

SUNDAY, SEPT. 4, 1949

The Week in Business—

Schools and Weather Boost Retail Trade

Convention Delegates Crowding Stores Aid Business Revival

By HAROLD H. HARTLEY, Times-Business Editor

RETAILING SPURTED from the August calm last week as if stung by a pony whip. Behind busier cash registers and fatter charge accounts were several factors, all leaving merchants breathing a little easier.

ONE: It was sweater weather. Furnaces were smoking again, and buyers invoiced their cool weather wardrobes.

TWO: The teachers were back, the signal for school opening, and mothers had their young fry in the stores by the hundreds trying on shoes, suits, and stocking up on hard-wearing clothing for the first classroom bell.

THREE: Conventions were jamming the hotel lobbies, sidewalks and stores. When delegates come to town, they do a "little shopping" too.

FOUR: Store stocks were al-

luring, replenished for the fall trade. Selections were good and prices were attractive. There was quality on the racks and in the show-cases. People were buying again with their old pre-war confidence. Clerks are back, fresh and eager, from vacations.

FIVE: Credit buying felt the impetus of a new line of advertising which broke out like a come-and-get-it epidemic among appliance stores and departments. Advertisements were blasting away with "No Down Payment" offers. Actually this did not differ much from 10 per cent down.

As one store put it, "Why not? When you borrow money from a bank, you don't have to make a down payment do you?"

More Jobs All in all the season's turn seemed favorable, and reports were trickling in that some of the factories were putting on help. Some railroaders were back at work (Beech Grove), but the Penn R.R. put in a small cutback. RCA was moving briskly into its fall trade and the parking lots of other factories were filling again.

The credit buying step-up felt by some of the appliance dealers set credit agencies in a merry spin, checking applicants for the "No Down Payment Deals."

The staff of 40 at the Merchants Credit Bureau had its biggest activity in six months telling stores whether John Doe (not Dough) had a reputation for paying his bills. If his record showed he had, he got the merchandise; if he was "slow" or a store.

Young Credit Those who manage the credit accounts in the stores give a good report of the generation which is getting its first taste of liberal credit.

During the war, the 30-day freeze kept most credit accounts in wraps. If you did not pay for what you bought in a month from date of purchase, your charge account was tagged "Frozen." It was to keep big war wages from running away with charge accounts.

This generation, now turned loose on liberal credit, little or nothing down, has a good record, credit managers say. It is even better than the 45-to-60 age group. They point out that their young restraint is a mark of character.

There are exceptions, of course, but for the most part the young

Full Houses Last spring home builders were worried. Some of them withdrew from the speculative field, which meant that no longer were they willing to put their own hard cash on the line to build a home in hope of selling it.

Some of them openly vowed at when they had a buyer. But that a bonanza in the economy home. In Indianapolis, these compact, modern little dwellings cannot be built fast enough.

One builder reports that his houses are all gone before he gets the paint on them. It is the common story heard everywhere in the \$600 to \$900 price range.

One reason is that the FHA has stepped into the picture in a big way. Loan applications are flowing in, and most of them are going through. Apartment dwellers are the best prospects, couples or small families who want backyards, garages close to the house and the privilege of down payment.

TV Color RCA is letting no one steal a march on television color. While the FCC has yet to approve its use, RCA has long been incubating a color technique in its eastern laboratories.

Last week RCA served notice on the trade that it is ready when and if the FCC gives the go-ahead signal (which insiders say may be soon).

The new system requires no changes in transmission standards of present black and white television. Yet its performance is reported equal to the present black and white service.

RCA calls it an all-electronic system, with high definition, operating within a six megacycle channel.

It operates without an adapter or converter. The receiver shifts from black-and-white to three production lines are turning out the all-color players to give the slow-playing platter business up to a two way (black-and-

Whistler Ford has a new gadget which should please car owners. It is a gas tank whistle which does its stuff when the tank is full. This means no overflows, spilling gas down the side of the fender, softening the finish and making the driver with a fresh car was once.

T. H. Keating, general manager of GM's Chevrolet Motor Division, reports that his plants turned out 163,546 passenger cars and trucks... Packard, up some in the price range, stepped up to 15,040 in August... And Oldsmobile just turned out its 200,000th car... And the new Buick Specials are flowing steadily down the assembly line.

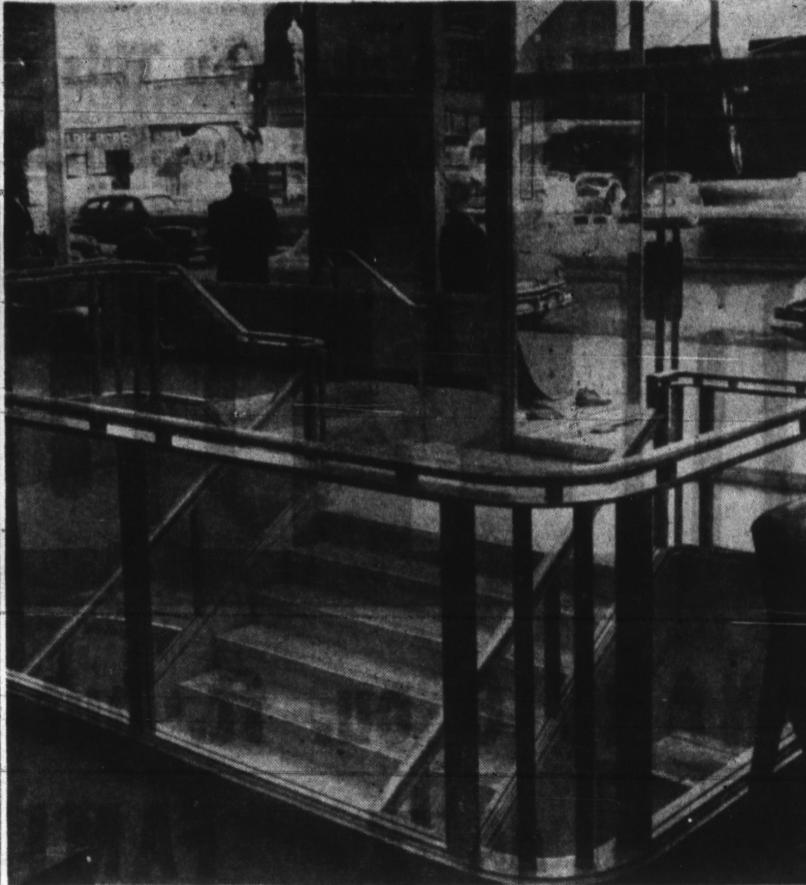
B. F. Goodrich Co. estimates that 10 million cars on the road over this week-end have mechanical defects... And General Tire is appealing to truck drivers to watch out for children in the streets when school opens.

The safety-minded Ford Motor Co. has just launched a \$100,000 safety contest lasting two months. It calls for taking your car (any make) to a Ford service for a safety check-up. You then get 50 per cent.

Follow-Through The real question is: Will business be as lively in October and November as it is today? Is the current improvement more than seasonal? Debts still appear on the business ledger. Department store sales in the first two weeks under a year ago. Part of this is due to unusually hot weather. But in the week ended Aug. 20, the decline was only 7 per cent. Housewives were willing to shop when the heat and the humidity let up.

Retail sales, as a whole, are doing as well as last year, but that is largely because declines in refrigerators, washing machines, clothing and miscellaneous items have been offset by the continued heavy demand for autos. Once consumers have purchased autos and paid for them — they'll have funds available for other items but might not spend them.

Block's Opens Market St. Men's Store Tuesday



Graceful stairway to lower level from Market St.

Fall Clothing To Be Displayed

New Sportswear To Be Stressed

The Wm. H. Block Co. will formerly open its new Market Street Store for Men Tuesday with full-view racks loaded with warm fall models, styled as keen as a razor's edge.

The store, thoughtfully conceived, is patterned to men's tastes with a high note on sportswear, and not overlooking the abundant needs of girls, boys and the very young, who will do their shopping in the attractively lighted department below the street level.

The building directly across the alley, west of the store, will have entrances on Market St. and from the Downstairs Store.

Since Block's purchased the building, it has been remodeled throughout with the advertising department on the third floor, women's alterations on the second, and the new Men's Store on the main floor to complete the program.

Visible First Floor

The full-view front with broad areas of plate glass will make the entire first floor visible from the street.

A graceful stairway of ornamental metal will sweep to the lower left from the Market St. entrance.

A new type of lighting on the street floor ceiling, an egg-crate louvre, will have a soothing combination of fluorescent and incandescent lighting.

Luxurious pine grain oak will dominate the interior trim.

On the opening day in addition to the official family of the store, John Hutchings, Nanny Fernandez, Mel Queen and Les Fleming, top flight Indianapolis Indians, will be in the store from 11:30 a.m. to 1 p.m.

Rattle Count

DETROIT, Sept. 3 (UPI) — An interesting study announced today by General Motors Corp. put car noises into seven classifications: Squeak, rattle, thump, grind, knock, scrape and hiss.

Three production lines are turning out the all-color players to give the slow-playing platter business up to a two way (black-and-

Indiana Employers Warned On Hiring School-Age Help

Indiana employers who plan to hire minors on a part-time basis after school opens were warned yesterday against violation of the federal laws governing the employment of minors in the production of goods for interstate shipment.

Thomas O'Malley, Chicago, regional director of the U. S. Department of Labor's wage and hour and public contracts division, pointed out that the minimum age for general employment is 16 years.

Youngsters 14 and 15 years old may be employed only outside school hours and then only subject to stringent regulations to protect their health, safety and educational opportunity.

Youngsters 14 and 15 years old, however, are limited to three hours' work on school days and eight hours on nonschool days and a maximum of 18 hours during the school weeks, and 40 hours in other weeks.

Generally, Mr. O'Malley said, the low-age pupils are employed between 7 a.m. and 7 p.m. They may not be employed at any time

How businessmen, themselves, think and act in 1950 is likely to be decisive. Repair and rehabilitation needs of industry have, by now, means, been completed. But corporate profits are down noticeably. Hence executives are apt to be conservative. They don't like to spend until they know where the money's coming from.

Railroads, for instance, won't make large capital commitments until they find out just how the 40-hour work week for non-operating employees will affect their payroll.

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Pre-Holiday Dullness Hits Stock List

Trade Dips to 2-Month Low; Net Changes in Main Group Small

By ELMER C. WALZER

Editor, Times-Business Edition

NEW YORK, Sept. 3 — Trading narrowed on the stock market during the pre-holiday week and sales volume fell off to a two-month low.

Net changes in the main list generally were small by several selected issues had substantial gains or losses, mostly gains.

The list finished the week on small gains in the averages.

Sales totaled 3,333,150 shares, smallest since the week ending July 2 when the total was 3,333,540. A week ago sales amounted to 3,661,940.

Traders moved cautiously but there appeared to be little bearishness. Somehow the financial district anticipated nothing would be done about sterilizing valuation at this time, and many believed there will be no steel strike. Both these items come up for definite decision in a week or so.

While the main body of stocks held to a new narrow range, there were many special movements, some induced by individual news items. For example, Pacific Telephone and General Utilities rose on higher dividends, while Follansbee fell on a dividend omission and Timken Detroit Axle was off on a reduction in its dividend.

Goodrich weakened early in the week on strike news and rallied later. Coca-Cola soared 14 points Monday and then slipped back from its high. Oils enjoyed a strong market in the Thursday session.

On Wednesday, low-priced utilities made up a large portion of the trading. The turnover included a block of 50,000 shares of Commonwealth & Southern, and 18,000 shares of United Corporation. Each made a new high.

Active railroads did little more than hold their own. Mahoning Coal Railroad appeared on the tape at 475 up 32 points. Brooklyn Union steadily made new highs in the utility section. Tobaccos were bid up to new highs for several issues on a report of record output in the fiscal year of the companies.

Automobile issues were easier on the week. Steels had small net gains. Utilities were consistently higher. A few rails gained a point or more. Aircrafts rose on improved order backlog.

Commodities and bonds were irregular. Commercial loans increased. Money in circulation also rose. Gold supplies declined.

Industrial production balanced off small declines and gains.

Losses were noted in production of automobiles, coal, electricity, gasoline, crude oil, and kerosene, while construction, fuel oil production, and steel output showed gains. Car loadings were up on the week, off on the year.

Wards, announcing that automobile production had fallen about 7000 units from the previous week ascribed this loss to cancellation of Saturday work because of the Labor Day holiday.

Several individual automobile companies reported record output of cars during August.

Retail trade gained over the previous week but was under a year ago. Wholesale trade also made a good showing.

Republic Steel Shutdown To Cripple Massillon

MASSILLON, O., Sept. 3 (UPI)

Almost one-fourth of this city's workers will be out of jobs when the Republic Steel Corp. shuts down its alloy steel division plant here tomorrow.

Republic announced the shutdown yesterday, giving lack of orders as the reason. In this city of 35,000 population, 1700 work at the Republic plant.

The shutdown will cut Republic's payroll here in half, with only the stainless division remaining in production.

And our heavy goods industries, which have been exporting to South America and western Europe, have become import-minded. We have to accept our status as a creditor nation. We have to lower tariffs; we have to be willing to buy from abroad. By the same token, Europeans must learn to sell in this market. They have to make the kind of goods we want to buy. Maybe what they need is to try American market research techniques on the American market."

After 1952?

The long-run consequences of the present

conflict are quite clear: During the war,

the South is to prosper, either

of cotton or tobacco or the South

ern economy must go through a

drastic readjustment. Thus U. S.

agricultural reconversion is far

from completed.

And our heavy goods indus-

tries, which have been export-

ing to South America and western

Europe, have become import-

ed on — adjusted to — large-scale

foreign business. Any serious

derangement in the export mar-

ket would be certain to produce

domestic disemployment and

depression.

Thus, though the Washington

conference is directed to Britain's

immediate dollar deficit, it must

also find a long-term solution to

this country's historical imbalance

in trade: Too few imports.

Outlook on the World—

Time Changes Historic Roles of U.S., Britain

Conferees Can't Evade Fact of Reversal in Imports, Exports

By J. A. LIVINGSTON

TWO BRITISH, not-to-be-evaded historical facts confront the Anglo-American conferees in Washington this week:

ONE: We, of the United States sell more to the world than we buy;

TWO: The people of Great Britain buy more from the world than they sell.

And unfortunately they are

ever, British overseas investments are sharply reduced. Also their manufacturing leadership has been lost. Yet, Britain's dependence on other countries for food, cotton, tobacco, and other raw materials is just as great, if not greater, than ever. That explains

why France, Germany, and the United States which was trying to mature infant industries with

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