

8:54 a.m. April 8, 1943

Dearest Love:

I'll begin with the good news--a meager but very welcome bit.

HANDLEY JUDGMENT

Mr. Looney had the following wire from R. B. Anderson yesterday afternoon: "Settlement agreement approved by all parties." We need that, don't we, dear?

SALESMEN SITUATION

As Jesse has probably written you, Burt gave notice (two weeks) yesterday. That surprised me because I would have sworn McDonald would have been the one to do it first. McDonald, according to Mr. Escoe, said that he would give notice but he had to talk it over with his wife. Which definitely limits his time with us, because even if he does not quit. I do not want anyone working for us who has that attitude. The reason is--they don't want to make out the reports of people called on and business done yesterday that you suggested. The reports kept on coming in without the hours on them, after Mr. Escoe had told them what form to do them in, their attitude was antagonistic and Tuesday Mr. McDonald's report mentioned several items like "Played the marble machine for 30 minutes" and "ate at Milam Cafeteria--had turkey and dressing". Mr. Escoe said perhaps he hadn't explained fully and intelligently enough to them what we wanted and he would try once more--so he talked to them Tuesday afternoon--they said they understood it perfectly--and Wednesday morning Burt informed Escoe he was leaving. He gave as reason that he didn't believe in making out these reports, it wasn't customary in the industry, it consumed time when one could be selling, he just did not want to continue doing it. I shall have a little talk with him this morning--not to get him to stay, because I want him to go, since he feels as he does, but just to let him know how I feel about it--that I am not a suspicious, snooping person trying to find out if the sales man takes five minutes off to get a coke and prying unduly into their affairs. but that having bought a new business about which I knew nothing I am very interested in learning: I want to know what salesmanship consists of, what it is that I paid out about \$425 last month. the trend with which business is rising or falling as the days go along--I want to know "What's what and why." I do not envisage this as a permanent check and I well realize, from making out x-teen forms myself to get a little fuel oil for my house that filling out reports is both time consuming and worrisome. Nevertheless, I have no apology to make for asking them to use some thirty minutes of their time a day for a couple of weeks to

enable me to learn what a salesman does and what their value is to the business. In fact, it looks like a heck of a good way for them to prove the value of their work to this business.

Escoe says he has a good possibility in a salesman in Waco who will work for no salary and 15 % commission on all his sales that are collected. That does not sound bad to me--I hear 15% for sales is the usual amount in the industry. He has another in mind whom he can get for \$65 a week minimum. If both quit, our projected rise to \$4000 sales for this month will be seriously impaired, but I'd rather take that trouble now even if it means losing money than try to build on a foundation of rotten timber. Now the following are the thoughts that have been running through my mind on salesmanship and manager:

SHERMAN

I had dinner with Sherman and Dell Tuesday night. They have such an attractive little white bungalow out in Enfield, pretty flowers, and furnished in rather good taste. Sherman said he would love to work for you. that he didn't consider he had a better friend in the world. and that he didn't know a fairer person anywhere. He said (in about 1000 words) that he would not like, from his own point of view, to take a job that was paying less than approximately what he was making now--"\$325 or \$330--I wouldn't be particular about a few dollars more or less. of course"--plus something to compensate for the loss of security afforded by the retirement possibilities of a federal job. He now gets \$333.67 per month and if he works for the federal government as long as 15 years, when he becomes 60 he can retire with a pension of not less than \$100 a month. He has worked 8 years already. Then he said if it meant helping you out of a hole, all those things wouldn't matter and he would go into it gladly. I assured him that we did not want him to go into it on that basis and would not think of it.

He said that the thought of going into private business and the chance to build up a business was very challenging to him, that he considered a man in private industry had a sort of prestige in the community that no federal employee, no matter how well he did his job, enjoyed, and that that appealed to him. He believed he could do the job because salesmanship was second nature to him and he had grown up around and knew well the bankers, business men, and a good segment of the backbone of the community here in Austin that he would have to do business with in the station. Besides he believed he knew enough or could soon learn about the financial end--he had set up the books for the nitrate company in South America and kept them and they did a huge business each month--he didn't know corporate book-keeping here in the U. S. but could learn it.

He said he was 998 in a draft board of 3000, that he had talked to them about a month ago and they said they would start taking fathers about May 1. and he figured they would get to him about September 1. This naturally affected his thinking and left him in a quandary--he would probably have to leave about the time he'd had a chance to really

learn something about the business and start doing some good... That if this opportunity he would probably have jumped at if it had come when he was getting out instead on the verge of getting in to the army.

Then he talked a lot about getting his percentage of the profit before taxes on the grounds that the corporation would be paying only part of this bonus and the federal government would be paying a considerable part--he put it at about 50%--the same argument exactly that I put to their heirs as why they should recognize Aunt Effie's claim for \$35,000 because the government would be paying \$13,000 of it in reduced inheritance tax. I told him that I didn't believe I would want to make an agreement based on something I couldn't possibly control--like taxes--that I believed it would have to be the net profit.

In short, it boils down to: Sherman is interested and could, I believe, do a good job and supply the station with some respectability and prestige it badly needs. He can be had but not at \$300 plus 10% (or whatever John offered him) of what will probably be a very small and uncertain profit for the beginning period--the six months or so he would be with us before he goes to the army.

Naturally, this was not as enthusiastic an attitude as I would like--perhaps you and I are spoiled by having had so many fine and devoted young people around us who, when broached about taking a job for or with you, just jumped up and said, "Let's get started!" and never asked until well along into the job what the salary happened to be. Sherman is not as flexible as I would have him--but he is interested. I can in many ways see his point of view, I believe he would have considerable value to contribute to the station, I am seriously considering recommending this: that we offer him a salary of \$325 per month plus "x" percent of the net profit and assure him that the total will be not less than \$350 a month. If the percent of profit does not bring it up to \$350, we will pay enough to bring it up to \$350. He will have title of Business Manager or some such--he will handle the books and finances and do a considerable part of the "highest class" selling. I would suggest that he go out to Bernard Hank's station and spend a week learning the industry, especially the financial and selling end, go around with the salesmen, learn what type of idea to present to which business. You know you sell each man an idea and not just time on the air.

I don't know, but I believe Sherman could handle the books and we could let the new little girl, Miss Galloway, go, thereby saving \$100, and Sherman could also fill the place of at least one of the two salesmen we are losing, thereby saving between \$175 and \$275. Miss Sneed could handle the telephone and stenography, as she has been doing, and also help on the books. (She is the one who is now keeping the books--the new girl was hired to take over some of her stenographic and telephone duties.)

Since one or perhaps two of the salesmen are going, we could therefore take on Sherman at not \$325 over and above our present payroll but perhaps only some \$50 or so above our present payroll.

I think we will have to keep Escoe as general manager, because he knows something about radio. Whether there will be friction or a well worked out division of duties between him and Escoe is a hard problem--one I'd want your help on.

IT SEEMS TO ME WE OUGHT TO MAKE A DECISION ON SHERMAN BEFORE WE HIRE ANOTHER SALESMAN. Burt leaves us in two weeks. Let's hire Sherman or not hire him by then. That is, April 21. Can you be home by then, maybe?

In hiring Sherman we would acquire some solidity and standing in the community that the station badly needs plus some political judgment in handling affairs here plus complete trustworthiness and honesty.

If you don't want him or Sherman doesn't want the job, I have this idea:

HARVEY PAYNE

Since we are going to be faced with hiring at least one and maybe two salesmen in the next two weeks, why don't we get us one friend into this dog-gone outfit? Send Harvey out for an intensive week's training with Mr. Hank's station and then bring him back as a salesman. He makes a basic \$214 plus about \$45 overtime, some \$261 per month. Burt only made \$152 plus commission, which ran as low as \$12 per month. Harvey has a fine selling personality, I believe. He is completely pliable and entirely devoted to you--and likes me too alright. Jesse says he knows everybody in town and is extremely popular. Naturally I have not mentioned it to Harvey; Jesse says we are welcome to him or anyone he has.

On the minus side, Harvey does not know anything about radio. But I believe in the salesman end you can get along with less knowledge of radio than anywhere else, he can learn it and quick, he has enthusiasm and devotion to you, he has the old "do or die" spirit that you have always engendered in your office and in the NYA--and I've about decided I'll take one person with some of that and let go the background in actually selling radio advertising!!

Of course, he would not fill the same bill Sherman would. Sherman would be a sort of "head man" and Harvey would be purely a salesman. BUT IF WE DON'T HIRE SHERMAN? WHAT DO YOU THINK ABOUT HIRING HARVEY SINCE WE'VE GOT TO TAKE ON ONE OR TWO SALESMEN ANYWAY? I'm for it.

BROWN BUILDING

I called Herman to tell him how we felt and it's all off. He is in Houston and won't be here until April 20. I'd like to write him--think I will. As yet, no word from Dudley Miller. Margaret was most friendly and asked me over for dinnér Sunday night.

PAUL BOLTON

He is going on 2:00 to 2:15 Sunday. Will send you copy of scrip

Mr. Durham of Durham Business College gave Mr. Escoe the enclosed sheet and asked him to give it to me and ask me to write you and tell you how serious the plight of the business colleges was and he hoped you'd support this legislation--or whatever it is. Mr. Escoe said he suggested to him that he write you direct but he wanted him to hand me this.

BILL CLARK MATTER

Bill wants to buy \$125 worth of business a week but not mention the name of Safeway. I don't like this because I don't see what good the firm gets for its money...and I don't want him to do it on a "helping us out" basis if they don't get at least some value received.

Escoe says Bill says his company is planning on going into radio advertising on a large scale within the year and are now conducting a survey to ascertain the drawing power of different types of programs. He believes they are quietly sponsoring programs in spots scattered over the U. S. Escoe ~~thinks~~ Bill thinks this might as well be one of the spots. Safeway is going to turn the account over to an advertising agency when it gets ready to get started and Bill doesn't want to be in a position where the agency can say "You've gone in here and wasted "X" dollars on a program or station" that is ineffective." Therefore he wants it to be a public service feature with the name of Safeway not mentioned.

Escoe says we can get the A & M show that Bill wants but that A & M will be not very interested and rather antagonistic about making up a show that will be a lot of trouble. Apparently we do not have to do the synchronization like I thought--just pay for the line charges, which are \$8.70 for an hour each day. Since Bill indicated that he would take something else, Escoe has prepared four other suggestions and mailed them to him last night. Escoe was going to Dallas this morning to see him. Since I wanted to go to Dallas myself to see Mr. Rembert, Ken McClure, and Bill I told Escoe I would just go up there Friday night. I asked him to draw up contracts for each of the four suggestions he made--it will take only about ten minutes on each--I'll take them with me; if Bill has thought it over and decided to accept one of them, he can sign that contract and I shall ask him to take it with him to Washington Saturday night and talk it over with you before he presents it to his company. I want you to have the responsibility of making the decision whether we accept it.

It is all mixed up and involved to me and I admit I can't decide the right course. Though I can't come right out and ask Bill whether he is doing this just to help us out--this would be rather insulting--I can at least talk to him about his plans for this survey and try to make my own opinion of what he is doing. And leave the deciding up to you!!! (You poor precious lamb.)

Escoe's suggestions were: "Uncle Sam Speaks", one half hour

six days a week plus one hour Sunday of U. S. O. program. The first comes canned from the OWI. The last we do. (2) "You can't do business with Hitler"--canned from OWI; (3) Home Front Strategy --a program which, I gather, we would have to do here in the studios about Red Cross Drives, Blood Donar Drives, etc.; and (4) Latin-American Relationships, canned from OWI.

Well, darling, this has exhausted you I'm sure. But more this afternoon or tomorrow.

Always love,