FORM 1

National Lead Company

Advertising Department

New York

1938 tonnage
48902 paste
10272 dry
849 grinders
60024

SUBJECT L.I.A. White-Lead Advertising Campaign

DATE June 22, 1938

TO Mr. F. W. Rockwell, President

FROM William Knust

IN REPLY TO

You asked me to give you a memorandum on the co-operative advertising campaign for white-lead which it is proposed the Lead Industries Association sponsor.

The plan is to spend $250,000 each year for three consecutive years in national magazines with the object of increasing the gross tonnage of white-lead used as a paint pigment.

The cost of the campaign is to be apportioned among miners, smelters and corroders as indicated on the attached sheet.

In 1937, National Lead Company's domestic shipments of white-lead were 54,119 tons (42,793 lead-in-oil; 11,326 dry lead) exclusive of sales to other corroders including DuPont. On this basis, our contribution toward the campaign, at the $1 per ton assessment rate, would be $54,000 roughly.

The proposal offers us an opportunity to be relieved of a substantial part of the burden of publicizing white-lead which we have carried practically alone and I am in favor of taking advantage of it provided advertisements can be designed which will not: (1) hold the threat of driving more tonnage away from lead-in-oil than would be gained in mixed paint; (2) antagonize grinders to the extent of forcing reprisals. After all, our lead-in-oil business is several times our dry white-lead business. Furthermore, as a company we have other interests besides white-lead to protect.

On account of these two necessary restrictions, I am not very confident that it is going to be possible to produce an industry campaign which will accomplish a great deal in the direction of expanding dry white-lead sales. It is hard to ride two horses. Nevertheless, I am for the proposal. In my opinion, the expenditure can be justified on the ground alone that white-lead needs additional national advertising to maintain the position of lead-in-oil against competition.

I think I would cast my vote for the proposed campaign even if it were found necessary to take the $54,000 required for our share from the Dutch Boy budget. On the other hand, I cannot recommend any such action. In my estimation, our present effort in magazines is already trimmed pretty fine. As you know, it permits of no farm-paper and only a very limited amount of business-paper advertising. Then, as will be recognized, the industry's advertising can never be a direct substitute for Dutch Boy advertising. One simply promotes a paint ingredient. The other also sells a brand. We still have the prestige of the Dutch Boy, and all that it means to the Company, to consider.

William [illegible]

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