THE HISTORY OF OUR COMPANY SHOWS CLEARLY ITS ABILITY TO ADAPT ITSELF TO CHANGING CONDITIONS, A CHARACTERISTIC ABSOLUTELY NECESSARY TO AN EVER-ENLARGING AND SUCCESSFUL BUSINESS

JUNE + 1927
The New Plan

Will the New Plan Afford a Larger Opportunity to Men than the Old Plan?

The answer is—It WILL.

The New Plan opens up new expansion possibilities.

The New Plan provides a more workable method of promoting men in training by removing the handicap of being held back on account of the financial condition in the training store.

The New Plan provides a way to reward Managers by advancement into larger opportunities when they prove their fitness.

However, the answer also has its qualifications.

Men will not be advanced until they prove their fitness.

Intelligent and productive performance will be the standard by which men will qualify for promotion.

The Educational Department will provide ways and means whereby men may obtain complete knowledge of the preparation necessary for them.

The Merchandise and Accounting Departments are so organized that men can obtain from them through their training Managers, practical knowledge of store operation and better merchandising methods.

The Manager is responsible for the progress of his men and he will be eager to give them the proper training with the help of the Man Training Manuals.

The New Plan does open up Larger Opportunities to men who are Prepared and who have demonstrated that they can perform.
J. C. PENNEY COMPANY under the NEW PLAN

By W. H. DANNAT PELL, Legal Department

The adoption of the so-called NEW PLAN of organization by the Company marks a further step forward in its development, made necessary by reason of its rapid growth.

The history of the Company shows clearly its ability to adapt itself to changing conditions, a characteristic absolutely necessary to an ever-enlarging and successful business. From 1902 to 1913 we find a chain of partnerships, knit together by the personality and vision of our founder. By 1913 thirty-one stores were operating successfully, but by reason of their number a more closely knit organization was necessary. The Utah corporation followed, with its structure of classified common stock and the promise, which it gave and fulfilled, to Managers and Associates of becoming partners in a chain of stores, opened through their ability to train men and accumulate surplus funds. This plan served the Company splendidly and enabled it to increase the number of its stores and to bring prosperity to the men who worked untiringly in the furtherance of its interests.

The very size of the Company, the necessity of having a complex organization in New York to serve its needs, and the occurrence of deaths and resignations, made essential a modification of the classified stock plan and accordingly in 1924 the Company reincorporated in Delaware and provided for unclassified common stock for Associates other than Managers.

Inasmuch as anything which aids the Company to progress necessarily aids its stockholders, I shall first outline some advantages to the Company, as I see them, resulting from the adoption of the NEW PLAN.

First, Under the classified stock plan it was practically impossible for the Company to obtain new locations by the purchase of other
groups of stores doing a similar business. This point was
immaterial when the Company had only one or two hundred stores
because there remained a goodly number of available towns and
cities. With eight hundred or a thousand stores in existence choice
new locations are harder to find.
The concentration of capital made possible by the pooling of all in-
terests in a preferred and common stock, enables the Company to
continue its expansion, if deemed expedient, through this method.

SECOND. In the future it may be expedient to incorporate sepa-
rate subsidiary companies in various states and in foreign
countries. For example, if we go into Canada, a Canadian Com-
pany will be required. It is like-
wise possible that in the future
considerable saving in taxes may
be effected by having separate
subsidiary corporations in certain
states rather than by doing busi-
ness as the parent company. The
partnership system as we had it
with classified stock made it im-
practicable ever to organize such
subsidiary companies.

THIRD. The NEW PLAN also
permits a concentration of capital
which will enable the Company,
if it believes it wise in the course
of its expansion, to go into larger
cities or suburbs of larger cities,
which would involve the setting
up of a larger working capital than
is required in a smaller city or
town. Under the classified sys-
tem one set of partners would
have had to supply the capital
and take all the risk involved in
such a move, an obviously unfair
and generally impossible propo-
sition.

FOURTH. The growth and wider
usefulness of subsidiary com-
panies, such as the J. C. Penney
Building and Realty Corporation
and the Crescent Corset Com-
pany, for the benefit of all the
stockholders, is also made possible
under the present method of
organization.

FIFTH. Finally the NEW PLAN
enables the Company to choose
the best available men from among
the Associates employed in the
present stores for Managers of
new stores, or of old stores where
the Managers have died or re-
signed, without reference to the
particular store in which they
have previously worked. Previ-
ously the Company was to some
extent limited to the men em-
ployed in a certain series of
partnerships which were opening
new stores. In the same way the
plan enables the Company, where
it is for its best interests, to place
Managers in the stores and loca-
tions for which they are best fitted
by temperament and ability, with-
out respect to partnership affilia-
tions.

While it is true that every good
feature of the NEW PLAN which
reacts to the advantage of the
Company must equally necessarily
react to the advantage of every
stockholder and prospective stock-
holder of the Company, yet there
are many advantages of the NEW
PLAN which accrue distinctly to
the benefit of the Associates of the
Company, whether they be Mana-
gers, prospective Managers, Buy-
ers, Executives, or other Associ-
ates employed by the Company.
It would take more than the space
of this article to give in detail
these many advantages, but there
are a few which stand out con-
spicuously.

IN place of having classified
stock which can only be sold to
the Company and upon which no
more than its book value can be
realized, the Manager now has,
in addition to the book value of
the classified stock, earning power
stock with a market value reflect-
ing the good-will value of the en-
tire Company, which he has
helped to build up. It is, there-
fore, evident that he has lost noth-
ing of value in converting his
stock, but on the contrary has
received stock in exchange which
in the long run should prove even
more valuable to him than his
classified stock.

SECOND. In return for the clas-
sified stock in the store which he
manages, the Manager receives
preferred stock at par value for
the full book value of the classified
stock, thus returning to him his
investment and his share of any
surplus which he has accumulated
in his store. In addition he re-
ceives a contract from the Com-
pany entitling him, so long as he
remains Manager of the store to
receive one-third (assuming that
his classified interest was one-
third) of the earnings of the store
each year, subject, of course, to
the deduction of any losses which
the store may incur.

He has, therefore, not only re-
ceived back the book value of his
classified stock in readily saleable
securities but in addition retains
the same earning power in his
particular store as he had prior to
conversion. When he ceases to
be Manager of the store (provided

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that he continues with the Company for the period of ten years after he first received classified stock, he is entitled to purchase at book value, and this benefit extends to his heirs in the event of his death, a sufficient amount of common stock so as to enable him or his family to continue to have two-thirds of the average earning power of the store which he had at the time of his retirement or death (the remaining one-third of his earning power being given up, in order to enable the Company to give a new Manager an earning power contract). Thus for the classified stock of the store which he manages, he receives the book value, the earning capacity and the right to continue to receive two-thirds of such earning capacity after his retirement or death. After his retirement or death he or his family have in their possession shares of stock having a ready market value worth considerably in excess of book value and representing his share in the good will of the Company.

There is no question, therefore, but that on the conversion the Manager receives considerably more for his classified stock than he ever could have received at any previous time. This, however, is not sufficient. The Manager will want to know whether his opportunity for expansion and increased earning power has been curtailed under the NEW PLAN. Decidedly this is not the case.

When the J. C. Penney Company had one hundred stores, it was very simple to secure locations in which to invest surplus funds of all stores which were in a position to open new stores. In this way a Manager’s expansion would go along steadily from year to year. It was only dependent upon his ability and upon the ability of other Managers in the chain, in which he held stock, to train men and to earn sufficient money to open new stores.

It is manifest, however, that this problem has steadily become more complicated as the Company has increased its number of stores. The greater the number of stores, the more difficult to find new locations, and a Company with 800 stores, with possibly 200 or 250 of them asking for the privilege of opening new stores in any one year, would present an impossible situation.

For example, it might not be possible in a particular year to find more than fifty or seventy-five new locations which were desirable. This would mean that the classified stockholders in 75 stores would be satisfied and the stockholders in 125 to 175 stores disappointed. Each year in the future this problem would become more acute. Each year the opportunity of a Manager to expand in classified stock would become more impossible under the partnership plan, and it is apparent that under the classified system no fair means could be devised of enabling everyone, who was entitled to it, to share in the expansion. Under the NEW PLAN this difficulty disappears.

In the first place, as I have pointed out above, the possibilities of the expansion of the Company with common stock are far greater than with classified stock. The capital of the Company is more liquid and can be concentrated in larger amounts when necessary. In addition to this the expansion in any year can be equitably allocated by the Directors to all Associates entitled to share in such expansion. This would apply to Managers, Executives, Buyers, etc. There would be no question of 75 groups of stockholders getting all the expansion and 125 groups or more getting none at all.

The problem of investment in the expansion stock can be worked out with justice to all. The present Managers, who are entitled to it, as we have seen before, receive a certain percentage of the earning power of the store which they manage. When a Manager is awarded a share in the expansion of the Company in any year, the cost of the stock allotted to him representing such expansion can be paid for by him out of his earnings. This is carrying out the same method as was done under the old plan where a man’s earnings were invested in the classified stock of a new store.

The opportunity of the present Managers to expand in the Company is, therefore, stabilized and not curtailed by the NEW PLAN. And, in receiving the expansion stock, they will receive a readily marketable stock, the market value of which they will always know and which will not be limited to the book value as in the case of classified stock.

New Managers of the Company will receive a like opportunity with the present Managers to purchase expansion stock of the Company from year to year. The new Manager will receive a contract from the Company entitling him to a certain percentage of the net earnings of the store which he manages, and, when he is permitted to purchase stock, the amount of these net earnings will be available to him with which to purchase the stock. The new Manager has the added advantage of not having to invest any money in the store which he manages.

It is, of course, evident that the privilege to be extended to a Manager, new or old, to purchase expansion stock will depend upon his ability both to earn money in the store of which he is the Manager and also to train men to become Managers of other stores. The future life of the Company depends on these two factors, and it is difficult to say which is the more important.

A feature of the NEW PLAN which is of distinct benefit to men in the stores who are ambitious to become Managers, is that they are not dependent upon the ability of the particular Manager, under whom they work, to earn sufficient money (Continued on page 9)
WHY PRICE TICKETS IN WINDOWS PAY

or

ALL ON A MONDAY EVENING

By F. J. RHODES, Manager at Rome, New York

A $14.75 price ticket, large size, Mr. Newton, called Mr. Olds, the Manager of the busiest store in Busy-town.

It was Monday evening and that meant window trimming night in the store where Mr. Newton, the recruit, had recently been added to the ranks of J. C. Penney Company men.

He secured the desired ticket and handed it to Mr. Olds. Then he gave him the slippers which had been selected for the window.

As Mr. Olds was carefully draping a sport coat and placing the $14.75 ticket on it, the new man queried eagerly:

"Mr. Olds, I have noticed that all of the J. C. Penney Company Stores which I have visited, as well as ours here, use price tickets on merchandise in the windows. So many privately owned stores and chain stores don't follow that principle. Being curious, I'd like to know why we always have price tickets in our windows."

While Mr. Olds was working in the ready-to-wear window, he proceeded to answer Mr. Newton's question—striving to carry across clearly to him that part of the J. C. Penney Company policy.

"In the first place—do you know what a price ticket is? I would say it is a medium of contact between the merchandise it represents and the window shopper. It is a conveyor of information. That information may strongly contrast with information on other merchandise at a corresponding price in other windows. This being true, it creates for us an advantage—obtained only when price tickets are permitted to tell the story.

"Aside from this advantage the window shopper discovers himself to be a potential customer. He recognizes apparent values and at the same time discovers them within his means. Then he becomes an interested potential customer—no longer a mere window gazer. So as such he enters the store—because the windows have aroused his curiosity. Now your opportunity as a salesman comes and it is up to you to teach that new customer that the merchandise behind the right prices is honest merchandise which represents maximum dollar value.

"With your job rightly done the customer has had a complete psychological reaction. He has seen the merchandise in the window, recognized the low prices, entered the store and has been convinced that this is the store where every dollar does one hundred cents worth of service for him."

"You make a fellow feel what it means to be working for a Golden Rule Store," interrupted the new man.

"Here's another point I'd like to bring out," rejoined Mr. Olds, "We always try to link up our windows with our newspaper advertisements. The same prices which appear in the newspaper appear on merchandise in the window. Thus there is a double visualization and that means a deepened impression. This also serves to convince our customers who look at our windows that we have what we advertise and that our prices do not change.

"This may seem trivial but it is a factor to consider. Many people, especially men, are supersensitive about going into a store to price an article. Their reserve or fear that the article may be beyond the reach of their pocketbook may cause them to go without the article altogether. This is where clear, clean price tickets on merchandise in the windows may give invaluable aid.

"Do you begin to see now why we always put price tickets on merchandise in our windows? In no other way can there be a completely dressed window.

"Well, that's the last dress. Give me some gloves and those purses and I guess we can call it finished. Maybe a little sleep even on a Monday evening would be all right. Let's go."

A price ticket is a medium of contact between the merchandise it represents and the window shopper. It is a conveyor of information.

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JUST a glimpse of the above title, and there arises before your mind a picture of "J. M." laying down again and again the cardinal virtues of this, one of the most important factors of merchandising. So ably and thoroughly has this subject been presented by our Merchandise Department at the successive Conventions, that it is indeed difficult to find a fresh angle from which to approach it.

And yet, I venture to state that there is not a Manager in our Company who is not practising some peculiar system of his own that is helping to speed up his turnover—some little twist here and there that all the rest of us could profitably add to our own system of merchandising. It is with this thought in mind that I am passing over the more obvious phases of the subject such as quantities, sizes, price ranges, selling methods, and the thousand other tangents converging on this vital problem. If I can give some other Manager a thought that will mean the working out of a new idea, it will be worth while.

THERE are operating in our town several grocery stores under the sign of that which is the largest chain store system of its kind in the country. These stores offer one of the best examples of rapid turnover that I know of. My wife and I do a goodly portion of our grocery buying from one of these stores, and, from all observations, I would credit them with from forty to fifty turns.

The cause for their rapid turnover is simple. Each of these stores has a stipulated range of articles to be carried in stock, every one of which is in constant demand, and THEY STICK TO THIS RANGE.

If I go in there and ask for a can of anchovies in olive oil or a bottle of figs preserved in pepsin, they do not tell me they will order some and have them for me by next week. No, they are carrying 471 articles on their stock list, no more, and they let me go to the independent grocer who is carrying about 2800 articles and who is getting six turnovers while they are getting fifty.

Some day the girls on the dry-goods side will send up a dozen or more want slips all calling for apple green georgette. Right away you dash off a rush order for forty yards of the same. And then about March 18th you read in the paper that at the college girls' St. Patrick's party each fair co-ed wore a big rosette of apple green georgette. And then a week later when your order comes in by express, you wish that green would turn to the shade of lavender that the elderly lady you just waited on wanted. Has it ever happened to you? Sure.

It is always difficult to illustrate clearly in writing anything involving much clerical or paper work; but I will try to give you the high spots of what we are endeavoring to work out along the line of cutting down the number of articles to be carried in our stock. You all remember the old-fashioned spelling bee in which the poor spellers dropped out and the good ones advanced toward the head of the line. Well, that is a good deal like the method we are working on in this matter.

Most of you are undoubtedly using the system suggested by the Merchandise Department, that of segregating each item so you can tell the quantities of that item you used during stated periods. This system gives you at once a line on the more staple items in constant demand, and you can place them at the head of your list according to their relative importance. As you trail on down toward the end, you will be surprised at the number of articles that in your particular store are "stealing a ride" by turning only once or twice a year or even less.

THERE isn't much danger of your neglecting the head of the line. The demand is too evident for that. But it is up to you to put your closest scrutiny down toward the bottom, for these "free riders" are the ones that put the brake on your turnover. When an item won't turn at least half as fast as the average turnover on your entire stock, you are better off without it, regardless of the mark-up it affords. When you add a new article to your stock, start it at the bottom of the list and make it earn its way to the top.

It will take more than one year to perfect your list on each department; in fact, you never will get it entirely boiled down. But, if you now have, say, 3200 different articles in stock and can cut off one hundred or even fifty each year and use the money invested in them for live items, you will be well repaid for the labor involved in weeding out the dead ones.

Just remember we are not taking a mark-up that warrants us stocking olive oil anchovies for the occasional customer, and that the bread and butter items will eventually show you a greater net profit if you will give them a fair chance to speed up your turnover.
I
First name, George.
Small town grocer’s clerk.
Fourteen a week.
Two dollars to be mailed home every Saturday.
Two dollars to the savings bank.
Ten dollars for operating expenses.

II
One day, when George was busy breaking up some soap boxes, a man chanced along and the following conversation took place:
George, why don’t you quit this job and get an education? Then you may be able to earn a real living. Otherwise, you will be drawing fourteen a week until you are an old man.
That is fine, said George, but how can I get an education? I have been on this job for a year and all the money I have in the world is only fifty dollars.
Well, said the man, go to college on fifty dollars.
Yes, but I will have to pay four years’ living expenses, besides tuition. Where does fifty dollars come in on a scheme like that?

III
George, said the man, don’t break up the last two soap boxes. Let’s sit on them and I’ll tell you the wonderful power of fifty dollars to start a man on a four years’ trip. We’ll suppose—
Yes, that’s right, said George. Suppose! They all do.
We will suppose, said the man, that instead of going to college four years on fifty dollars, that your stunt is to travel ten miles on a dark night with a little lantern.
I see, said George. You are going to show me how to go to college four years on fifty dollars by telling me a story about doing something else with a lantern that probably you have never done yourself.
George, you are the type that would climb a tall tree, hold your lantern high above your head, then, because you could not see the whole stretch of ten miles, would come down and go home. There are millions like you with their little lantern light, sitting around wondering why the world all around them is so dark.
Let us suppose once more—
That’s right, said George. Suppose again. It’s on me.
Let us suppose that you keep out of the tall tree and right about face, with the point of the compass before you to which the ten mile trek is to take you.
Just imagine yourself in the dark, with a circle of light around you, extending about two feet on all sides. You move forward one step.
So does the little lantern light.
You take a second step forward.
So does the little lantern light.
You quicken your pace.
So does the little lantern light.
You gain in confidence. Even though all about you is as black as jet, yet you quicken your step more and move rapidly.
So does the little lantern light.
Bye and bye, you begin to see that the faster you go, the faster does the little lantern light go. Always keeping two feet ahead of you. You may drop down into a gully or mount a hill. You may have an easy stretch for a few minutes or the road may prove rough and treacherous. But whatever comes, that little ring of lantern light always throws its illumination two feet ahead of you.
What is the little lantern light doing?
It is giving you confidence to direct your energy upon an objective and keep going.
Yes, said George, I see all that. That is certainly a quick and easy trip, the way you describe it. But what has it to do with going to college four years on fifty dollars?
Now, just a minute, George. Not so impatient.

IV
Let me ask you a question at this point:
What turnover does this store have on its groceries?
Well, replied George, on sugar we have about five hundred but on everything else, we have just about a couple.
Fine! Just keep that fact in mind for a few minutes but don’t get over-inspired by what I am going to say.
George, you are now about to hear of the wonderful power of fifty dollars put into active service.
You know, George, the Lord does not give us Much that we may make a Little of it. He gives us Little so that we may learn to make Much of it.
Now, we can’t make Little or Much of anything unless we first put it to use. The moment we do that, a wonderful thing happens.
Use begets use.
Just as the best way to learn the beauty of a highway is to travel it—for by traveling the highway, the beauty reveals itself—so applying money to a purpose results in the money making the purpose reveal itself. And the purpose makes the money multiply itself.
Once you set out to make your fifty dollars go a long way, all sorts of little doors of opportunity begin to open to you. Some may be so little that you can scarcely crawl through them but others will open wide in welcome.

Now, by adding what these little opportunities bring, to the fifty dollars you have, the story of the widow's cruse of oil will be made clear.

V

George, fifty dollars is a lot of money. I venture to say it is even too much when one has grasped the principle I am putting before you. When a man starts toward an objective, giving his whole heart and mind to it, he becomes supported all along the way. Invisible hands reach out to guide him, help him, supply him. He is being led by the spirit of his purpose and resolve.

You have heard of J. C. Penney? Suppose he had waited, before going into business, to have enough money to capitalize eight hundred stores!

What would he be doing today? Waiting.

But by putting five hundred dollars to work with faith, understanding and industry, he has made the commercial world gasp in wonder.

The secret is, Keep money moving by spending it for power and not for pleasure.

Properly used, money capitalizes its own purpose.

Moving money attracts money. If you just keep on buying power as you move, opportunities will arise whereby you may learn to increase the capitalization of yourself, which will surely bring you to the point toward which you started.

It is like stepping forward into the little ring of lantern light.

VI

Now, let us get back to that matter of Turnover.

George, do you know how many feet there are in a mile? No? There are five thousand, two hundred and eighty.

Every time you take a step with your little lantern, it throws two feet of light just ahead of you. Go fast or slow, up hill or down dale, you always have two feet of light to depend upon.

Now, figure the Turnover of that lantern light. Two thousand, six hundred and forty times per mile or twenty-six thousand four hundred times for a ten mile journey. How is that for Turnover?

Yes, said George, jumping up from the soap box, that certainly beats the Turnover on sugar. Who sells that kind of lantern?

At last, said the man, you have asked the question that I have been striving to have you ask.

George, the lantern can not create its own Turnover of light.

Mr. Penney's five hundred dollars did not create its own Turnover of business. Your fifty dollars can not create its own Turnover.

Lantern light creates Turnover because somebody steps forward with it.

That is energy applied.

Mr. Penney's five hundred dollars created an eight-hundred-chain store business because many men stepped forward with it.

That is energy applied.

You can go to college on fifty dollars, not because of the fifty dollars but—Because of energy applied.

What you need to center your thoughts upon, George, is not the lantern nor the fifty dollars but Purpose with Energy and Judgement behind it.

J. C. PENNEY COMPANY under the NEW PLAN

(Continued from page 5)

moneys to open a new store each year, as they were under the classified plan. If an Associate makes good in the store in which he is employed, he can be made Manager of a store in any part of the United States where the J. C. Penney Company is located. In addition, if two good men are developed in a particular store they may both become Managers.

THE Executives, Buyers, etc., will likewise benefit by the NEW PLAN because an equitable method of permitting them to expand with the entire Company will be provided for. Under the NEW PLAN a certain percentage of earnings is to set aside to be paid to them as added compensation in the same way as the Managers receive a certain percentage of the earnings of their particular store. This added compensation can be availed of by the Executives, Buyers, etc., for the purchase of expansion stock when they are permitted to buy it.

It is also very possible that the Company may from time to time acquire blocks of common stock of deceased stockholders or of those desirous of disposing of their stock. In this event it will enable the Company to make a market and dispose of the stock to other Associates of the Company who have saved money and who may be anxious to purchase J. C. Penney Company stock.

In conclusion, it seems to me that the NEW PLAN so far as any one can foretell, has the elements necessary to enable the Company to continue for another quarter-century the unparalleled success which has attended it in the past as a result of the efforts of Mr. J. C. Penney and the able men associated with him, and in addition fittingly to reward the Associates of the Company whose efforts will be responsible for its progress.

JUNE, 1927
WHY J. C. PENNEY COMPANY BRANDS?

By WALTER P. BECKER, Buyer, Department L

A SHORT answer and one incidentally to the point and which covers the situation would be: To enable you to do business with smaller stock and make more turnovers, at the same time give better value, increase your business, and get a lot of valuable and almost free advertising. That, in modern slang, sure is saying a "mouthful"; but the fact is that it underestimates the advantages obtained by stocking our own brands.

There is a wide difference between handling brands and handling J. C. Penney Company brands—almost as wide a difference as there is in the purchasing methods employed by the average retailer and our Company. When the average buyer comes into the market, he buys more or less on confidence when looking for branded articles—he cannot create his own brands because it means purchasing in too large quantities, so for that reason alone he doesn’t try to investigate the values of the various brands. Secondly, a great deal of his brand demand is created by advertising, which isn’t always based on merit.

Here in our own Company a different condition prevails. You have a group of specialists operating on the buying end—not only to see how cheaply they can buy, but to investigate the merchandise they are buying—men who know what standards are and where these don’t seem proper who are able to raise the regular standards, creating new ones for our brands, believing that quality is remembered long after price is forgotten.

The market is scoured to find out the best in every detail. All folks are not like Oscar Wilde’s cynics—“People who know the price of everything and the value of nothing.” For instance, in our semi-soft collar lines where we are just now establishing our own brands—compare the bands our collars with the best and finest retail brands, and still any good collar manufacturer will tell you that the band makes the collar. Look at the button-holes on our own laundered collars. Perfection isn’t a detail, but details make for perfection.

When you buy even the best outside brands you have no assurance that the manufacturer is going to maintain proper standards or keep abreast of changes which may come along. Therefore, when you of necessity are obliged to switch, your stock is jumbled up and some of your customers must suffer. Another thing, when you put your name on an article you, naturally, assumed a greater responsibility than otherwise and you will of necessity guard it just that much more carefully as a result of which your customer will benefit and therefore you will profit, for only merchandise of quality has an appeal of continued sales-producing value.

THE first sale is an accomplishment only if it forms the basis for continued patronage, and nothing is so expensive as mouth condemnation and nothing so cheap and effective as mouth recommendation. Only when you thoroughly realize this can you be permanently successful, for there is a lot of difference between establishing a store and a standing. The former takes just a little capital which is so often overrated; the latter a big character generally under-estimated, but nevertheless it is the latter which keeps them coming and keeps you there in the retail business.

Bruce Barton tells a good story illustrating the point. On his first coming to New York he went into a small store on Broadway which was “selling out” and purchased two shirts. On returning to his hotel, he was only able to get into them with much effort and after washing they were useless. That was several years ago. Last spring he happened to be going by and noticed the same store still “selling out” at the same location and with about the same size stock. In that same period have grown from humble beginnings many of the large department stores of this city—some moving uptown and others increasing their size and business many times over. They built to a standard, not to a price.

And this isn’t at all peculiar. When you hear tell of a man’s wealth, it evokes little but curiosity—hear tell of a man with personality, character, back-bone and it evokes a desire for acquaintance which you will go out of your way to gratify. Just so when a store offers only price inducements—firstly, too many suspicious thoughts may be aroused—secondly, merchandise of quality is always appealing and the personality of a store is always just as great and no greater than that of the merchandise it offers. A crab goes forward by going backwards, which method of propulsion is emulated by the retailer who doesn’t watch his standards, but he doesn’t go forward. Only by putting in our own brands could we go ahead in quality, a prime
PERSONNEL TURNOVER

By JOHN D. KEYES, Employment Department

It is a well-known fact that, in almost any organization, what is known as "personnel turnover" is regarded as a serious and oftentimes an expensive problem. In plain English, what is spoken of as a certain per cent of turnover, simply means that that percentage of a company's employees have had to be replaced in a given period. It is reported that one large chain store organization had a turnover of fifty-four per cent in 1926. That means that more than half of their entire personnel, for one reason or another, have left their ranks in that time. It is impossible to estimate the total cost of such a condition, not only the expense of employing the replacements but the loss through inefficiency of less experienced help, and the lowering of the morale of those who remained. It is small wonder that we pride ourselves on the fact that, in our own Organization, the turnover is so small as to be practically negligible.

The Employment Department makes no claim to perfection—far from it—but if we can sense any possibility of a man weakening under the stress of real work, if he manifests an unwillingness to cooperate or comply with J. C. Penney Company standards and principles or if he will not admit the possibility that he still has some things to learn—then he is fired before he is hired.

If a man is a "fair-weather sailor," if he is easily discouraged, we believe he may make a good man—for somebody else. We would tell him he might have to work every night when sending him to one of our stores and let him run the chance of being agreeably surprised when he gets there, rather than picture a soft snap to him.

We always try to find out whether a man wants an opportunity or just a job. That word opportunity seems to have many interpretations. So many seem to think it indicates getting something for nothing while in reality it means a chance to earn success by working every step of the way.

But in any group as large as the Associates of our Company, there are bound to be a few here and there who lack the moral stamina and fixity of purpose to carry on to that goal of success toward which all are striving. They may not have been made of the right stuff to begin with or they may not have been given just the sort of training to suit their particular needs but the result is the same—they are out.

Their going means a certain loss of time and money to their store and the Company but a far greater sacrifice to themselves. Aside from the financial gain that attends ultimate success, they are losing an association that is bound to make men stronger and more useful to themselves and their communities.

It is a very significant fact that of those who have left the employ of our Company, practically all have later applied for reinstatement. They may have left for promises of more immediate financial gain with other organizations or for other causes but, almost without exception, they have attempted to return. They realized what they had given up after their places had been filled.

There is probably no other organization that is interested in the spiritual and moral development of its Associates to the extent that ours is and, if a man has spent any time in one of our stores, he cannot leave without missing the feeling that everyone is trying to help everyone else. No wonder his next place seems flat!

If it ever happens to you that everything seems to break wrong or if for any other reason you feel tempted to do something foolish, don't do it. Take the first opportunity to have a frank talk with your Manager. Remember, somebody helped him to succeed and your success means his further success.

Necessity if we want to advance in volume and public confidence. As we think of all these things, it should make us glad that we are connected with an Organization whose success proves that it was founded by a man of character on a standard basis, with a personality so strong that it attracted men of like natures who are carrying out the same policy and realize above all things that in merchandising it is paramount to keep in mind the fact that, while price is a vital factor, it must be a price that serves, for satisfaction is alive and active a long time after price is dead, buried and forgotten.

JUNE, 1927
PERSONALITY COUNTS IN RETAILING

By O. L. HARRIS, Manager at Richmond, Indiana

SOMETIMES ago I read an article in one of our leading fraternal magazines entitled *He Went About Doing Good*, an article of tribute paid to the grand exalted ruler of that particular organization. This gentleman was a business man of the Far West with lots of business responsibilities but yet he spared sufficient time from his business to scatter goodness.

He had become known throughout the entire organization as a man of this type. I couldn’t help but picture this man as an ideal personality that I would be glad to pattern after. I never expect to meet him, but the fact alone that he is going about doing good, as did the Saviour of old, is sufficient proof that his personality is an outstanding evidence of goodness and it has attracted me to the extent that I wish to be like him.

It would be impossible for me to define personality in a better way than through this definition, “A collection of outstanding qualities that either attracts or repels our fellow man.” Now, what does personality mean to J. C. Penney Company Managers and Associates and what does it mean in retailing?

IT IS true that we all have a personality, some qualities which stand out that either militate for or against our success. I am convinced that every J. C. Penney Company Manager and Associate is eager for success and also that success is merely a reflection of personality in some form or other and the degree of success that we attain will be determined by just how well our personality attracts and holds those we serve.

It has been said that a business is ninety per cent man and, since I have had an opportunity and gone through the experiences of opening a new store, I begin to realize the truth of this statement. Our business is only a reflection of the man in charge and his personality and his qualities are sure to be reflected in his store personnel, in his window displays, in the merchandise that he carries and in the service he metes out to his customers and last but not least in the sales volume and net profits.

As J. C. Penney Company Managers and Retailers, we are only stewards of the public. Our lives are lives of service and we must strive to perfect a personality that will exactly fit in this particular kind of work. Some may say that personality is born with us and not to be acquired. This may be true to a certain extent but I am sure that we, who feel that we are more or less lacking in this respect, can improve our personalities if our desires are sufficiently strong to warrant a certain amount of study and observation.

To the new Associate who feels the need of a stronger personality, let me suggest a plan that has helped me wonderfully. Pick an ideal, one that you feel has the personality that you would like to have, and then strive to follow him. If this man is your Manager, as it was in my case, so much the better, but whoever it is, follow. And another trait that will develop personality is good, clean, clear thinking. Our thoughts are reflected in our looks, in our work, and in every method we use in selling our Company and our merchandise.

EVERY store has a personality, a recommendation of good or bad treatment that reflects the personality of the Manager and his Associates, their ideals and qualifications. We have all gone into stores that fairly radiate enthusiasm, where the store atmosphere is charged with good fellowship. This condition is an evidence that this Manager is displaying qualities that are being reflected in his personnel and that there is something else to sell other than merchandise. Even the merchandise looks better, the lights are brighter and everybody including the customers are happier.

But what a sad story when we find reverse conditions in any store. I never had the pleasure of...
meeting our Founder but I have felt his personality all the way through my career with the Company, and I will wager that his qualities and ideals were the outstanding features of his business in that little store in Kemmerer. Store personality is developed only as the Manager and his Associates develop and reflect their development in actual activities.

There is no reason why the Public should favor us unless we have some qualities of an outstanding nature that not only attracts it but holds it as well. Let us develop our store personality until it is of the caliber that made the Kemmerer store an outstanding store back in 1902.

NOW in closing this article let me summarize just a few qualifications that I believe should stand out in one's personality and would be an asset to us all in selling merchandise. A strong personality means:

Knowledge
That we must love folks
Alertness
That we display good judgment

An eagerness to serve well
A desire to do good
Neatness
Good wholesome thinking
Loving our work.

These are qualities which, when woven together and made to stand out as personality, are sure to make better merchants of us all and will be reflected in:

Our store personnel
Our merchandise displays
The store atmosphere
The merchandise itself
The service we give
In the volume of business we build.

WHERE ARE YOU GOING?

By GRANT E. DIMMITT, Manager at Clinton, Iowa

HERE are you going? Have you ever stopped to analyze this question?

Most of us get many a hard knock in life before we begin to wonder why we are getting these knocks. Upon analyzing the situation we usually find that the one big reason for many of our hard knocks is due to the fact that "we don't know where we are going."

In other words, we have no definite aim in life and find ourselves just wandering through life window-shopping, admiring the work of others but never pausing long enough to study the methods and reasons for the other fellow’s success.

We hear men tell of their hard luck. It has been said that hard luck is a polite name for sleeping sickness. Opportunities are with us every day if we could only awaken to grasp them. With a set plan in life it is much easier for one to grasp these opportunities and mold them into the success that is to be achieved.

The window-shopper of life is like a dead fish, just floating along with the current, offering no resistance. But the fish that undertakes to go upstream must fight every inch of the way. The same is true with people, the dead ones float here and there but the live ones must get in and fight for every inch.

Well-laid plans coupled with determination and vision are very necessary in this great upstream fight. Once the goal is reached, we have another great human window (successful man) that will be thoroughly studied and analyzed by a few while the great mass pass on just window-shopping.

Have you ever sat down with yourself and analyzed your possibilities? If not, do it now. Set a goal with a clear-cut plan of procedure. Pick out a group of self-made men. Study their procedure to success. See if some of their methods and ideas can be linked up and worked in with your life’s plan. Then get in and fight the stream for all you are worth but first, last and always, know where you are going.

It’s the little things that separate us from success—not the big ones.

Read the above line again. There you will see the difference between the window-shopper of life and the man who knows where he is going. The window-shopper can see only the big things, admiring them and wondering how they were possible, thinking many times that there is a joker somewhere, but the successful man gets down to the foundation, starts with the small things first, molding them together, as he works, until the goal is reached.

On the surface the little things do not appear important, but they are there just the same. The man who has a definite aim in life can see them plainly but the window-shopper passes them by. Therefore, before one can grasp the little things that lead to bigger things he must know where he is going.

JUNE, 1927
DEDICATION CEREMONIES AT PENNEY FARMS, FLORIDA

In April twenty-fourth, twenty-fifth and twenty-sixth, distinguished men from all parts of America gathered at Penney Farms, Florida, to participate in the dedication of one of the most interesting and unique philanthropies in this country—a Community provided by Mr. J. C. Penney for retired married clergymen and other Christian Workers.

Mr. Penney, himself, the son of an old-school Baptist minister, knows only too well the hardships endured by those who have given their all in the service of mankind. Consequently, he determined to do what he could to lighten the burden. Thus it was that the idea of a Community Home, as a Memorial to his father and mother, came into his mind. He had the satisfaction of seeing the project officially launched and well under way at the recent exercises.

Ground was broken for the Memorial Home Community Buildings June 5, 1926, and on June thirteenth the cornerstone of the Community Chapel was laid. In addition to the Chapel there has arisen under the supervision of the J. C. Penney Foundation a group of twenty-two apartment houses, containing ninety-six apartments, each consisting of three rooms and bath fully furnished and equipped for housekeeping.

The buildings are of Norman architecture and are Community and wish to make a contribution. So unusual and effective are the structures that people from all over the Country go miles out of their way to see them. The pointed towers and high roof lines are singularly well adapted to fit in with and harmonize with the terrain of Clay County.

Here is a place that will accommodate ninety-six families in surroundings permeated with charm and beauty, and conducive to the peace that passeth all understanding. It is a complete community in itself within the corporate limits of Penney Farms about forty-five miles from Jacksonville and eight strikingly beautiful. They are located on a square network of roads with the Norman-Gothic Church as the focal point around which the life of the Community naturally centers.

The Memorial Chapel is equipped with a modern Aeolian pipe organ which was presented by Ralph W. Gwinn as a memorial to his mother, Eva Harvey Gwinn. A beautiful screen which separates the Chapel from the Community Hall was the gift of Mr. Penney's two sons, Roswell K. and James C., Jr., in memory of their mother, Alberta Hess Penney. Also the large stained glass window in the Chapel tower was the gift of the fifty-one ministers and their wives who have been living in the

In Memory of
Rev. James Cash Penney
1841-1895
and
Mary Frances Penney
1843-1913

A Poem by Margaret Sangster

Perhaps they did not know, when dusk was falling,
When weariness had all but closed their eyes,
That in the days to be, their voices calling,
Would aid uncounted, earth-bound souls to rise.
Perhaps they did not know that their sure teaching
Would lead a little boy up manhood's road,
Until his tender hands, in kindness reaching,
Have helped life's lonely ones to bear a load.

Perhaps they did not know! But very surely
As, in a lovely church, glad voices pray,
And as in homes old people dwell securely,
They know it now—will know it every day!
I think, for them, that Heaven's a sweeter place
Because—on earth—they left His peace and grace.
miles from Green Cove Springs on the historic St. Johns River.

Admission to the Community is obtained by application through Church Boards and is passed upon by Dr. Daniel Poling, Director of the J. C. Penney Foundation, at 330 West 34th Street, New York City. The Community is non-sectarian and any married clergyman or Christian worker who has reached the age of retirement is eligible.

The Memorial Home Community is entirely free of an institutional atmosphere. It is simply a group of homes fully equipped for the occupants. Each occupant will have the opportunity to cultivate flowers and vegetables in ground set aside for the purpose. Everything is provided for the members of the Community with the exception of food, clothing and other personal items.

It is impossible to include in these pages the addresses delivered at the Services but we shall give a few extracts.

Chancellor Flint of Syracuse University said: “Inspirational philanthropy partakes of the nature of giving of one’s self in such a manner that others may profit by the standards which have been set.

“Such a motive seems to be back of the Memorial Home Community. The existence of this community is an incentive to greater effort on the part of men who have given their active working life in the service of mankind. It stands as an inspiration for finer things. It was conceived in such a spirit and it is being administered in such a manner.”

Mr. Raymond Robbins said:

“No other country could have produced a J. C. Penney who made as great a move in the field of distribution as Mr. Ford made in that of production.

“It is the same type of expression in the religious phase of his life which this same man has made in the business side.”

The program of the Dedication Services was as follows:

**FRIDAY, SEVEN FORTY-FIVE O’CLOCK**

**Mr. Ralph Gwinn, Presiding**

**Business Associate of Mr. Penney**

**ORGAN PRELUDE**

*Miss Bertha Foster*

*Director, Miami Conservatory of Music, University of Miami*

**ADDRESS**

*Dr. William C. Meyers*

*Professor of Politics, Princeton University*

**ADDRESS**

*Dr. Charles W. Flint*

*Chancellor, Syracuse University*

**BENEDICTION**

**SATURDAY, SEVEN O’CLOCK**

**BANQUET**

**DR. DANIEL A. POLING, Presiding**

*Director, J. C. Penney Foundation*

**SUNDAY, TEN-THIRTY O’CLOCK**

**DEDICATORY SERVICES**

**THE HONORABLE RAYMOND ROBBINS, Publicist, Lecturer and Traveler**

**DR. HAMILTON HOLT, President, Rollins College**

**MR. JAMES C. PENNEY, Founder, Nation-Wide System of Department Stores**

**ORIGINAL POEM**

*Margaret Sangster*

**SPECIAL MUSIC**

**SUNDAY, TEN-THIRTY O’CLOCK**

**DEDICATORY SERVICES**

**DR. DANIEL A. POLING, Presiding**

**DEDICATORY SERMON**

*Dr. Francis B. Short*

*Lecturer, J. C. Penney Company*

**ADDRESSES OF PRESENTATION**

*On behalf of Architect and Builder, Alan B. Mills, Dr. Burdette G. Lewis*

**ON BEHALF OF DONOR**

*Mr. James C. Penney*

**ADDRESSES OF ACCEPTANCE**

*On behalf of J. C. Penney Foundation Mr. Charles L. Rood, Treasurer*

*On behalf of Memorial Home Community Dr. G. K. Flack, President Memorial Community Association*

**SUNDAY, TWO-THIRTY O’CLOCK**

**DR. D. WALTER MORTON, Presiding**

*J. C. Penney-Guion Corporation*

**ADDRESS**

*The Honorable Duncan U. Fletcher, Sr. U. S. Senator, Florida*

**SHORT ADDRESSES**

*From resident ministers (one from each denomination) and visiting guests.*

**SUNDAY, SEVEN-THIRTY O’CLOCK**

**ORGAN RECITAL**

*Miss Bertha Foster*

**SUNDAY, EIGHT O’CLOCK**

**DR. Burdette G. Lewis, Presiding**

*Vice-President, J. C. Penney-Guion Corporation*

**DEDICATION OF ORGAN**

**DEDICATORY ADDRESS**

*Dr. Lemuel H. Murfin President, DePauw University*

**ADDRESS OF PRESENTATION**

*Mr. Ralph W. Gwinn Vice-President, J. C. Penney-Guion Corporation*

**ADDRESS OF ACCEPTANCE**

*Dr. Francis B. Short*

**JUNE, 1927**
OUR MODEL STORE AT NEW YORK CITY

By JACK T. CHORD, Window Display Division, Advertising Department

SCENE ONE—In front of the model J. C. Penney Company Store

LEFT "L" WINDOW

Left "L" Window—My, you must be tired today; that's your second display.

RIGHT "L" WINDOW—And how did you like the first one?

"L" W—You mean the Bath Towels at 25c?

R "L" W—Yes.

L "L" W—Very good; you know though, I was so afraid that they were not going to put in Department G accessories.

R "L" W—They made the display, don't you think?

L "L" W—Of course. Bath towels do not lend themselves to an artistic arrangement, so the bath salts, soap and powders gave you the color that you needed.

R "L" W—I think the June Bride display is very nice.

L "L" W—Yes, and it took such a short time to execute, but then why shouldn't it be nice? A neat, seasonable display of attractive merchandise, well arranged, always attracts the customer, so I have heard.

R "L" W—I do wish that I were not just a model window, for I would love to have real people look at me.

L "L" W—However, don't you think that we offer a far greater service to the Stores by suggesting the appropriate merchandise arrangements?

R "L" W—Yes, I suppose so. I'll admit it is interesting the way they experiment with us. Why just the other day they were trying out a series of spot and flood lights to determine which was the best—

L "L" W—And do you recall when they tried out three different brands of paint on my background?

SCENE TWO—Inside the model J. C. Penney Company Store

SHOW CASE NO. 1

SHOW CASE NO. 2

JUNE, 1927

16
1st Show Case—I see they have used a number of fixtures in your display of hosiery and underwear.

2nd Show Case—Yes, and have you noticed that the bottom shelving has been removed to make room for the tee stands?

1st C—That’s right, it has. Of course, it would have to be taken out for such a display. In my trim it is very necessary, as I am showing all small items, and the only way you can build them up is with shelving.

2nd C—You have a very nice trim. I especially like the grouping of the merchandise.

1st C—That is what makes a show case interesting. Too often cases are used as a store room for boxes and no attempt is made to show new merchandise in them.

2nd C—Of course, it is much more effective to use associated articles in a case than it is to show a lot of merchandise that has no relation. For example, look at my trim. I am showing underwear, hosiery, garters, perfumes, powders and manicure sets and each item is directly associated.

1st C—How about my display?

2nd C—Yes, you also follow the fundamentals of association by displaying umbrellas, bags, handkerchiefs, gloves, perfume, powder, scarfs and vanities.

1st C—Did you notice how nice the crepe paper looks on the shelves?

2nd C—Orchid and purple, isn’t it?

1st C—Right; and do you notice how each edge has been stretched to give it a fluted effect?

2nd C—I don’t see why they don’t use crepe paper on the shelves of every show case in the Stores. Why, by changing the colors about once a month they can always keep the cases looking fresh and then again it is so inexpensive.

1st C—They probably will from now on, as I hear The Window Display Service is planning on including us as well as ledge trims in their regular monthly service.

2nd C—I suppose that will mean that we shall be trimmed and photographed quite regularly.

1st C—Of course, but some merchandise can’t be used in show cases, as it is too large.

SCENE THREE—Ledges in the Store

Ledge No. 1

1st Ledge—For that matter some garments, say like ladies’ underwear, can’t be used on ledges because of depreciation.

2nd Ledge—That is our one enemy. Why, I know of Stores that can’t even trim up their ledges, owing to coal smoke and dust.

1st L—That is where the show cases have it on us. They are always glassed in.

2nd L—Yes, but they can’t display the bulky items at all, and that is only one of our advantages—

1st L—Why, we can be used to store merchandise on—

2nd L—Oh no, we can’t.

1st L—What do you mean?

2nd L—We are no longer recommended as a stopping place for empty boxes and heavy stock trims.

1st L—but we have been used for just such displays.

2nd L—Those days have passed and are now considered poor ledge management.

1st L—I will admit that by using the ledge cards as dividers and by arranging a neat seasonable unit of merchandise between each set of cards, we are much more attractive.

2nd L—And we are much easier to trim when arranged in such a manner. Why it is just like trimming a unit in a window.

1st L—Sure, I have been told that every Saturday night after the Store was closed or early Monday morning before it opened, an entire ledge was dismantled and retrimmed with a great loss of time—

2nd L—And by using this new method, a single unit can be trimmed each morning, just like the windows.

1st L—that also keeps the depreciation of the merchandise at its minimum and makes us much easier and quicker to trim.

2nd L—I noticed that they have not used any accessories in your trim.

1st L—I represent that big stationery value and it is always best to keep a featured item exclusive.

2nd L—I guess you are right.

1st L—With you, it is much easier and more effective to use accessories than it would be to put up just a complete unit of bathing suits, bathing caps or vacuum bottles.

2nd L—However, vacuum bottles and bathing caps have constituted an entire unit.

1st L—But not without an advertisement in the paper, featuring a certain group or price.

2nd L—I notice it isn’t always necessary to build a unit high.

1st L—Oh no, sometimes the merchandise won’t permit it. Take my trim, for example. Unless they used pedestals and shirt easels, I couldn’t be built very high.

2nd L—But doesn’t that make an unbalanced effect?

1st L—Not if every other unit alternates.

2nd L—Just what do you mean?

1st L—Simply this. Use merchandise on the first unit that can be built high, on the second unit low, on the third high, etc.

2nd L—Of course, that would make a balanced ledge.

1st L—I hear that they are going to go into detail on that subject in the Window Service.

2nd L—I surely am glad as it will give us a better opportunity to serve the Stores in the capacity of better ledge trims—

2nd Show Case—And better show case trims—

Right "L" Window—And better window trims.

Left "L" Window—Well, here comes the night watchman to turn off the lights.

Ledge No. 2
GENERAL BUSINESS CONDITIONS

AN interesting report, issued by the National City Bank of New York, concerning current economic conditions, says:

That business generally looks forward to the maintenance of activity during the current quarter, is indicated by the estimates of car requirements submitted to the railroads by shippers' advisory committees in different parts of the country, which anticipate a commodity movement in most lines equaling or slightly exceeding that of a year ago.

Devastation and floods have wrought destruction over a large part of the Mississippi Valley. This has caused a reduction of purchasing power which will be felt in the primary markets of the country.

Upon this condition of affairs, the writer says:

Aid is being brought to the stricken territories, however, and, extensive as the damage has been, the business of the country rests on too broad a base to be seriously affected thereby.

Building contracts awarded in March were the highest for any month on record, surpassing those of March, 1925, by four per cent.

Commenting upon this, the writer continues:

One would be rash to conclude from this that building is headed for new records every month, such an eventuality being neither probable nor desirable. But the conclusion at least is justifiable that building is in for no sudden or drastic decline.

Business earnings statements from corporations show that slightly over half the country is reporting gains as compared with a year ago.

It may be added, apart from the above quoted report, that good business is not spontaneous over any considerable period. It has to be sought out, carefully nurtured and developed. Probably it is true that business is always potentially better than we find it. That is, there is business to be had if we go after it. Outstanding merchants of long ago recognized that the business condition as it is, is by no means fixed. An active man can develop it to his benefit.

MAN-TRAINING MANUALS

MAN-TRAINING Manual No. One is nearing completion. This booklet, which we know will be found helpful, inspiring and definite in its instruction, is not the product of any one man or one department of this business. Sincere thanks and appreciation are due to a great many men—Executives and Managers—who have contributed from their experience to the practical set-up of this work. We also extend our thanks to many Managers who have gone over the manuscript and have made helpful suggestions of one or another kind.

After Man-Training Manual No. One has gone to press, active preparation will be made for completing the work by preparing Manual No. Two, which will reflect, as No. One reflects, the experience, counsel and suggestion of Executives and Managers throughout the Company.

TURNING LITTLE INTO MUCH

YOU may truly say of yourself and I of myself and all of us, in chorus, of ourselves:

I have no genius.
I am no lightning calculator in business.
I am simply willing to work and to be shaped to work better.
But there is a way by which out of my average ability I can develop myself until I have turned Little into Much.

And this is the way:
Co-work with a good co-worker.
Observe and ask questions.
Never let an unknown factor get by.
There is a reason for everything. Find it.
Study and read.
Then read and study some more until the habit is just as regular and just as pleasant as three meals a day.

Do everything humanly possible to become a good merchant. And remember that a good merchant is as valuable in a community as a doctor, preacher, lawyer, cook or schoolma'am (good ones, that is).

Then you will have discovered the secret of the Parable of the Talents. Which is the art of turning Little into Much.

And the art of turning Little into Much is Man-training, isn't it?
THE BUSINESS TRAINING COURSE

To the many new Associates who have recently joined our Organization, particularly those who are associated with the new stores, a word of explanation concerning the Business Training Course may be timely.

Briefly stated, a course of instruction is available through the Department of Education and Research to every regularly employed Associate. This course presents in convenient form the Company's Foundation Principles and gives a clear insight into the purposes which underlie our standards of salesmanship, merchandising and personal development service.

These lessons, seventeen in number, provide a background of useful information and inspiration which enables one more quickly to catch the spirit of the Organization and to contribute to its efficiency. The lessons have to do with the working efficiency of the individual Associate quite as much as with Company Methods and Principles now operative in the business.

It is, therefore, to the interest of each Associate to arrange at the earliest moment with his Manager for enrollment. If several Associates in the store have not taken the Course, the Manager will do well to enroll the entire group at one time. This training contributes directly to a store's merchandising service.

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MR. FILENE ON SUCCESS

In discussing Success, Edward A. Filene, of Boston, says:

"1. Make your plan in writing.
"2. Compare it with the methods of the most successful men.
"3. This is most important: Have your plan criticized in advance by those it will affect and by anyone else that can be helpful. Our plans are bound to be criticized, either before or after they are put in operation. If we have them criticized in advance the chances are that they will be more favorably received, and even defended as their own ideas, by those upon whom they depend for success.
"4. Put it into operation.
"5. See that it keeps itself in operation until rescinded. Until your plan keeps in operation automatically you have not organized it.
"6. Keep the plan open to revision, but do not allow it to be changed except after the most careful reasoning."

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THE SPRING CONVENTIONS

The Spring Conventions were certainly the occasion of the outpouring of pent-up enthusiasm that must have been smouldering for years in the breasts of the Managers and Executives of our Organization. Good-will, co-operation and confidence permeated every session. And every Manager contributed largely to this result.

The various addresses by Managers were not only truly inspirational and helpful, but many of the papers were actually masterpieces in their contribution of constructive ideas for the future operations of our Company. We all are addicted, it would seem, to calling each Convention "the best one ever," but it can be said—and it should be said here—that never have Conventions given greater evidence of achieving the very things for which Conventions are intended than those held this Spring.

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NOTIONS BIN

Let a man love his loved ones and his job, and life expands for him.

But let a man love no one nor his job, and life grows smaller than the eye of the needle through which the camel could not pass.

In return for reasonable compensation, a business should undertake to provide to its customers value in the quality of merchandise and satisfaction in the use of it. This exchange between buyer and seller constitutes Service.

The simple fact of Service is it is the spirit of the Organization which gives mutual satisfaction in all transactions.

A man is naturally equipped with two eyes. But business requires an equipment of three—Initiative, Inquiry, Intelligence.

There are two ways of selling things: the first is to trot along and get what the customer asks for, take the money and let it go at that. The second is to listen to the customer, help him determine what he wants and, while the parcel is being done up, tell him of other things that he may not know that he needs.

It is easy to be a clerk but hard to be a merchant. It is easy to be nothing without trying but it is worthwhile working to be something.

A young captain was once recommended to Napoleon because, with unusual coolness and bravery, he had stormed an enemy redoubt a few days before and taken it practically singlehanded. "Splendid," said Napoleon. "What did he do the next day?"

It has been said a thousand times that what we do all day keeps the pot boiling. But what we do after the day's work is over determines the future. It has also been said that significant careers are made after six P. M.

So are insignificant ones.

JUNE, 1927
THE JUNE STORE MEETINGS

By A. W. HUGHES, Personnel Department

The topic for the June Store Meeting is Helping My Manager to Buy Right.

There is no subject in the whole year’s program that means more in dollars and cents to every store and to the entire J. C. Penney Company than this one of buying right. Its results can be read in the trial balance of each store.

Did you attend one of the Spring Conventions? If so, you know what a problem old merchandise is in these days of ever-changing styles. If you did not sit in on one of the Conventions, your Manager came back with his eyes doubly opened to old merchandise.

Old merchandise, nine times out of ten, is merchandise purchased when a Manager failed “to buy right.” Either it was the wrong kind of merchandise for your community, or it was bought in the wrong quantity, or it was bought at the wrong time.

The June Store Meeting might well center around this thought, that right buying is the function of the entire store group. Long ago the Associates of the J. C. Penney Company learned to say “we” instead of “I” and “our store” instead of “this store” or “my store.” The store that has little or no old merchandise is the store in which you hear those words, “we” and “our” spoken with pride and justified by an attitude of individual responsibility.

No Manager can sense 100% the buying needs of his community. The bigger the store, the less chance there is of his contacting directly with all customer needs. The better organized the store, the more departmental responsibility is shared by every Associate.

Often in one of our stores you hear this remark: “I wish we could get the Manager to buy such and such an article.” The article mentioned is very often a novelty that may have been advertised in the nearby city newspaper or perhaps has been gambled on by some competitor.

In checking back this remark, this Store Meeting should emphasize two points worth fixing in the mind of every member of the store group. First, each Associate should assume the responsibility of gauging the demand for a certain article before urging a Manager to buy it. When a customer asks for a novelty, find out if the others in the sales group are having calls for the same article. Determine for yourself if you would buy that article, were you in the Manager’s place. Would it be a good buy if the money came out of your own pocket?

Second, when you have covered a bonafide new demand or an increased demand for a standard article, put it up to your senior partner, the Manager, in such a way that he will back you up and buy the merchandise. If you show real ability to interpret customer desires, any Manager will be quick to recognize your ability. No one buys right every time, but your value to the store will increase by leaps and bounds if you make the buying job easier and more accurate.

So again the thought of this meeting swings back to one idea, namely, that buying for a J. C. Penney Company store today is the job of everyone in the store. Every Associate should constitute himself or herself the buyer for the stock in his or her charge. The condition of that stock is the index of future managerial ability.

At the New York Convention, one Manager said, “I never dreamed that store meetings could do as much for a group as our meetings have this year. I used to hate to hold store meetings. They were so stiff and rather meaningless. Now with the help of the manual, my First Man holds the meetings. I keep in the background and you ought to see the difference in our store.” Incidentally, that Manager’s April business was practically three times what it was a year ago.

How about your store? Are you getting that same “kick” for the group from this year’s store meetings?

If you aren’t, get busy. If you are, the June Store Meeting will help your store to do in 1927 a better job of buying because every one is helping “the Manager to buy right.”

BUYING for a J. C. Penney Company store today is the job of everyone in the store.

JUNE, 1927
WASTED DOLLARS—WASTED SALES

By ERNEST L. CLARK, Treasurer’s Office

Sales of a company do not mean anything unless there is a net profit. An organization can do a $500,000,000 business but, if its overhead and losses from carelessness eat up the profit, it has accomplished nothing. If merchandise is sold and all the profit is absorbed by expense, the business has earned nothing at all.

When, through waste, carelessness or casualty, merchandise is lost or damaged, the loss must be made up. It can be made up only by cash taken in, in excess of cost and overhead, through the sale of merchandise.

Every dollar lost represents a dollar, created by a profit on a sale, and a dollar that is saved from loss is the equivalent of saving a sale, for it represents the net profit on a sale. Merchandise lost, therefore, means that many times its amount in sales is wasted.

Perhaps, if every Associate would look at the money invested in merchandise and cash in the store, in terms of sales, its value to the J. C. Penney Company would be brought home more effectively than in any other way. A good slogan would be MAKE EVERY SALE COUNT BY BEING CAREFUL. Realize that a dollar wasted means $10 or more in sales, and there will be less waste.

Your store has a sales quota to reach. It is just as important to prevent the waste of sales by carelessness as it is to make sales. This not only applies to spoiling goods in cutting, damaging dresses or merchandise by carelessness in handling, but it also refers to the prevention of loss through fire, water damage and the many other accidents that we are subject to which can be prevented if due care is exercised.

Loss of profits, because of over-buying or change of season or other conditions, can be foretold and guarded against by experience and foresight of those directing the business, but losses from accidents or casualties can never be foreseen or entirely prevented although they can be reduced to a minimum.

Let us assume that the annual losses from fire, theft or accident sustained by all J. C. Penney Company stores amount in the aggregate to $100,000. Such a figure is a conservative estimate. These losses must be made up from the only source that the Company can look to, namely, net profit on goods sold. Even if the net profit on every sale should amount to as much as ten per cent, it would require $1,000,000 in sales to make up a $100,000 loss. In this $1,000,000 there would be not one cent of profit.

Just think of the amount of labor and energy and thought that must be put into selling a $1,000,000 worth of goods, and all without profit. Then you can realize how very important it is to do everything to prevent loss, for the mere loss of this $1,000,000 in sales does not in any way represent the total loss. Every accident or casualty involves many other losses that cannot be represented by dollars and cents, for who can estimate the effect on future sales of one of our stores closed by fire for a few days, or the net loss to a store if one of the salespeople is away because of injury?

We do not carry insurance to cover most of our losses. We take care of this eventuality by setting up a Protection Reserve, contributed to by the stores which are reimbursed for most of the usual losses that they may sustain. This method of operation saves the expense which the Insurance Company charges for doing business and its profit. In some cases, such as in Liability and Compensation Insurance, we consider the service of an Insurance Company worth while paying for.

The Company’s Executives cannot advise or lay plans for the prevention of loss without the fullest co-operation of every Manager, and the Manager cannot carry out plans or prevent losses without the co-operation of his Associates. By co-operation, we mean real honest-to-goodness, enthusiastic support, given with the same intelligent thought that is put into selling.

Here is something that each Associate of the J. C. Penney Company can share in from the highest Executive in the New York Office to the newest part-time Associate.

Watch for the things that might cause damage or accidents. If you see a worn wire, report it. Don’t let oil rags or waste paper or empty boxes remain in the store. Be sure the pressing-iron current is turned off before it is left. Watch the Cash Carrier System and report any conditions that do not seem right. Take care to turn the cash cup all the way in the slot of the carrier so that it will not fall out and strike a customer. Do not leave faucets open so that water will overflow and damage merchandise, and in numerous other ways be alert to conditions that may cause a loss.

Watch with eternal vigilance all these things and you will thereby increase the profitable sales by preventing waste of sales. Make every sale count to full measure by preventing losses.

Remember your A. B. C. With us A. B. C. means ALWAYS BE CAREFUL. If you follow this motto, there will be fewer WASTED DOLLARS and fewer WASTED SALES and more profit for all. Let us keep this in mind.

JUNE, 1927
EVERYBODY wears artificial silk today. Fourteen years ago it was quite commonly regarded with a certain abhorrence and confused with adulterations and frauds of all kinds. Now no woman disdains artificial-silk stockings, underwear, knitted and crocheted jumpers, ribbons, braids, and hatbands. The same fabric supplies the decorative effects in numberless cushion-covers and hangings, and the stripes, hairlines, figured patterns, and bright flecks in many heavy costume-materials such as gaberdines, duchetons, and Bedford cords.

Something very real accounts for this phenomenal rise to popularity. The new textile fills an important place of its own in modern life, and should no longer be regarded as a substitute for silk. Its qualities, good and bad, are peculiar to itself, and need to be understood before it can be used to the best advantage.

The ignominious word “artificial” should be dropped, but unfortunately there is no name in general use to cover all the four recently invented materials which resemble silk in appearance. The term “viscose” will serve most purposes, however, as it applies to seven-eighths of the total bulk produced.

The vast forests of Northern Europe and America provide the raw material—wood. It never fails, as the cotton or wool crop may do in a bad season. Hence the price of viscose is not only low, but relatively stable. The logs are crushed, freed by chemicals of resin and lignum, and so reduced to cellulose pulp, which is bleached and then mercerized by caustic soda. After being ground to crumbs, it is packed in boxes and left to mature, being supplied meanwhile with a little oxygen. The right “spinning-age” is at last attained, and the pulp is churned with carbon bisulphide, with which it combines as a gelatinous, orange-tinted substance called xanthine. This is dissolved to form a liquid, which is actually viscose.

None of the older dress-materials has ever been manufactured from a fluid; therein lies the essential difference between a fibre product and the new material. A fibre of wool consists of successive segments, added one to another by natural growth. The spin thread is a mass of small, curled, intertwisting fibres, loosely yet firmly combined. They cover a good deal of space, and enclose plenty of air between them. Hence wool is light, warm, yielding, and resilient. Cotton and even silk are somewhat similar, in that they consist of short fibres and have a little of the quality that is best described as fluffiness. Viscose can hardly be expected to share this quality in the slightest degree, since its filaments are absolutely continuous, like the liquid from which they are formed. The jets of liquid pass through a platinum nozzle into a bath of sulphuric acid and sodium sulphate, where they immediately solidify. Their texture is smooth and glossy. They are stiffer and heavier than silk, and less than half as strong when pulled. On being twisted together they lie close to each other and make a thin, hard thread, with little covering-power and air space. Accordingly they are inferior in warmth even to cotton. This is one of their fundamental limitations.

AGAIN, its stiffness prevents it from draping and hanging well, and there are therefore comparatively few cases in which it can be used alone as a woven fabric for dresses or drapery.

This is a disaster for manufacturers; all-viscose damask and other richly ornamental woven fabrics have been designed which are truly magnificent in their sheen and coloring, but they can be used only where they are not likely to be creased or crushed, and where graceful folding is not required of them. Occasionally very fine filaments, used in a loose weave, have given a fairly soft and pliant material, but as they gain in softness they tend to lose in strength.

Lack of strength, in a certain sense, is one of two incurable defects of viscose, but that does not mean that it gives poor wear except under special circumstances involving strain or friction beyond its capacity. The filament is brittle, not tough like a cotton fibre, and when stretched or crushed hard it is liable to snap. People who rub a viscose garment just as they would a natural-fibre article, or put it through the mangle, and then complain that it breaks into holes, do not realize that it is more in the nature of fine spun glass than of true hairy thread.

When damp its weakness is greatly accentuated, and frequently it tears like paper. This peculiarity gives considerable trouble to the manufacturer, especially as the fabric absorbs moisture very readily. During the many and complicated stages in its preparation the rooms in which it is worked must be kept at an even temperature, to prevent excessive moisture in the atmosphere.

The machinery formerly used for other textiles has seldom proved suitable for the special needs of viscose, and in most cases has had to be extensively altered. Nearly all these various adaptations aim at the avoidance of two bugbears—strain and friction. For instance new methods of weaving have been introduced, which give a circular warp and so prevent all stretching and misshaping at the warp ends.

Even the shuttle boxes employed in weaving must be lined with fur or swansdown, as the least roughness may injure the fragile thread. Exact and extremely delicate control of the tension is also necessary.

The second great defect in viscose, which troubles consumer and maker alike, is its want of elasticity. Threads in a viscose stocking often form ugly creases about the ankle, because they have been constantly pressed and stretched at the curve of the foot, and have not been able to spring back into place. More serious still is the proclivity of larger and heavier garments to drop hopelessly out of shape, for similar reasons. The great weight of the threads, and the ease with which they slip one upon the other, are factors which tend to encourage this bad habit.

Lack of warmth, more than anything else, places all wood-pulp clothing in the category of the ornamental rather than the useful. People who regard it in this light, and recognize its limitations, have no reason for complaining of it. Those who trust to its protective power as underwear in an English winter are liable to harsh disillusionment. So extraordinarily great is the demand for ornament, however, that numbers of women who until a few years ago wore woolen hosiery all the winter have taken to viscose once and for all, summer or winter. This requires an iron constitution in our climate. At the opposite extreme of taste are the people who take a lasting dislike to viscose on account of its coldness to the touch.

BUT to counterbalance all these faults it has several distinct advantages. The first is the beauty of its lustrous, even surface, which can give a brighter sheen than silk. The softer and slightly duller gloss of the animal fibre is still preferred by many users who can afford to be fastidious, but viscose has enabled thousands of women to be elegant at a low cost. A satisfactory pair of viscose stockings can be bought for five shillings or less, whereas an equivalent silken pair would cost ten or twelve shillings.

Viscose is to be obtained in an almost infinite variety of colors. With care it washes excellently, and unlike silk does not turn yellow in the process. Its slippery surface repels dust and dirt for a long time, and for this reason it serves admirably as a decorative finish to furnishings.

Altogether, viscose probably shows in its most favorable light when used for purely decorative purposes in combination with other fabrics which supply the friction-resisting strength and draping-

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quality it lacks. Under these conditions it wears remarkably well.

Viscose and cotton used together make up many cheap and wonderfully effective weaves. The contrast between the two fibres should be accentuated by arrangement. As wet to a cotton warp, viscose should be kept slack, partly to set off its brightness and partly to save it from breaking. When plain it is most pleasing in light shades, and when it provides a pattern it should rest on a darker background, and always appear on the surface of the cloth. It has been proved that in many such mixtures the viscose portion outwears the cotton.

SOME of the most exquisite dress-stuffs on the market consist of silk backgrounds and viscose patterns. The shiny smoothness of the vegetable fibre shows up particularly well against the dull gloss of silk threads that have been twisted to give a crépy appearance, as in georgette or crépe de Chine. Here the viscose may be used as a plush pile, from which a corrosive paste has removed all except the portions desired for the pattern. It is not popular as a pile in furniture coverings, however, as it does not recover when crushed.

In the course of time the union of viscose and worsted may prove to be the most profitable blend of all. It may even lend a gayer note to masculine attire. This partnership is like the marriage of a hard-working plain practical man with a stylish and showy young woman. There are great technical difficulties, however, in adapting two such dissimilar fibres to one machine.

After much patient research and experiment, viscose has come into its own as a knitting-fibre. For a long time it defied the knitting machine by kinking and cracking. The perpetual loop-formation showed up its besetting sin—inelasticity. Improvements in the winding machinery have enabled the makers to grapple with this difficulty, and now about half the quantity of viscose manufactured is used up as machine-knitted stockings and hand-knitting yarn for jumpers and dresses. It was really predestined for these purposes, as in the loose and open knit weave a large number of very fine filaments can be allowed to each thread. Thus they have room to spread freely, to gain in covering-power, and to improve the draping-quality of the material. The mere fact that they are so continually curved, and can naturally be pulled straight, lends them a certain apparent elasticity. It also ensures that they receive less strain than the threads in a close-woven texture, and so adds to their length of service.

The problems connected with the dyeing of viscose are extremely interesting to the research worker. It has a strong affinity for dyestuffs, and must be handled quickly if the shades are to appear level. As it will not stand much handling of any kind, manipulation is decidedly difficult, and must be carried out as far as possible by machine.

Five classes of dyestuffs give good results with viscose. The one most commonly in use is the direct cotton class, which includes dyes fast to light but not to washing. The only guaranteed fadeless class is that of the vat dyestuffs, which require at present a longer treatment than the yarn will easily endure. Increased technical knowledge will probably allow better use to be made of them.

When compound shades are required, the two dyes selected should have a similar dyeing-number—the number being the index of the capacity to dye viscose evenly. Two shades with high numbers make the best combination, but two with low numbers are better than two with numbers wide apart. For example, chlorazol black D. V. 9 bears a very low figure, and will not blend well with Diazol brilliant orange G. R., whose number is 17. If they were used together there would be no certainty that any two skeins would come out of the dyeing-cistern tinted alike. Most hand-knitters have had the exasperating experience of trying in vain to match a hand of viscose at the shop where it was bought a short time before. Methodical regard on the part of manufacturers for the significance of dyeing-numbers would save much trouble.

Different kinds of artificial silk react differently to the same dyestuffs. This is disconcerting to a maker who mixes them unintentionally, but it can be a source of many artistic triumphs. Cloths which look perfectly plain before dyeing may emerge from the cistern striped, checked, or figured in two boldly contrasting colors.

SCIENCE will improve upon almost every process and every piece of machinery used in the production of artificial silk. The application of physics, which is the science of exact measurement, may accomplish wonders. Close attention to details of efficiency may even slightly lower the price of the goods produced, though no great diminution can be expected, as the mechanism is elaborate and considerable skill is required of the operatives.

But neither science nor any other power is at all likely now to supersede the work of the silkworm. Viscose will not replace silk, any more than it will replace cotton or wool, as some false prophets declare. It has come upon the market to stay, but its province is distinct.
NOT infrequently we are asked, “What points are considered by the Examiners who grade the Business Training Course papers?”

All Business Training Course papers are examined from the following viewpoints:

1. The Accuracy of the Associate’s Thinking.
2. His Attitude toward his Work.
3. His Tools—one of which is Self-Expression.

In the first four or five papers of the Course attention is called to minor errors in Business English by means of pencilled notations made in the margins of the student’s lesson paper. Far greater importance, however, is attached to the relationship existing between the high points of each chapter and the Associate’s work in the store. For example, answers eight, nine and ten of Chapter I are of especial value to the Associate attempting to serve a new or unconvincing customer.

A just criticism commends as well as criticizes. This is accomplished both by the marginal notes made on the lessons and by the typed statement. As may be necessary, the writer is advised to write more convincingly, with greater originality or enthusiasm, in greater detail—and almost without exception it is necessary to urge the Associate to write more freely about actual store experiences as a means of illustrating the principle under discussion; all of these points are emphasized early in the Course. The examiner soon learns to discriminate between the paper which is written hastily yet earnestly, and the one which is written hastily and carelessly, with little interest indicated in the store work itself.

Each Student Associate is encouraged to look ahead and to discover for himself how it is possible to apply these lessons to his job. However good a paper may be, the writer should never feel that he has “arrived”—that his work is perfect.

If the Associate persists in the same errors throughout the Course, his rating suffers accordingly and he is told WHY he cannot afford to be careless or erroneous in Self-Expression. The average Associate, however, shows surprising improvement during his study of the seventeen lessons. He improves in Self-Expression and in directness of thinking. He links up this study and his work in the store.

The examiner gives special attention to the following parts of the Business Training Course:

Lesson No. 1—Questions 8, 9, 10. Reason previously given.
Lesson No. 4—Personality, Health, Rules for forming new Habits. A very important chapter.
Lesson No. 6—Sales Talk to a lady customer. It is good for the Associate to see the kind of a sales talk he makes.
Lesson No. 8—Associated merchandise. Follow up the sales, etc.
Lesson No. 10—The Community Survey. Buying according to community needs. “Hunch buying” is out of date.
Lesson No. 11—Stockkeeping as a means of gaining new points for sales talks.
Lesson No. 12—Review, particular attention given the Community Survey Chart.
Lesson No. 14—Letter-writing, emphasis paid to the last question, the form letter, addressed to the trade. This question is passed on by our Advertising Department.
Lesson No. 15—Thrift, the Personal Budget on the basis of $135.00 receives careful analysis.
Lesson No. 16—Personal Organization—full of “brass tacks.” It is impossible for the Associate to theorize in this report. The examiner has the opportunity to point out the greater world ahead through the channel of Personal Organization.

A letter of encouragement is attached to each Lesson I when it is returned to the Associate. Attached to Lesson II is a list of words most commonly misspelled during the Business Training Course. The Associate is advised to keep this list before him during his study of the Course and use it as a check-up for his papers before sending them in.

It is impossible to rate all papers according to one standard. For instance, the Associate in his early twenties, looking toward a future store managership, must require much of himself. If he is careless in Business English, in the accuracy of his statements, and in those other details which go into the making of each day’s work, he should expect these errors to be pointed out very definitely in the Business Training Course papers. He should understand that we are endeavoring always to help him help himself, that we are pointing out to him only those defects which others will notice later on and which will not then be so easily forgiven if he does not master them.

No one need hesitate to write on the Course because he may feel that he does not have sufficient education. Regardless of previous educational training, one should not stop studying. He can maintain alert-mindedness through the years. Some of the best papers written on the Course are submitted in the cramped penmanship of men and women well past middle life. Hours of patient toil are plainly indicated in the make up of the few pages presented, and we know that a person writing in this fine spirit can never be the same as he was before. He is requiring much of himself in mental effort. He is growing in self-mastery. He is becoming more definitely a part of our great Nation-wide Organization.
HERE are two kinds of hard knocks—those that we need, and those that we do not need, hard knocks that we run into and hard knocks that run into us.

For instance, there is the hard knock the blind man ran into when walking down to the business district of a town. He bumped his toe the first time against the curb. He learned his lesson with one bump, and the next time he came down to the business district he raised his foot a little higher and missed the bump.

Now, is the blind man more intelligent than the man who has no afflictions? If we keep right on bumping on the same old bumps every day, we are not progressing at all. We are wearing out mentally and physically.

Now, take the hard knocks that run into us but are needful. Sometimes we find characters, in traveling the road of life, who fail to find themselves without getting such terrible knocks that it almost seems a calamity.

We find men as Executives who are physically a wreck but a great force spiritually, mentally and financially, when, if this seeming calamity had not happened, probably they would not have been worthwhile citizens. They learned the precious lessons of patience, sympathy, love, faith and courage.

We often hear people say that they never had a chance, so we must be different. If we are like the complainers, we shall be one of them. When we get down and talk to old man self and be honest with him, we know that we are enjoying all kinds of advantages that our employers never thought of having, but they carried on and on, and are still carrying on.

To give an illustration, people, or I should say the masses, are just like a barrel of apples. Some people are always shaking up and some are always shaking down. Now, let us bring that right home to ourselves. Which are we doing—shaking up or down? The point I wish to illustrate is that people are just like apples in a wagon going over a rough road. The larger apples without being told, will work to the top, and the smaller ones will start for the bottom. If we should turn the barrel bottom side up, it would be only a few moments until the small apples would be back at the bottom, and the larger ones on top as in the first place. So it is with people. You could take all the wealth and divide it up equally and it would be but a short time until some few people would have all of it again.

The majority of people let the minority do their thinking, working and managing. It is easy to push a wagon down hill, but it's another thing when you push it up hill. It is so easy to go along the road of little or no resistance but it is a different thing to walk and push your luggage and assist someone else with theirs.

You have often heard people say, "That man just killed himself working." Foolish people who try to give good advice to someone who is building a physique like Sampson, in muscle and in mind. I believe that if a man could over-work himself, Mr. Penney, Mr. Edison, Mr. John D. Rockefeller, and Henry Ford would have died at a very youthful age. Man was born to work and in work he should find his greatest refreshment.

Did you ever hear of a successful prize-fighter who took a long rest and ate all the good rich foods that go with a restful vacation, getting in and winning a fight, even though he had been regular in his eating and ate of the very best? No, you did not, and you never will.

The men that have money and the men that are making money through business genius are working day and night to keep their minds and bodies fit for the great combat. If they do not keep their minds and bodies in good working condition, they are certain to lose the silver cup that sometimes looks so easy to win.

The J. C. Penney Company offers the most priceless gift that any organization can offer. It is limitless opportunity. Any Associate can go as far as his abilities will carry him. No limitations are set except those within himself. When we are honest with ourselves, we can just picture the size apple we are. Don't you think the J. C. Penney Company is doing us a great big favor by taking us and giving us such an important standing in such a wonderful Organization? If we could just mirror ourselves as others see us, I am sure we should not think the J. C. Penney Company is flattered by our connection.

Now, co-workers, we can never get on top of the apple barrel unless we grow to be a larger apple. And it takes growing apples to carry on as Mr. Sams expressed it in the February Edition of THE DYNAMO. Let us not be faultless, but less faulty. Let us see how much we can do to make the Silver Anniversary year of the J. C. Penney Company a bigger one than any previous year.

I believe we shall gain a greater height during our Silver Anniversary year than has been anticipated by Mr. Penney, because we are better equipped with merchandise. I mean, we have more merchandise and our Buyers have been more efficient in their efforts to supply merchandise of a higher quality at a lower price. Our sales force has come to realize that this Company is not operated just for worldly gain but to offer greater service to our citizens, and to be known in every community as an Institution that stands for high ideals.
Groups of Associates representing the following Stores:
1. Martinez, Pittsburg, Richmond and San Leandro, California.
2. Goldsboro, North Carolina.
4. Florence, South Carolina.
6. Healdsburg, Napa, Petaluma and Santa Rosa, California.
STORE MEETINGS

ST. HELENS, OREGON

On Monday evening, April eleventh, the St. Helens store began its series of Store Meetings. If they all are as full of pep and enthusiasm, we certainly are going to turn out some good work.

The meeting was called to order by the Chairman, Miss Anna O'Malley, who gave a talk on Co-operation. Then our Manager, Mr. Glenn B. Thomas, gave us a most interesting and helpful talk on Mr. Penney and the early Founders of our great Institution.

Mrs. Molly Toy, Associate in the piece-goods department, gave us some clearly defined points on Selling. Mr. William Perry gave a talk on Shoes and demonstrated the difference between a Welt-McKay and a Stitched-down Shoe. A splendid talk on hose was given by Miss Ethel Kumpla. And our Ready-to-wear woman gave us some very interesting facts that were real help in selling.

Our Manager told us that our curtain stock was getting to the point where it just had to be moved. So the store was divided into two teams, the girls against the boys, and the losing side has to duplicate the refreshments we were about to partake. A delicious lunch was served and everyone enjoyed a delightful time. Mrs. Mason is Chairman of our next meeting and I am sure it will meet with the same success.

—ANNA O'MALLEY, Sec'y

MANDAN, NORTH DAKOTA

The Beat Yesterday Club met on April fourteenth, ten members being present, and Mrs. Stoltz presided.

The minutes of the last meeting were read and approved.

This being Founder's Day, Mr. Mohr read a telegram received from Mr. Penney, the same having been sent to all the J. C. Penney Stores. A motion was made and seconded that we send Mr. Penney a wire congratulating him on his twenty-five years of success.

We noticed with regret that the Mandan store had seven errors in the Inventory, but we are all determined heart and soul not to have any this year.

Peter Feth gave a talk on How the Cashier Can Help Make Sales Greater. This was very well delivered and he brought out some very good points.

Lee Mohr talked on What is Responsible for Our Twenty-five Years of Success. This was also very interesting and educational.

We were very much surprised to know we had such good speechmakers, and Mr. Mohr said, "We’ll use you again."

To fully celebrate the birthday of the Company, Mr. and Mrs. Mohr served refreshments.

—ANNETTE G. HERRINGTON, Sec'y

SALEM, NEW JERSEY

SALEM STORES MEET

A very interesting joint meeting of the Vineland and Salem stores was held at Salem on April fourteenth, to celebrate the twenty-fifth anniversary of our Company's founding.

The program was carried out as suggested by the outline furnished by the Educational Department, and under the direction of Mr. John, Manager of the Vineland store.

After the business program, refreshments were served by the Associates of the Salem Store.

RATON, NEW MEXICO

SILVER ANNIVERSARY STORE MEETING,

April 14, 1927

Chairman—Mr. C. O. Tempkin.

Topic 1—Reading of telegram from Mr. Penney, Mr. C. O. Tempkin.

Topic 2—Why I Like My Work with the J. C. Penney Company, Mrs. C. J. Couey.

Topic 3—What is Responsible for our Twenty-five Years of Success? Mr. Verne J. Perry.

Topic 4—General Discussion by all Associates.

GUNNISON, UTAH

THREE UTAH STORES MEET AT GUNNISON

A SPECIAL Anniversary Celebration meeting was held on the night of April fourteenth by the entire forces of the Richfield, Mt. Pleasant and Gunnison Stores.

After the dinner, which was served in a local cafe, was over, the Associates retired to the store where the necessary arrangements had been made for holding a joint meeting. Mr. Vandegrift of the Richfield Store acted as Chairman, and after a brief survey of the growth of our Organization and the reading of the telegram from Mr. Penney, other Associates were called upon. Talks were made by Mrs. Carter and Mr. Bowen of Mt. Pleasant, Mr. Chidester of Gunnison and Mr. Gease of Richfield. Manager Anderson of Mt. Pleasant gave a talk on his observations of the Salt Lake City Convention. Managers Boone and Jones were also called on and made short talks on what could be accomplished by joint meetings of the three stores.

It was decided that the three stores meet at Mt. Pleasant in a joint meeting on June eighth.

—HELEN MARTIN, Sec'y

JUNE, 1927
CUSTOMERS should be greeted in a cordial and friendly manner and addressed by name when possible. This manner of approach usually makes customers feel at home, and they appreciate that you are really glad to serve them.

Customers should be made to feel more than welcome, whether they are just looking around or are there to make a purchase. No woman likes to be followed about too closely by a salesperson, particularly if she has not definitely made up her mind as to what to buy, and wishes to look around before deciding. This applies particularly in the piece-goods department. A salesperson should approach and assure the customer she will be glad to serve her when she has found what she wishes.

Salespeople will find that customers usually return to them when on a shopping trip if their last visit to the store was pleasant and satisfactory—pleasant with the clerk and satisfactory from a shopping standpoint.

One should study customers' likes and dislikes. The clerk should not be unfriendly, slow, or indifferent about showing merchandise, as the customer is quick to notice this. A lack of courtesy and knowledge of the service qualities of an article will often cause the loss of a sale. There should never be a tendency on the part of the salesperson to sell merchandise which customers should not buy. Such forced sales naturally are a detriment to any concern whose chief aim is to please and to serve courteously every customer.

Giving information about delicate merchandise, such as gloves, hosiery and similar merchandise, is another way in which salespeople may save many dollars for the Organization. They should be able tactfully to give the customers the information of the proper handling of these delicate pieces of apparel. Know your merchandise and tell the truth about it. Customers expect you to be informed. Merchandise should never be misrepresented. Honesty with customers means confidence in the establishment.

Confidence in the clerk and the store results in increased sales.

It is not a matter of a few days that is important for a business house. It is a matter of years.

Always remember that the little gingham dress means just as much to the poor as a silk one does to the rich. Give each individual the same careful attention. Last but not least, the salesperson should make exchanges and refunds on returned merchandise in the same pleasant manner as when the merchandise was sold.

The best way to train one's self in the art of correct selling is briefly:

Do unto others as you would have others do unto you.

Incorrect selling briefly means:

Lack of courtesy.

Failure to give the proper attention to customers individually.

Failure to study likes and dislikes.

Disinterestedness, indifference, failure to extend a pleasant greeting.

Failure to display a complete assortment of merchandise.

Display of unpleasantness in receiving exchanges, or refunding money for goods that fail to meet with the customer's approval.

Failure to humor the irritable customer.

Failure to inspire customer's confidence.

The tendency to sell goods simply to make the sale, without endeavoring to completely satisfy the purchaser.

The tendency to give more attention to the purchaser of expensive materials, than the buyer of inexpensive materials, such as gingham.

Two Old Customers

Mr. L. O. Boone of our Richfield, Utah, Store reports that on March twenty-eighth he had the pleasure of serving a customer who purchased a bill of goods from Mr. Penney on the opening day at Kemmerer. She said that she bought a petticoat and a man's tie. And she volunteered the information that she had always found the prices right and the quality excellent in the several J. C. Penney Company Stores where she had traded. She never trades elsewhere if there is a J. C. Penney Company Store in town.

At Pullman, Washington, Mr. J. E. Allison has among his customers a man who used to be one of Mr. Penney's customers at Kemmerer. He was a freckled face, red haired boy then. His father bought all the family needs from Mr. Penney. So well did Mr. Penney sell his services then that the boy, now grown to manhood, has been a regular customer ever since.

Aren't these two stories typical of what has made our Company what it is today? The J. C. Penney ideal of service, of fair and square dealing, has been responsible for the confidence the public has in us. More than ever before should every J. C. Penney Company Store become a center of helpful influence and kindly service.
EXCERPTS FROM THE BUSINESS TRAINING COURSE

OUR UNEQUALLED PRICES

I RECALL an instance of a gentleman coming into our store this Fall. After he had selected several items, he asked me how I liked his new Lumberjack, and I said “That is fine.” He then asked “What have you to offer like this?” We happened to have the same pattern but the garment was a trifle heavier than the one he had on. He saw this and then asked, “What do you sell it for?” I told him $8.98. He threw up his arms and cursed, stating he had paid $6.98 and that it had come from a mail order house. Before he left the store, he was sold on the J. C. Penney Company policies. If we could only come into personal contact with a few more of such mail order patrons, the Mail Order Houses would lose some of their customers.

—W. F. V., Little Falls, N. Y.

HANDLING HESITATING CUSTOMERS

If a customer says “I’ll look around some more before I decide,” and we have a good assortment of the article in which he is interested, I tell him that the best buyers in the business have selected our stock from the best merchandise made, both as to style and as to quality. I also tell him that our prices, owing to our immense buying power, are unquestionably the lowest quoted on goods of that quality, putting the emphasis on either quality or utility, depending on the item in question.

Then if this fails, I suggest that now is the time to buy, as our stock is more complete than it will be later. If it is a question of money, I offer to lay it away with a deposit to insure getting it when it is wanted. One of these arguments or suggestions is almost certain to result in an immediate purchase.

—L. E. H., Clinton, Iowa

AN UNUSUAL SALES EXPERIENCE

I REMEMBER very vividly an experience which opened my vision to the vast possibilities of suggestion selling. This incident occurred late in the fall. A shabbily dressed man was looking at the articles on our notion counter. I approached him and greeted him. He asked for two balls of crochet cotton and immediately gave me the exact change. The day was rather cold. Almost everyone had got out their winter things and this was certainly a day when an overcoat of some kind was necessary. The poor chap, and he did look very poor, had no coat and the sweater he wore was threadbare. He unquestionably was in need of winter clothes. These things I observed in the twinking of an eye. As I made out the sales slip, I remarked about the cold weather and the evident need for heavy clothes. He agreed without apparent encouragement. I followed up my opening by telling him of our new overcoats and as I gave him his package, I asked permission to show him these coats. He intimated that he would like to see them. We went to our coat rack and I quickly pulled out representative coats in our different prices. As I discussed the coats, I felt that he was only politely interested. Usually, in such a case, if a salesman suggests trying on coats, the customer will commit himself on one way or the other. So I asked him to try on a coat. “No, no,” was his immediate response, he wasn’t really interested in overcoats but ah, he, ah, would like to see our sheep-lined coats. Fine. I brought him to our rack of work coats and pulled out a sheep coat and had it on him in less time than it takes to tell. It was our medium-priced coat, seemed to be just the thing he wanted and the sale was made. His eye caught our rack of boys’ coats and he asked me if we had sheep-lined coats for boys. Certainly, I showed them and with the usual hesitancy about size, he bought one. Because of lack of space, our rack of work coats, and also the rack of boys’ coats, is in the shoe department. At that time we were trying to dispose of a dandy bunch of shoes at $1.98 a pair. These were prominently displayed. It occurred to me that he would undoubtedly be interested. And he was, for he bought a pair. I can still minutely relive that very pleasant three-quarters of an hour, perhaps because of the seeming incongruousness of the whole thing. A man apparently with only enough money to buy the two spools of cotton he asked for, finally walked out of the store with a purchase of almost $20 worth of merchandise.

—C. J. G., St. Paul, Minn.

ON OPENNESS

A WISE man has written, “Open eyes will discover opportunities everywhere. Open ears will never fail to detect the cries of those who are perishing for assistance. Open hearts will never want for worthy objects upon which to bestow their gifts. Open hands will never lack for noble work to do.”

—J. O. S., Ardmore, Okla.

WHERE SERVICE TURNED THE SCALES

ONE day I was waiting on a shoe customer. I had shown her every style we had in her size. One particular style fitted her very well and looked very nice on her foot. I thought she had just about decided to take the pair when she said, “Well, I believe I will let it go and come down again Monday.” Just as I was going to put her old shoes, I noticed that the buttons were only sewed on with thread and that they were quite loose, so I asked her if it would be all right if I sewed the buttons on with the machine, and I did. All this time she had on the new pair of shoes and when I came back she decided to take them.

—J. W. S., Bemidji, Minn.

SPIRITUAL THRIFT

TO possess wisdom one must actually earn and save wisdom. Thrift of anything enriches us in that particular thing. Large use of sympathy, encouragement, deeds of charity and kindness enrich life and make for eternal happiness. Balzac, in his Eugene Grandet, gives a picture of the utter uselessness of money to satisfy spiritual craving. When the wife lay dying, all the comfort her husband could offer her was the sight of the golden coins he had hoarded, which he brought before her and dropped on the bed. Spiritual thrift brings spiritual comfort in the end.

—E. R. C., Grand Forks, N. D.

PATIENCE IN SELLING

ONE day a lady came into our store to look for some material for a dress for her daughter. The daughter was in school and so I showed the woman most of the material suitable for a school dress. I had told her of the quality of the goods and had about sold one of the materials to her when she decided to look for a pattern. When we were looking for the pattern, her daughter came in. She asked to see the material her mother had selected. Immediately, she began to fuss and she said she wouldn’t wear a dress made from such a cheap piece of material. I had already spent about a half hour selling the goods to her mother, but I knew that unless I sold it to the daughter, my sale and time would have been lost. I began to sell the goods to the daughter and after several minutes she became interested in the piece and finally bought her dress pattern from it. If I had not had patience with these customers, I should have lost the sale.

—T. H., McAllen, Texas

SEEING BEFORE BELIEVING

A LITTLE boy came into the store one day and asked for a pair of overalls for himself, but just as big as Dad’s. I showed him a pair his own size but he did not want them. He wanted a big pair. I then had him put on the small pair and held the other one beside him before a mirror. Then I asked him which pair he would rather have and he was satisfied to take the smaller pair. This shows that children also have to see things before they believe.

—M. N., Red Oak, Iowa

JUNE, 1927
The Penco Chess Club

THE Penco Chess Club of the New York Office was defeated by the Guaranty Trust Company on April twenty-second by a score of 3 to 2.

It was Penco’s first defeat, but the close score was very encouraging, considering the strength of the opposition. They have been members of the Commercial Chess League of New York for years, while the Penco men are practically new at tournament play.

**Summary**

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The Club takes pleasure in announcing the signing up of two new members, as follows:

Mr. Edwin H. Stroh, Advertising Department
Mr. Lief Pedersen, Shipping Department

The Club is anxious to get together as strong a team as possible by Fall, as we anticipate entering the League. Associates interested and desirous of joining, kindly communicate with the Captain, Mr. Raymond T. Bubolz, Accounting Department.

Apply Correct Principles in Cashier’s Office

By Peter M. Feth
Cashier at Mandan, North Dakota

THE Officials of our Company have asked us to make 1927 the biggest year in its history. How can we do our part?

There are many ways that we can help to accomplish this. One way is by applying correct principles in the Cashier’s Office. The main duty of the Cashier in connection with his fellow Associates is making change, although he has many other duties to perform during the time he is doing this one task. He therefore needs the co-operation of his fellow Associates.

On a “Busy Day” many little inaccuracies slip by unnoticed by a salesperson. In the mad endeavor to wait on the next customer figures will not be plainly made and explanations will not be given on the sales slip. Hence, it is necessary for the cashier to ask questions and this is very annoying to the customers in the store.

The salesperson is doing an injustice to the cashier, customer, fellow Associates and to the Company in general, for during the time one question is being asked two or three sales could have been completed and less people would leave without being waited upon. Every sale counts and by taking a little care we can increase our total sales to the highest possible figure.

All supplies needed by those on the floor should be taken care of by the use of a small piece of scratch paper upon which the article wanted should be written. It is very crude to hear someone yell at the top of his voice, “Send me a refund slip.” This takes the Cashier’s mind off the slip he is taking care of. Cases of this kind bring business to a stand-still and sales are lost through the carelessness of one Associate. Service is one of the great factors in business and we should do everything possible to render it to our customers.

The Cashier shoulders a great responsibility as every penny has to be accounted for. A few years ago I never stopped to think what a position of this kind meant. I regarded it as an easy position, but I have changed my mind. This is not an appeal for help, because no man who dodges responsibility amounts to very much. It is a request for more co-operation with the Cashier. This will lighten the Cashier’s burden and our records will show the fruits of co-operation.

Ambridge Store Sends Greetings

*WE* wish through *The Dynamo* to express to the Executives of the J. C. Penney Company our appreciation of the meaning of the Silver Anniversary. We realize that the hard work and struggles of the past twenty-five years are bringing happiness and success. We are grateful for the privilege of taking part in this great year’s work, and have resolved to make it our best year. We are proud of our merchandise in all departments and feel confident of a large increase in business this year.

(Signed) Associates of the Ambridge,
Pennsylvania, Store.

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**We regret to announce the death of Mrs. H. J. Burns, wife of H. J. Burns, First Man in our Longmont, Colorado, Store on April 20, 1927.**
GRADUATES of the BUSINESS TRAINING COURSE

LOOKING AHEAD is the first step in getting ahead! The J. C. Penney Company is tremendously interested in seeing every Associate get ahead. To this end the Business Training Course has been provided that the new Associate might secure accurate training in the essentials of the business.

Having taken the Course as a supplement to the training each Manager is expected to give his Associates, there comes the responsibility to each graduate for applying the knowledge gained—for only as he acts will potential be transmuted into DYNAMIC Energy.

We present the following graduates for June:

MANAGERS
Charles Ehler, Suffolk, Virginia
Chester Polkinghorn, Calumet, Michigan
Alfred H. Soll, Red Wing, Minnesota

ASSOCIATES
H. G. Boelter, Watertown, South Dakota
Marion L. Bair, Provo, Utah
Jane E. Balch, Dickinson, North Dakota
Clyde Biddle, Whittier, California
R. C. Bowen, Amsterdam, New York
Leo Bertram Chambers, Waxahachie, Texas
W. E. Coffey, Charles City, Iowa
Sidney Elliott, Lakeview, Oregon
J. D. Fear, Lafayette, Indiana
C. D. Florine, Red Wing, Minnesota
Roland H. Gilkerson, Watertown, Wisconsin
W. H. Howell, Xenia, Ohio
John Lawrence Kennedy, Bellefontaine, Ohio
L. O. McMichael, Magna, Utah
Erwin J. Mettelka, Wausau, Wisconsin
Walter Nennig, Fargo, North Dakota
Charles C. Prinsen, Jamestown, North Dakota
Guy F. Shaw, La Grande, Oregon
Walter Stone, Red Wing, Minnesota
J. O. Stribling, Ardmore, Oklahoma
Mrs. W. L. Whitcher, Grafton, North Dakota
Deo O. Wilson, Alpena, Michigan
J. H. Winger, South Tacoma, Washington
William F. Winger, Bloomsburg, Pennsylvania
F. F. Zimmerman, Dickinson, North Dakota
A Nation-wide Institution

KEY
- Mother Store
- 773 Stores
- St. Louis Office
- New York Office

J. C. PENNEY COMPANY
Map of the United States showing its 773 store locations