MEMORANDUM

APPROVED BY:
EXECUTIVE COMMITTEE
JAN 18 1961

TO: Mr. D. A. Merson

RE: Paint Advertising Budget for 1961

I am pleased to submit the Paint Budget for 1961, both for the Eastern Group and for the Pacific Coast.

The proposted media schedule represents an increase over 1960 expenditures. It is felt that this increase is fully warranted for the following reasons:

1. There has been a general rate increase in media costs of about 12 1/2% over 1960.
2. There has been increased advertising activity by our competition. (See report below)
3. More comprehensive consumer advertising is required to support increased sales of "Dutch Boy" Paint Products.

Glidden -
(1) Spectacular insertions probably put second half magazine slightly up on '60.
(2) Spot TV may be ahead.
(3) Newspaper may be about same.

Pittsburgh -
(1) Doubled magazine in first half of year over total for '59.
(2) Kept pace on TV, up slightly.
(3) Doubled newspaper.
(4) Up about 80% over last year.

DuPont -
(1) No network TV shows, but audit estimate is that paint is getting slightly more time than last year.
(2) Strategy aimed at Spot TV; spending at bigger rate and Philadelphia.
(3) Newspaper, $350,000 for six months vs. $200,000 all last year.
(4) Total spending well ahead of rate for '59.

Benjamin Moore -
(1) About 10% ahead in magazine.

Sherwin-Williams -
(1) About same on magazines, but new agency is making stronger second-half print push than last year.
(2) Strong newspaper coverage on latex paint.
(3) Spent $1,060,000 in six months vs. $1,327,000 all last year.

Submitted January 17, 1961
by T. Howard Sarine
Advertising Manager THS

NL 000040060

1961

PAINT

BUDGET

EASTERN

GROUP

NL 000040061

N 26166.01

MEDIA

Magazines, Newspapers, Business Papers

	Circulation	Insertions		
Sat. Eve. Post	6,500,000	4	$168,771	
" " " (regional)	2,800,000	4	76,853	
Readers Digest	12,500,000	1	43,195	
Look	6,300,000	3	123,327	
American Home	3,600,000	6	96,257	
Better Homes	5,100,000	3	78,836	
McCalls	6,500,000	2	85,373	
Mechanix Illustrated	1,050,000	2	5,357	
Popular Mechanics	1,300,000	2	6,877	
Popular Science	1,250,000	2	7,008	
Extension Magazine	400,000	3	3,600	
Newspapers	Not yet scheduled		72,000	
			$767,454	
		Preparation Costs	50,000	
			$817,454	
		Less Pacific Coast Share	126,413	
				$691,041
Painter & Dealer Magazines			$ 20,000	
Space Placed Direct			1,000	
Preparation Costs			5,000	
			$ 26,000	
		Less Pacific Coast Share	3,000	
				$ 23,000
		Total		$714,041

NL 000040062

Dealer Advertising, Promotional and Point-of-Sale Material

Cooperative Advertising	$260,000	
Classified Directories	60,000	
Booklets and Printed Matter	45,000	
Color Cards	175,000	
Trade Shows	10,000	
Window and Store Displays	50,000	
Store Signs and Decals	54,000	
		$654,000

NL 000040063

Contractural Agreements

Factory Sign Maintenance	$ 4,000	
		$ 4,000

Administrative Expense

Association Memberships	$ 2,500	
Personal and Travel Expense	5,000	
Office Expense	3,500	
Rent, Light, Heat	10,000	
Salaries	32,000	
Misc. Production Costs	2,000	
		$55,000

NL 000040064

Recapitulation and Comparison with 1960
(Eastern Group only)

	1961 Budget	1960 Budget	1960 Expenditures
Media			
Magazines	$ 631,041	$ 369,172	$ 377,352
Newspapers	60,000	---	---
Television	---	220,000	210,298
Business Papers	23,000	19,785	24,530
	$ 714,041	$ 608,957	$ 612,180
Advertising Through Dealers	$ 654,000	$ 675,000	$ 639,360
Contractural Agreements	$ 4,000	$ 10,500	$ 5,655
Administrative	$ 55,000	$ 67,500	$ 52,767
Contingency	---	$ 30,000	$ 7,890
	$1,427,041	$1,391,957	$1,317,852

NL 000040065

1961

PAINT

BUDGET

PACIFIC

COAST

NL 000040066

	1961 Budget	1960 Budget	1960 Expenditures
Cooperative Advertising	$ 63,000	$ 67,500	$ 58,000
Production Costs	6,000	6,500	5,100
General Advertising	127,000	123,000	124,000
Trade Paper Advertising	6,000	5,700	4,000
Dealer Presentation	6,000	6,000	5,200
Classified Directory Listings	15,500	15,000	15,000
Export Advertising	---	500	---
Displays & Exhibits	12,500	14,500	10,000
Booklets & Folders	10,000	5,000	11,300
Promotional Material	5,000	1,600	5,500
Dealer Signs	16,000	12,000	17,100
Company Store Signs	7,500	7,600	8,000
Company Store Displays	5,500	5,500	2,200
Company Store Advertising	8,000	4,000	8,000
Color Cards	90,000	90,000	84,000
Administrative	37,500	40,500	36,100
	$415,500	$404,900	$393,500
Schorn Division	30,000	26,000	23,000
National Lead Co. of Hawaii	10,000	10,000	9,000
	$455,500	$440,900	$425,500

NL 000040067

COMBINATION

RECAP

TOTAL PAINT BUDGET

	1961 Budget	1960 Budget	1960 Expenditures
Eastern Group	$1,427,041	$1,391,957	$1,317,852
Pacific Coast	$ 455,500	$ 440,900	$ 425,500

$1,882,541

NL 000040068