

OGC FILE
STORAGE
BOX # 32-363

DEPARTMENT

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Advertising 1957/59

NL 000039732

SUMMARY

1958 Advertising

	1959	1958
Paint	\$1,287,367*	\$1,253,000
Pacific Coast Branch	381,150*	372,500
Schorn	25,000*	30,000
Hawaiian Island	10,000*	10,500
Metals	41,740	65,000
Pigments - M50	111,500*	130,000
Pigments - 45-X	4,550	11,500
Chemicals	65,000	63,000
Nuclear Metals	7,800	8,150
Baroid Division	275,650	335,275
Southern Screw	141,130	161,700
Titanium Pigment	116,870	135,800
Doehler-Jarvis	82,850	103,600
Magnus Metal	58,000	79,350
Titanium Alloy	48,400	57,000
Chas. Taylor Sons	32,800	33,000
DeLore Division	6,500	6,500
American Bearing	2,000	---
St. Louis Smelting and Refining	250	250
Texas Mining and Smelting	300	300
	<u>\$2,698,857</u>	<u>\$2,856,425</u>

* Already approved by Executive Committee

APPROVED BY:
EXECUTIVE COMMITTEE

JAN 7 1959

NL 000039734

N 26095.02

Metals

	1959	1958
Trade Paper Space	\$ 6,240	\$34,000
Directories	2,500	2,500
Booklets & Folders	10,000	7,500
Misc. Production Costs	2,500	4,500
Trade Show	5,000	---
Personal & Travel Expense	1,500	2,000
Salaries	12,000	12,000
Contingency	2,000	2,500
	<u>\$41,740</u>	<u>\$65,000</u>

Comment:

The cut-back in business paper advertising was done in the interest of maximum economy. Admittedly there is some risk in such a radical cut, particularly on top of a restricted campaign in 1958, and it is to be hoped that the program can be restored as soon as business conditions warrant.

The trade show is the National Graphic Arts Exposition where we plan to show our various products in this field.

Pigments

M50

	1959	1958
Trade Paper Space	\$54,000	\$38,000
Preparation Costs	55,000	73,600
Direct Mail	2,500	4,500
Color Cards	----	1,500
Booklets	----	4,500
Trade Show	----	5,000
Sales Promotion Material	----	2,000
Contingency	----	900
	\$111,500*	\$130,000

Comment:

This is a follow-up on the introductory campaign that we ran in 1958. It includes the same three fields; paint manufacturers, highways and petroleum.

For the paint manufacturer we are planning a series of advertisements giving actual formulations in an attempt to get them to use M50 in their own paints as well as in specification paints.

In the highway field we are continuing the color inserts that were so effective in 1958. Only the 2-page inserts will be used.

The petroleum campaign was initiated the latter part of 1958 with one 3-page color insert. It will be followed up in 1959 by a series of 2-page inserts.

There has been much evidence of interest in this new product among all the fields we have contacted. Also encouraging progress in getting M50 in specifications and on test jobs. The advertising has played an important part in this.

* Already approved by Executive Committee.

1959 Advertising

Pigments

45X

	1959	1958
Trade Paper Space	\$2,580	\$4,000
Preparation Costs	1,970	7,500
	<u>\$4,550</u>	<u>\$11,500</u>

Comment:

This is a continuation of the limited schedule adopted in 1958 with some variations in the copy approach and a reversion to black and white instead of color.

"Dutch Boy" Chemicals**Stabilizers****Bentones****Ben-A-Gel**

	<u>1959</u>	<u>1958</u>
Trade Paper Space	\$41,000	\$40,000
Preparation Costs	15,000	15,000
Trade Show	----	6,000
Chemical Materials Catalog	6,500	----
Salaries	1,500	1,000
Contingency	1,000	1,000
	<u>\$65,000</u>	<u>\$63,000</u>

Comment:

With the exception of substituting an insert in the Chemical Materials Catalog for the Plastics Show (not held in 1959) this program is essentially the same as followed in 1958.

Nuclear Metals Division

	<u>1959</u>	<u>1958</u>
Printed Matter	\$ 1,800	\$ 3,500
Trade Show	4,000	2,750
Travel & Personal Expense	500	400
Contingency	1,500	1,500
	<u>\$ 7,800</u>	<u>\$ 8,150</u>

Comment:

Space has been reserved for the "Atomfair" to be held in Cleveland in April.

Baroid Division

	1959	1958
Trade Paper Space	\$112,000	\$123,494
Preparation Costs	33,600	37,375
Product & Service Bulletins	17,500	17,500
Catalogs	----	12,000
Data Book Sections	10,000	13,500
Store Directory	5,000	10,000
Publications (5)	36,550	50,950
Classified Directories	9,000	8,250
Memo Pads	16,250	15,056
Salaries	23,250	23,250
Miscellaneous	2,500	1,900
Contingency	10,000	22,000
	<u>\$275,650</u>	<u>\$335,275</u>

Comment:

The amounts shown in the 1958 column above are those approved a year ago. Actually the money spent in 1958, totaling \$291,155, is considerably less. There is a still further reduction in the 1959 budget.

The following page details the proposed advertising expenditure as related to the sales dollar for the various products and departments including a comparison with 1958.

DEPARTMENTAL BREAKDOWN

Department	Estimated Sales		Advertising Expenditure		% of Sales Dollar	
	1959	1958	1959	1958	1959	1958
Drilling Mud	\$50,000,000	\$52,000,000	\$141,432.58	\$136,890.94	.238	.263
Well Logging	2,500,000	3,200,000	27,922.50	31,549.57	1.11	.99
Bentone-Baragel	1,100,000	1,000,000	17,820.50	21,552.89	1.62	2.16
Nat'l Western Bent. -Petro Bond	800,000	1,000,000	32,883.00	34,417.89	4.11	3.44
Testing Equipment	350,000	350,000	13,359.00	14,570.89	3.81	4.16
Foreign Operations	<u>3,750,000*</u>	<u>4,100,000</u>	<u>18,994.02</u>	<u>17,166.93</u>	.507	.419
Total	\$54,750,000	\$57,550,000	\$252,400.00	\$267,905.00		

* Estimated \$3,750,000 included in Drilling Mud's \$50,000,000

TOTAL ALL PRODUCTS AND SERVICES

Estimated Sales	Advertising Expenditure	% of Sales Dollar
1958 - \$57,550,000	\$267,905.00	.466
1959 - \$54,750,000	\$252,400.00	.461
<u>Salaries</u>		
1958	23,250.00	
1959	23,250.00	

NOTE: The 1959 Estimated Sales figure for the Drilling Mud Dept. is based on sales direct to customers through company stores. The 1958 estimated figure reflected sales direct to customers and independent distributors. Therefore, 1959 figures cannot be compared to figures that show an increase or decrease in business volume.

Grand Total (Including Salaries)

958	\$291,155.00	.507
1959	\$275,650.00	.503

NL 000039740

Southern Screw Division

	1959	1958
Trade Paper Space	\$104,330	\$132,000
Industrial Film	7,100	7,100
Misc. Local Advertising	1,200	1,200
Hardware Shows	5,000	5,000
Printed Matter	10,000	10,000
Novelties	3,500	3,500
Gifts to Customers	10,000	10,000
	<u>\$141,130</u>	<u>\$161,700</u>

Comment:

This division uses a long list of trade papers in the various field using their products as well as purchasing agent papers and hardware association annuals.

Titanium Pigment Division

	1959	1958
Trade Paper Space	\$75,120	\$78,750
Preparation Costs	27,000	25,000
Convention Souvenirs	9,000	9,000
Sales Promotional Literature	5,000	22,300
Miscellaneous	750	750
	<u>\$116,870</u>	<u>\$135,800</u>

Comment:

The trade paper schedule for 1959 has been concentrated in fewer magazines although in some instances the frequency of insertion has been increased. Also one additional magazine, Chemical & Engineering News, has been included.

Doehler-Jarvis Division

	1959	1958
Trade Paper Space	\$25,000	\$45,500
Preparation Costs	4,000	6,600
Trade Directories	3,000	3,000
Classified Directories	1,500	1,000
Motion Picture Service	1,000	1,000
Printed Matter	5,000	15,500
Trade Shows	12,850	24,000
Research Quarterly Bulletins	10,000	----
Chromeware Gifts	10,000	----
Salaries and Expenses	5,000	2,000
Contingency	5,500	5,000
	<u>\$82,850</u>	<u>\$103,600</u>

Comment:

Although the 1958 budget, as itemized above, was \$103,600 the actual expenditures due to cutting down the trade paper advertising and some participation in trade shows was \$78,000. So that the 1959 budget is very close to what was spent in 1958.

Magnus Metal Division

	1959	1958
Trade Paper Space	\$36,000	\$38,000
Preparation Costs	9,000	9,850
Railroad Magazines	3,500	3,500
Direct Mail	3,500	7,000
Journal Stop Movie	---	15,000
Salaries	3,000	3,000
Contingency	3,000	3,000
	<u>\$58,000</u>	<u>\$79,350</u>

Comment:

This requested budget is approximately the same as spent in 1958 which was about \$61,000. It reflects a minimum schedule in trade papers.

Titanium Alloy Mfg. Division

	1959	1958
Trade Paper Space	\$38,900	\$32,000
Catalog Space	3,200	4,900
Production Costs	6,300	5,600
Monthly Reminder	---	10,000
Trade Shows	---	2,000
Printed Matter	---	1,500
Contingency	---	1,000
	<u>\$48,400</u>	<u>\$57,000</u>

Comment:

The budget reflects some additional effort in the chemical field plus rate increases.

Chas. Taylor Sons Co.

	1959	1958
Trade Paper Space	\$14,500	\$11,200
Directories	2,100	2,100
Preparation Costs	2,500	3,500
Direct Mail	4,900	5,200
Sales Literature	5,000	6,000
Agency Service Fee	1,800	1,800
Advertising Specialties	2,000	---
Contingency	---	3,200
	<u>\$32,800</u>	<u>\$33,000</u>

Comment:

The proposed schedule for 1959 has a somewhat stepped-up effort in the glass and ceramic markets in the way of extra space and increased insertions. This is to tie in with increased selling effort in these fields.

NL 000039745

1959 Advertising

DeLore Division

	<u>1959</u>	<u>1958</u>
Trade Paper Space	\$3,100	\$3,600
Directories	810	700
Calendars	1,300	1,200
Printed Matter	---	1,000
Contingency	<u>1,290</u>	<u>---</u>
	\$6,500	\$6,500

American Bearing

	<u>1959</u>	<u>1958</u>
General Advertising	\$2,000	---

St. Louis Smelting and Refining Div.

	<u>1959</u>	<u>1958</u>
Local Goodwill Advertising	\$ 250	\$ 250

Texas Mining and Smelting Div.

	<u>1959</u>	<u>1958</u>
Local Goodwill Advertising	\$ 300	\$ 300

Evans Lead Division Master Metals

These units report they intend to do no advertising
in 1959.

NL 000039746