APPROVED BY:
EXECUTIVE COMMITTEE

DEC 4 1964

SUMMARY
1965 Advertising Budgets
National Lead Company

| | 1965 Recommended Budget | 1964 Expenditures (a) | 1964 Budget |
|---|---|---|---|
| Paint (Eastern Group) | $1,612,500 | $1,470,500 | $1,490,500 |
| Paint (Pacific Coast Branch) | 518,500 | 453,000 | 427,500 |
| Paint (Schorn Division) | 46,500 | 59,000 | 48,500 |
| Paint (Nat'l. Lead Co. of Hawaii) | 14,000 | 11,000 | 11,000 |
| Pigments | 116,500 | 90,500 | 121,000 |
| Chemicals | 103,500 | 96,100 | 98,000 |
| Metals | 45,300 | 39,500 | 46,200 |
| Goldsmith Bros. | 26,000 | 23,800 | 27,500 |
| Nuclear Metals | 15,300 | 10,700 | 10,000 |
| Baroid | 310,000 | 279,600 | 311,200 |
| Titanium Pigment | 164,400 | 145,200 | 151,300 |
| Doehler-Jarvis | 155,200 | 131,900 | 137,700 |
| Southern Screw | 109,900 | 113,000 | 113,000 |
| Magnus Metal | 39,600 | 34,300 | 40,900 |
| Titanium Alloy Mfg. | 70,600 | 54,100 | 59,200 |
| Chas. Taylor Sons | 42,600 | 37,500 | 37,200 |
| DeLore | 7,500 | 8,000 | 7,500 |
| American Bearing | 2,500 | 500 | 2,500 |
| Evans Lead | 1,500 | 1,400 | 1,200 |
| Texas Mining & Smelting | 500 | 600 | 425 |
| Master Metals | 700 | 700 | 75 |
| | $3,403,100 | $3,060,900 | $3,142,400 |

(a) 9 months actual, 3 months estimated

NL 000039943

N 26138

1965
PAINT ADVERTISING
BUDGET

The 1965 recommended National Budget reflects an increase of $214,000 over the approved 1964 Budget. This increase is mainly in consumer and local advertising space and production which is up $191,000 over the '64 budget.

A paint price increase is forecast for 1965 which will more than offset this increase in the advertising budget. Other major paint manufacturers have recently increased prices, the latest being Sherwin-Williams who increased their prices on major products by twenty-five cents per gallon. Sherwin-Williams and other manufacturers are using the funds obtained from the price increases to increase their advertising and sales promotion efforts.

Estimated advertising and sales promotion expenditures for 1965 for our four major competitors amounts to approximately $14,000,000. This is an increase of over 50% from their estimated expenditures of $9,000,000 in 1961. The "Dutch Boy" budget for 1965 shows an increase of only $300,000 or approximately 15% over the same time period.

The advertising program for 1965 is coordinated with our marketing plan which includes the following major objectives:

1. Introduce new "Dutch Boy" Nalplex.
2. Substantially increase our share of the interior paint market.
3. Improve our share of the growing latex house paint market.
4. Hold our share of the important oil base house paint market.
5. Increase our dealer distribution by obtaining new full line dealers in areas of high potential volume.
6. Maintain our quality trademark image in the face of increased advertising expenditures by major paint manufacturers.

The advertising strategy is to use a concentrated schedule in major national magazines reaching the mass market and the specialized home market. The use of these selected magazines will allow us to direct our sales messages primarily to the heavy premium paint-using segment of the population who are homeowners in the middle and higher income groups.

We are recommending regional issues of magazines having regional editions in order to concentrate our advertising where we have the best distribution and greatest per capita sales.

The local advertising with regional editions of Life magazine and billboards will feature listings of every full line "Dutch Boy" dealer in the country. This promotion is designed not only to tell the consumer what to buy but also the very important fact, where to buy it locally.

Television was considered as a medium for 1965 advertising but was eliminated due to the high cost involved, (a one minute network prime time spot costs approximately $40,000), the heavy use of the medium by our competitors, our selective distribution policy, and the very limited program selection or spot times available that would reach our prime prospects.

As the majority of our major competitors are using television very heavily, we will be able to run an effective and impressive magazine space campaign while spending much less money than our major competitors. Our major competitors such as Sherwin-Williams and DuPont will be spending as much as four times the amount of money for consumer advertising in 1965 than National Lead Company.

The advertising budget for 1965 is 6.2% of 1965 estimated sales, of this the Media costs represent 3.1% of estimated sales.

DUTCH BOY PAINTS
1965 Advertising Budget Request
NATIONAL

I Media

| National & Regional Magazines | Circulation | Space | Insertions | Net Cost |
|---|---|---|---|---|
| Reader's Digest | 14,250,000 | Pg. 4C | 3 | $252,000 |
| Reader's Digest (Regional) | 8,175,000 | Pg. 4C | 3 | |
| Better Homes & Gardens | 6,500,000 | Pg. 4C | 3 | 187,000 |
| Better Homes & Gardens (Reg.) | 4,767,000 | Pg. 4C | 3 | |
| American Home | 3,250,000 | Pg. 4C | 3 | 59,000 |
| House & Gardens | 1,100,000 | Pg. 4C | 3 | 31,000 |
| House Beautiful | 900,000 | Pg. 4C | 3 | 24,000 |
| Popular Mechanics | 1,350,000 | Pg. 4C | 3 | 17,000 |
| Popular Science | 1,280,000 | Pg. 4C | 3 | 17,000 |
| Sunset | 750,000 | Pg. 4C | 4 | 25,000 |
| Family Handyman | 300,000 | Pg. B&W | 3 | 3,900 |
| Extension | 378,000 | Pg. B&W | 3 | 3,600 |
| Wallaces' Farmer | 235,000 | 1/2P B&W | 2 | 2,100 |
| Prairie Farmer | 400,000 | 1/2P B&W | 2 | 2,800 |
| | | | | $624,000 |

| Local Media | | | | |
|---|---|---|---|---|
| Life (16 Regions) | 4,855,000 | Pg. 4C | 4 | $239,000 |
| Life (16 Regions) | 4,855,000 | 1/2P B&W | 4 | |
| Outdoor - Local Billboards | | 24 Sheet | 3 | 133,000 |
| Company Store Local Newspaper Adv. | | | | 25,000 |
| | | | | $397,000 |

| Trade Advertising | |
|---|---|
| Painter & Dealer Publications | $ 25,000 |
| Space Placed Direct | 2,000 |
| | $ 27,000 |

| Preparation Costs | |
|---|---|
| National | $ 38,000 |
| Local | 30,000 |
| Company Stores | 2,000 |
| Trade | 7,000 |
| | $ 77,000 |

MEDIA PLAN TOTAL - $1,125,000

II Other Advertising

| | |
|---|---|
| Co-op Advertising | $290,000 |
| Co-op Advertising Prod. | 7,000 |
| Classified Directory Adv. | 83,000 |
| Advertising Research | 5,000 |
| Booklets & Printed Matter | 43,000 |
| Trade Shows | 9,000 |
| Dealer Ident. Program | 70,000 |
| Window & Store Displays | 73,000 |
| Factory Sign Maintenance | 12,000 |
| Painter Aids | 12,000 |
| Latex House Paint Promotion | 25,000 |
| Color Cards | 210,000 |
| Dealer Presentations | 13,000 |
| Other Production Charges | 3,000 |
| Company Store Signs | 4,500 |
| Company Store Displays | 5,000 |
| Contingency | 15,000 |
| Schorn Paint | 46,500 |
| Nat'l. Lead Co. of Hawaii | 14,000 |
| Other Advertising Total | $940,000 |

III Administrative

| | |
|---|---|
| Association Memberships | $ 3,000 |
| Personal & Travel Expense | 8,000 |
| Office Expense | 5,500 |
| Rent, Light & Heat | 17,000 |
| Salaries | 93,000 |
| Administrative Total | $126,500 |

| | |
|---|---|
| GRAND TOTAL | $2,191,500 |

NL 000039947

1964 - 1965 Comparison
Advertising Budget
Paint Division
NATIONAL

| | 1965 Recommended Budget | 1964 Expenditures (a) | 1964 Budget |
|---|---|---|---|
| **Advertising** | | | |
| National Consumer Adv. | $ 624,000 | $ 526,000 | $ 520,000 |
| National Consumer Adv. Prod. | 38,000 | 36,000 | 36,000 |
| Local Consumer Adv. | 372,000 | 260,000 | 305,000 |
| Local Consumer Adv. Prod. | 30,000 | 10,000 | 12,000 |
| Trade Paper Adv. | 25,000 | 24,000 | 21,000 |
| Trade Paper Adv. Prod. | 7,000 | 5,500 | 4,000 |
| Adv. Placed Direct | 2,000 | 2,000 | 2,500 |
| Co-op Advertising | 290,000 | 290,000 | 310,000 |
| Co-op Advertising Prod. | 7,000 | 7,500 | 11,000 |
| Classified Directory Adv. | 83,000 | 80,000 | 83,000 |
| Advertising Research | 5,000 | 5,000 | --- |
| Booklets & Printed Matter | 43,000 | 29,500 | 59,000 |
| Trade Shows | 9,000 | 7,500 | 7,500 |
| Dealer Ident. Program | 70,000 | 66,000 | 58,000 |
| Window & Store Displays | 73,000 | 64,000 | 62,000 |
| Factory Sign Maintenance | 12,000 | 12,000 | 17,500 |
| Painter Aids | 12,000 | 12,000 | 8,000 |
| New Nalplex Promotion | --- | 86,000 (b) | 25,000 |
| Latex House Paint Promotion | 25,000 | 22,000 | 20,000 |
| Color Cards | 210,000 | 210,000 | 205,000 |
| Dealer Presentations | 13,000 | 12,000 | 16,000 |
| Other Promotional Material | --- | 9,500 | 7,000 |
| Other Production Charges | 3,000 | 3,500 | 3,500 |
| Association Memberships | 3,000 | 2,500 | 3,000 |
| Personal & Travel Expense | 8,000 | 7,000 | 5,000 |
| Office Expense | 5,500 | 5,500 | 3,500 |
| Rent, Light & Heat | 17,000 | 15,500 | 10,000 |
| Salaries | 93,000 | 84,000 (c) | 65,500 |
| Company Store Signs | 4,500 | 4,000 | 2,500 |
| Company Store Displays | 5,000 | 2,000 | 6,500 |
| Company Store Local Adv. | 25,000 | 8,000 | 4,000 |
| Company Store Adv. Prod. | 2,000 | --- | --- |
| Contingency | 15,000 | 15,000 | 25,000 |
| Schorn Paint | 46,500 | 59,000 | 48,500 |
| Nat'l. Lead Co. of Hawaii | 14,000 | 11,000 | 11,000 |
| | $2,191,500 | $1,993,500 | $1,977,500 |



(a) 9 months actual, 3 months estimated
(b) Increase due to $61,000 approved after the original budget request for our share of cost for New Nalplex roller promotion.
(c) Increase due to charging of 3 employees to advertising previously charged to sales and a 6-month overlap of advertising managers' salaries.

1964 - 1965 Comparison
Advertising Budget
Paint Division
EASTERN GROUP

| Advertising | 1965 Recommended Budget | 1964 Expenditures (a) | 1964 Budget |
|---|---|---|---|
| National Consumer Adv. | $ 500,000 | $ 446,000 | $ 438,000 |
| National Consumer Adv. Prod. | 30,000 | 30,000 | 30,000 |
| Local Consumer Adv. | 298,000 | 185,000 | 225,000 |
| Local Consumer Adv. Prod. | 24,000 | 8,000 | 8,000 |
| Trade Paper Adv. | 16,000 | 16,000 | 15,500 |
| Trade Paper Adv. Prod. | 4,000 | 3,000 | 3,000 |
| Adv. Placed Direct | 2,000 | 2,000 | 2,500 |
| Co-op Advertising | 225,000 | 225,000 | 245,000 |
| Co-op Advertising Prod. | 5,000 | 5,000 | 5,000 |
| Classified Directory Adv. | 63,000 | 61,000 | 65,000 |
| Advertising Research | 5,000 | 5,000 | --- |
| Booklets & Printed Matter | 35,000 | 25,000 | 55,000 |
| Trade Shows | 6,000 | 7,500 | 7,500 |
| Dealer Ident. Program | 50,000 | 48,000 | 40,000 |
| Window & Store Displays | 53,000 | 48,000 | 45,000 |
| Factory Sign Maintenance | 12,000 | 12,000 | 17,500 |
| Painter Aids | 8,000 | 8,000 | 8,000 |
| Latex House Paint Promotion | 20,000 | 22,000 | 20,000 |
| New Nalplex Promotion | --- | 66,000 (b) | 25,000 |
| Color Cards | 145,000 | 145,000 | 145,000 |
| Dealer Presentations | 9,000 | 9,000 | 10,500 |
| Other Production Charges | 3,000 | 3,500 | 3,500 |
| Association Memberships | 3,000 | 2,500 | 3,000 |
| Personal & Travel Expense | 6,000 | 6,000 | 5,000 |
| Office Expense | 3,500 | 3,500 | 3,500 |
| Rent, Light & Heat | 12,000 | 10,500 | 10,000 |
| Salaries | 60,000 | 53,000 (c) | 30,000 |
| Contingency | 15,000 | 15,000 | 25,000 |
| | $1,612,500 | $1,470,500 | $1,490,500 |

(a) 9 months actual, 3 months estimated
(b) Increase due to $41,000 approved after the original budget request for our share of cost for New Nalplex roller promotion.
(c) Increase due to charging of 3 employees to advertising previously charged to sales and a 6-month overlap of advertising managers' salaries.

1964 - 1965 Comparison
Advertising Budget
Paint Division
PACIFIC COAST BRANCH

| | 1965 Recommended Budget | 1964 Expenditures (a) | 1964 Budget |
|---|---|---|---|
| **Advertising** | | | |
| National Consumer Adv. | $124,000 | $ 80,000 | $ 82,000 |
| National Consumer Adv. Prod. | 8,000 | 6,000 | 6,000 |
| Local Consumer Adv. | 74,000 | 75,000 | 80,000 |
| Local Consumer Adv. Prod. | 6,000 | 2,000 | 4,000 |
| Trade Paper Adv. | 9,000 | 8,000 | 5,500 |
| Trade Paper Adv. Prod. | 3,000 | 2,500 | 1,000 |
| Co-op Advertising | 65,000 | 65,000 | 65,000 |
| Co-op Advertising Prod. | 2,000 | 2,500 | 6,000 |
| Classified Directory Adv. | 20,000 | 19,000 | 18,000 |
| Booklets & Printed Matter | 8,000 | 4,500 | 4,000 |
| Trade Shows | 3,000 | --- | --- |
| Dealer Ident. Program | 20,000 | 18,000 | 18,000 |
| Window & Store Displays | 20,000 | 16,000 | 17,000 |
| Painter Aids | 4,000 | 4,000 | --- |
| Other Promotional Material | --- | 9,500 | 7,000 |
| Latex House Paint Promotion | 5,000 | --- | --- |
| New Nalplex Promotion | --- | 20,000 (b) | --- |
| Color Cards | 65,000 | 65,000 | 60,000 |
| Dealer Presentations | 4,000 | 3,000 | 5,500 |
| Personal & Travel Expense | 2,000 | 1,000 | --- |
| Office Expense | 2,000 | 2,000 | --- |
| Rent, Light & Heat | 5,000 | 5,000 | --- |
| Salaries | 33,000 | 31,000 | 35,500 |
| Company Store Signs | 4,500 | 4,000 | 2,500 |
| Company Store Displays | 5,000 | 2,000 | 6,500 |
| Company Store Local Adv. | 25,000 | 8,000 | 4,000 |
| Company Store Adv. Prod. | 2,000 | --- | --- |
| | $518,500 | $453,000 | $427,500 |

(a) 9 months actual, 3 months estimated
(b) Increase due to $20,000 approved after the original budget for our share of cost for New Nalplex roller promotion.

1964 - 1965 Comparison
Advertising Budget
Paint Division
SCHORN PAINT

| | 1965 Recommended Budget | 1964 Expenditures (a) | 1964 Budget |
|---|---|---|---|
| Advertising | | | |
| Co-op Advertising | $11,000 | $10,000 | $ 6,000 |
| Co-op Advertising Prod. | 3,000 | 1,000 | 1,000 |
| Window & Store Displays | 5,000 | 2,000 | 3,000 |
| Other Promotional Material | 1,000 | 1,000 | 1,200 |
| Dealer Ident. Program | 1,000 | 1,000 | 1,000 |
| Color Cards | 10,000 | 10,000 | 7,000 |
| General Advertising | 12,500 | 31,000 | 26,500 |
| Classified Directory Adv. | 3,000 | 3,000 | 2,800 |
| | $46,500 | $59,000 | $48,500 |

(a) 9 months actual, 3 months estimated

1964 - 1965 Comparison
Advertising Budget
Paint Division
NATIONAL LEAD CO. OF HAWAII, LTD.

| | 1965 Recommended Budget | 1964 Expenditures (a) | 1964 Budget |
|---|---|---|---|
| Advertising | | | |
| Local Consumer Adv. | $ 8,300 | $ 6,000 | $ 6,000 |
| Local Consumer Adv. Prod. | 1,300 | 1,000 | 1,000 |
| Co-op Advertising | 2,000 | 1,700 | 1,700 |
| Co-op Advertising Prod. | 100 | 100 | 100 |
| Classified Directory Adv. | 1,300 | 1,300 | 1,300 |
| Booklets & Printed Matter | 200 | 200 | 200 |
| Window & Store Displays | 100 | 100 | 100 |
| Dealer Ident. Program | 600 | 500 | 500 |
| Painter Aids | 100 | 100 | 100 |
| | $14,000 | $11,000 | $11,000 |

(a) 9 months actual, 3 months estimated

NL 000039952

1964 - 1965 Comparison
Advertising Budget
PAINT DIVISION

| | 1965 Recommended Budget | Expenditures (a) | 1964 Budget |
|---|---|---|---|
| Eastern Group | $1,612,500 | $1,470,500 | $1,490,500 |
| Pacific Coast Branch | 518,500 | 453,000 | 427,500 |
| Schorn Paint | 46,500 | 59,000 | 48,500 |
| Nat'l. Lead Co. of Hawaii | 14,000 | 11,000 | 11,000 |
| | $2,191,500 | $1,993,500 | $1,977,500 |

(a) 9 months actual, 3 months estimated

## PIGMENTS DIVISION

| | 1965 Recommended Budget | 1964 Expenditures (a) | 1964 Budget |
|---|---|---|---|
| Trade Paper Space | $ 53,000 | $ 55,000 | $ 55,000 |
| Trade Paper Production | 27,000 | 21,000 | 22,000 |
| Direct Mail | 15,000 | --- | 30,000 |
| Printed Matter | 10,000 | 6,000 | 6,500 |
| Trade Shows | 6,000 | 4,500 | 3,000 |
| Salaries | 4,000 | 3,000 | 3,000 |
| Contingency | 1,500 | 1,000 | 1,500 |
| | $116,500 | $ 90,500 | $121,000 |

The primary objective of the trade paper campaigns for 1965 is to sell the benefits of M50 paints systems to bridge and highway engineers, contractors, public work authorities, consulting engineers and paint manufacturers.

Additional trade advertising will be directed to the paint manufacturer on 45X, Y47 and 23A.

The direct mail campaigns will be directed at the Petroleum industry for tank farm painting using an M50 paint system and to the Marine industry.

Participation in two exhibits is planned for 1965. They are the National Association of Corrosion engineers and the Paint Industry Show.

(a) 9 months actual, 3 months estimated

## CHEMICALS DIVISION

| | 1965 Recommended Budget | 1964 Expenditures (a) | 1964 Budget |
|---|---|---|---|
| Trade Paper Space | $ 64,000 | $ 63,100 | $ 63,000 |
| Trade Paper Production | 18,000 | 20,000 | 20,000 |
| Printed Matter | 9,000 | 5,000 | 6,000 |
| Chemical Materials Catalog | 4,000 | 2,500 | 3,000 |
| Annuals | 2,000 | 2,000 | 2,000 |
| Salaries | 3,000 | 3,000 | 3,000 |
| Contingency | 3,500 | 500 | 1,000 |
| | $103,500 | $ 96,100 | $ 98,000 |

The primary objective of the program for 1965 is the continuance of the promotion of Gellants (Bentones and Ben-A-Gel) to paint manufacturers and our Stabilizers to the plastics industry particularly in the rigids and insulation for wire and cable.

The increase in printed matter allows for the printing of a revised Stabilizer Handbook in 1965.

The contingency fund is to allow for the promotion of new Bentone Gellant products expected to be ready for marketing in 1965.

(a) 9 months actual, 3 months estimated

NL 000039955

## METAL DIVISION

| | 1965 Recommended Budget | 1964 Expenditures (a) | 1964 Budget |
|---|---|---|---|
| Trade Paper Space | $16,200 | $12,500 | $12,000 |
| Trade Paper Production | 6,000 | 3,000 | 3,000 |
| Space Placed Direct | 2,000 | 3,300 | 3,700 |
| Printed Matter | 12,000 | 8,400 | 16,000 |
| Trade Shows | 2,600 | 7,000 | 5,000 |
| Misc. Prod. Costs | 2,000 | 300 | 1,000 |
| Personal & Travel Expense | 500 | 500 | 1,000 |
| Salaries | 2,000 | 2,000 | 2,000 |
| Contingency | 2,000 | 2,500 | 2,500 |
| | $45,300 | $39,500 | $46,200 |

In 1965 the primary objective of the advertising effort will be aimed towards increasing National Lead Company's market position in the various areas of Die Casting, Electronics, Anchoring Devices, Graphic Arts, Nuclear (radiation) Shielding and, as a consumer product, Shot for re-loaders. We have proposed a program to accomplish this objective in trade papers and one trade show (the I. E. E. E) as well as support with booklets and printed material.

(a) 9 months actual, 3 months estimated

## GOLDSMITH BROS. DIVISION

| | 1965 Recommended Budget | 1964 Expenditures (a) | 1964 Budget |
|---|---|---|---|
| Trade Paper Space | $15,000 | $14,400 | $15,500 |
| Trade Paper Production | 3,000 | 2,400 | 3,000 |
| Directories | 2,000 | 1,700 | 2,000 |
| Booklets & Printed Matter | 4,000 | 3,600 | 4,000 |
| Direct Mail | 1,000 | 500 | 1,000 |
| Trade Shows | --- | 1,200 | 1,000 |
| Contingency | 1,000 | --- | 1,000 |
| | $26,000 | $23,800 | $27,500 |

## NUCLEAR METALS DIVISION

| | 1965 Recommended Budget | 1964 Expenditures (a) | 1964 Budget |
|---|---|---|---|
| Trade Paper Space | $ 5,600 | $ 4,800 | $ 4,900 |
| Trade Paper Production | 2,400 | 1,200 | 1,200 |
| Trade Shows | 3,000 | 3,000 | 2,000 |
| Personal & Travel Expense | 400 | 500 | 500 |
| Booklets & Printed Matter | 2,500 | 900 | 1,000 |
| Salaries | 900 | --- | --- |
| Contingency | 500 | 300 | 400 |
| | $15,300 | $10,700 | $10,000 |

(a) 9 months actual, 3 months estimated

NL 000039957

## BAROID DIVISION

| | 1965 Recommended Budget | 1964 Expenditures (a) | 1964 Budget |
|---|---|---|---|
| Trade Paper Space | $120,600 | $ 93,600 | $111,600 |
| Trade Paper Production | 21,200 | 23,500 | 26,500 |
| Unscheduled Space | 13,700 | 13,700 | 13,700 |
| Unscheduled Space Production | 4,300 | 4,300 | 4,300 |
| Direct Mail | 19,500 | 19,400 | 19,400 |
| Catalogs | 7,000 | 10,500 | 10,500 |
| Technical Manuals | 15,500 | 14,300 | 14,400 |
| Store Directory | 5,000 | 5,000 | 5,100 |
| Publications | 33,500 | 35,000 | 35,200 |
| Classified Directory Adv. | 7,600 | 7,600 | 7,600 |
| Memo Pads | 14,300 | 14,300 | 14,400 |
| Trade Shows | 9,500 | 10,300 | 10,300 |
| Miscellaneous | 3,500 | 3,000 | 3,000 |
| Salaries | 24,800 | 25,100 | 25,200 |
| Contingency | 10,000 | --- | 10,000 |
| | $310,000 | $279,600 | $311,200 |

The toal recommended advertising budget for 1965 is $310,000, compared to $311,200 for 1964. This is a decrease of $1,200 from 1964. The total includes $6,900 for Tansul products.

The total proposed budget is 0.585% of 1965 estimated sales compared to 1964's 0.600% of estimated Sales.

Trade Paper Space is increased for Drilling Mud to allow using 4-page, 4-color inserts that will give high quality, true color reproduction. These inserts will also be used for direct mail and handout pieces. Grease Products are also increased to permit stepped-up advertising on NYKON-77. Tansul Products is a new category.

The Technical Manuals category is increased to allow production of new manuals for Foundry Products, Petroleum Industry Chemicals and Tansul Products.

Trade Paper Production is down because we plan to produce fewer single-page, multi-color ads in 1965. Catalog costs are down because there will be no space charges for the Composite Catalog in 1965. Publications costs will be down because the BARASCOPE will be printed offset in 1965, eliminating the need for engravings.

(a) 9 months actual, 3 months estimated

Baroid Division (continued)

Direct mail is expected to continue at approximately the same rate as in 1965 for all product lines. The BAROID NEWS BULLETIN and BARASCOPE will continue as a quarterly and bi-monthly, respectively. Baroid FACTS and Field and Product Notes will continue at approximately the same rate.

There will be no AFS Foundry Show in 1965, but the International Brewer's Exposition has been added to our schedule for Tansul Products.

## TITANIUM PIGMENT DIVISION

| | 1965 Recommended Budget | 1964 Expenditures (a) | 1964 Budget |
|---|---|---|---|
| Trade Paper Space | $ 98,650 | $ 89,800 | $ 89,550 |
| Trade Paper Production | 30,000 | 30,000 | 27,000 |
| Sales Promotional Literature | 26,000 | 16,000 | 25,000 |
| Convention Souvenirs | 9,000 | 9,000 | 9,000 |
| Miscellaneous | 750 | 400 | 750 |
| | $164,400 | $145,200 | $151,300 |

The increase in trade paper advertising results mainly from the proposed use of color in a larger number of advertisements in order better to attract attention in those publications in which competition among advertisements has become keener.

Increased cost due to the use of color and other factors is offset by dropping publications that offer too much duplication of readership, and by judicious scheduling in others. Of the net increase in cost of proposed space, over 50% results from increase in rates.

The sales promotional literature budget provides for the rubber and plastics edition of the HANDBOOK plus revision and reprinting of the general booklet on our products which would be issued toward the last half of the year.

(a) 9 months actual, 3 months estimated

NL 000039960

## DOEHLER-JARVIS DIVISION

| | 1965 Recommended Budget | 1964 Expenditures (a) | 1964 Budget |
|---|---|---|---|
| Trade Paper Space | $ 40,000 | $ 42,000 | $ 34,000 |
| Trade Paper Production | 9,000 | 7,500 | 7,500 |
| Direct Mail | 40,000 | 25,000 | 40,000 |
| Trade Directories | 4,000 | 4,000 | 4,000 |
| Classified Directory Adv. | 5,200 | 5,200 | 5,200 |
| Chromeware | 28,000 | 22,000 | 22,000 |
| Mailing List Maintenance | 1,000 | 700 | --- |
| Trade Shows | 18,000 | 20,000 | 15,000 |
| Contingency | 10,000 | 5,500 | 10,000 |
| | $155,200 | $131,900 | $137,700 |

The proposed budget of $155,200 is approximately 12% above the 1964 budget and takes into consideration the advance in space rates which become effective next year and also includes plans for a still more effective program in all categories.

While the proposed budget reflects a ratio of only .183% of the probable 1964 castings sales of $85,000,000, this ratio is expected to be still lower when compared to the anticipated higher volume of sales in 1965.

(a) 9 months actual, 3 months estimated

NL 000039961

## SOUTHERN SCREW DIVISION

| | 1965 Recommended Budget | 1964 Expenditures (a) | 1964 Budget |
|---|---|---|---|
| Trade Paper Space | $ 79,700 | $ 85,000 | $ 82,800 |
| Local Advertising | 1,200 | 1,000 | 1,200 |
| Printed Matter | 15,000 | 15,000 | 15,000 |
| Gifts | 10,000 | 10,000 | 10,000 |
| Novelties | 4,000 | 2,000 | 4,000 |
| | $109,900 | $113,000 | $113,000 |

## MAGNUS METAL DIVISION

| | 1965 Recommended Budget | 1964 Expenditures (a) | 1964 Budget |
|---|---|---|---|
| Trade Paper Space | $28,000 | $25,100 | $28,000 |
| Trade Paper Production | 3,700 | 3,700 | 3,200 |
| Railroad Publications | 500 | 400 | 700 |
| Car Builders Encyclopedia | 2,300 | --- | --- |
| Salaries | 2,100 | 1,800 | 3,000 |
| Direct Mail | --- | 3,100 | 5,000 |
| Convention Souvenirs | 2,500 | --- | --- |
| Contingency | 500 | 200 | 1,000 |
| | $39,600 | $34,300 | $40,900 |

(a) 9 months actual, 3 months estimated

## TITANIUM ALLOY MFG. DIVISION

| | 1965 Recommended Budget | 1964 Expenditures (a) | 1964 Budget |
|---|---|---|---|
| Trade Paper Space | $28,800 | $26,500 | $27,100 |
| Trade Paper Production | 9,800 | 7,000 | 6,950 |
| Direct Mail | 7,500 | 2,500 | 12,500 |
| Seminar Promotion & Publicity | 2,000 | --- | --- |
| Slide Presentation | 1,500 | --- | --- |
| Printed Matter | 11,000 | 11,500 | 11,450 |
| Agency Fees | 3,600 | 5,600 | --- |
| Salaries | 2,400 | --- | --- |
| Exhibits | 1,000 | 1,000 | 1,200 |
| Contingency | 3,000 | --- | --- |
| | $70,600 | $54,100 | $59,200 |

Trade space advertising for 1965 is primarily aimed at the ceramic industry. The objective is to increase TAM's share of the market by emphasing its high quality products and unsurpassed technical leadership in the field.

The direct mail campaign will be directed to the ceramic tile, sanitary ware and electronic industries.

An Electronics Seminar featuring outstanding electronic scientists' views on what they anticipate in the way of future electronic advancements is planned for 1965.

(a) 9 months actual, 3 months estimated

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CHAS. TAYLOR SONS CO.

| | 1965 Recommended Budget | 1964 Expenditures (a) | 1964 Budget |
|---|---|---|---|
| Trade Paper Space | $23, 400 | $19, 700 | $19, 700 |
| Trade Paper Production | 4, 800 | 4, 800 | 4, 800 |
| Sales Literature | 5, 200 | 6, 500 | 6, 500 |
| Direct Mail | 2, 000 | 1, 600 | 2, 000 |
| Advertising Specialties | 4, 000 | 2, 000 | 1, 000 |
| Photography | 600 | 300 | 600 |
| Agency Fees | 2, 600 | 2, 600 | 2, 600 |
| | $42, 600 | $37, 500 | $37, 200 |

The trade publication advertising program recommended for 1965 incorporates an increase over this year's program in order to give increased promotional emphasis to ZIRMUL for kiln furniture applications. Advertising to other markets remains basically unchanged.

The budget for sales literature preparation has been reduced but will accommodate a realistic program. The increased request for advertising specialties is required primarily for the purchase and distribution of Doehler-Jarvis ware for year-end gifts to valued customers.

(a) 9 months actual, 3 months estimated

## DE LORE DIVISION

| | 1965 Recommended Budget | 1964 Expenditures(a) | 1964 Budget |
|---|---|---|---|
| Trade Paper Space & Prod. | $3,000 | $3,000 | $2,000 |
| Directories | 1,000 | 1,000 | 1,200 |
| Calendars | 1,400 | 1,400 | 1,300 |
| Printed Matter | 2,100 | 2,100 | 2,500 |
| Contingency | --- | 500 | 500 |
| | $7,500 | $8,000 | $7,500 |

## TEXAS MINING AND SMELTING DIVISION

| | 1965 Recommended Budget | 1964 Expenditures (a) | 1964 Budget |
|---|---|---|---|
| Local Advertising | $ 500 | $ 600 | $ 425 |

## AMERICAN BEARING DIVISION

| | 1965 Recommended Budget | 1964 Expenditures (a) | 1964 Budget |
|---|---|---|---|
| General Advertising | $2,500 | $ 500 | $2,500 |

## MASTER METALS, INC.

| | 1965 Recommended Budget | 1964 Expenditures (a) | 1964 Budget |
|---|---|---|---|
| Telephone Directories | $ 700 | $ 700 | $ 75 |

## EVANS LEAD DIVISION

| | 1965 Recommended Budget | 1964 Expenditures (a) | 1964 Budget |
|---|---|---|---|
| Trade Paper Space and Prod. | $1,500 | $1,400 | $1,200 |

(a) 9 months actual, 3 months estimated