas, Texas	Director
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**The President's Column**

Your Trade Association

The success of any trade association depends upon its value to the trade for whose use it is intended and the degree to which its service is made use of by the members.

After functioning for twenty-five years the trade association of the macaroni industry is still a most promising activity. Guided by past experiences it should now be better able than ever to serve the industry, though the fulfillment of this possible service lies solely in the hands of the members and of the industry.

Some trade associations have proven more successful than ours, though ours can hardly be termed an unsuccessful one. Perhaps it can best be classified as an ordinary but promising organization.

Mr. E. St. Elmo Lewis in a recent issue of Sales Management & Advertiser's Weekly made the following pertinent statement:

The trade association fails whose membership expects its sales problems to be solved, its technical education to be developed, its public to become informed, at no greater annual charge to each member than the expense of a salesman's evening entertainment of a first class prospect.

The point I desire to make is that our association has done some wonderful work considering the funds at its command and the support given. Our success will be greater when our activities are supported by a greater number of manufacturers,—a larger membership insuring a greater income to properly finance our activities.

**Enroll Now**

Resolve now to immediately enroll as a Silver Jubilee member if you are not already a member in good standing in our Industry's leading organization—the National Macaroni Manufacturers Association.

**Planning Time**

The summer lull is over and the fall rush will soon be upon us. Just what have we done during the slow months to sell our products in greater quantities this fall? Is your present sales policy efficient and does it deliver the goods? Does your advertising REPRESENT your business or MIS-represent it? Your books will answer these questions ere long.

**The Secretary's Column**

Jubilating "Jubileers"

Macaroni and Noodle Manufacturers who are not no members of the National Macaroni Manufacturers Association should turn again to page 3 and read the general invitation extended to all to become Silver Jubilee Member. You'd like to belong; we want you with us; so why delay. Fill in and forward your volunteer application now.

**Looks Good to Us**

The 1928 crop of durum wheat looks big and the quality good. That means much to the macaroni industry here. The price? Well, it is too early to predict that yet, but the change should not be very marked.

**The Value of Quality**

A low price may lead to the first purchase but remember it's the quality and satisfaction that bring repeat orders and after all the profits are mostly in the reorders.

**Government Warning**

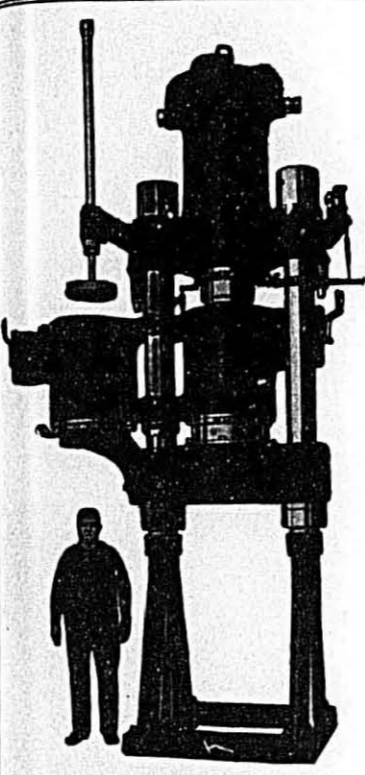
The Federal Trade Commission feels that many manufacturers who joined in condemning certain practices have forgotten their promises and it is asking a renewal of pledges. Among the practices concerned are "minimum weight packages," "slack filled," "free deals," "re deals," "subsidizing buyers," etc.

**Banish Bad Bags**

There seems to be a determined move on foot by the railroads through the Consolidated Classified Committee to bar the use of old used cotton sacks in semolina shipments. Proponents charge that the free flowing semolina is causing too many claims for loss and damage. Can that be possible?

**Did You Earn One?**

Vacations will soon be over. August 31 ends the rest period and the beginning of the work period. Many of us got no vacation this year. Perhaps we never earned one. But don't let a little thing like that bother you. There are other more important worries.



**John J. Cavagnaro**

*Engineer and Machinist*

Harrison, N. J. - - U. S. A.

Specialty of  
**MACARONI MACHINERY**  
Since 1881

N. Y. Office & Shop 255-57 Centre Street, N. Y.

**TWOJAX  
DURUM SEMOLINA**

IS WELL WORTH YOUR CONSIDERATION



*A clean, sound, well-milled Semolina of the best keeping quality, intended for Macaroni products in highly competitive markets.*

**CAPITAL FLOUR MILLS, INC.**  
MINNEAPOLIS MINNESOTA SAINT PAUL





As the oldest millers of durum wheat, we have had the longest experience in supplying products for macaroni making. This experience is reflected in the exceptional quality of Pillsbury's Semolina No. 2 and Pillsbury's Durum Fancy Patent.

**Pillsbury Flour Mills Company**  
 "Oldest Millers of Durum Wheat"

Minneapolis, U. S. A.

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Albany	Chicago	Jacksonville	Philadelphia	Saint Paul
Atlanta	Cincinnati	Los Angeles	Pittsburgh	Scranton
Altoona	Cleveland	Memphis	Portland	Springfield
Baltimore	Dallas	Milwaukee	Providence	Syracuse
Boston	Detroit	New Haven	Richmond	Washington
Buffalo	Indianapolis	New York	Saint Louis	