

WORKING WITH THE JOBBER

One of the most common fallacies is the belief among manufacturers that if they establish their own brands they will lose the support of the jobber.

This is the story of the way in which one manufacturer established his own advertised brand and still kept the private brands and the good will of big jobbers.

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The General Roofing Manufacturing Company of St. Louis, established eleven years ago, up to 1911 sold its goods to jobbers under private brands. There was a brand of "General" roofing for every jobber that bought.

But the heads of the company saw that a change was inevitable. Originally there were large profits in the roofing business. But as the industry developed, price competition became keener. The jobber was compelled to buy as cheaply as he could, and manufacturers were tempted to cut the quality in order to obtain the large orders.

The General Roofing Manufacturing Company concluded that it would be possible to get the business of the large jobbers and at the same time to maintain the quality, if there was something distinctive about the product—something to make the consumer and retailer call for it by name.

A plan was therefore adopted of putting two marks on the product—one, the jobber's private brand, as before; the other, the trademark of the manufacturer.

The word "Certain-teed" was coined and adopted as a trade mark. The company continued to put out its second and third grade products under private brands. But the Certain-teed label was put only on the highest quality, and with it the private brand of the jobber, so that there were many brands of Certain-teed roofing, but all of the same high quality.

Since 1911 the General Roofing Manufacturing Company has spent approximately \$750,000 in promoting and advertising the Certain-teed label.

The company states that it would not sell the label for far more than it has cost.

Today, large jobbers have been known to refuse carload shipments of the first quality goods labeled with the jobber's own brand, because, through some oversight, the "Certain-teed" label was not put on each roll. The labels have had to be sent by messenger and pasted on before the jobber would accept the goods.

The growth of the General Roofing Manufacturing Company has been remarkable.

While the roofing industry as a whole fell off in 1914, the General Roofing business showed a very substantial increase. Just after the outbreak of the European war, this company put \$150,000 into a remarkable campaign of advertising. The result was that while non-advertising manufacturers were feeling depression, the "General" opened up 1915 with an increase of 19 per cent. for the first two months. Not one of 1600 employees has been laid off since that campaign started.

The consumer is today paying 60 cents per square less for Certain-teed roofing than he paid for the same quality when the company first started in a small way and before the brand was advertised.

Mr. George M. Brown, president, is a firm advocate of the economy of advertising. He says:

"The manufacturer—the General, for instance—says to himself, 'I can reduce my manufacturing cost greatly by producing in larger quantities—but how do I dare produce in larger quantities when there is no market ready to take this larger volume of production off my hands? I must find or make a broader market to take this increased production. How? By advertising.'

"So he puts out a strong advertising campaign—widening his selling radius, finding a broader market already waiting for his goods and creating demand among consumers not yet ready. This increased market not only greatly reduces his cost of selling his goods, but enables him to operate his mills to full capacity, greatly reducing his manufacturing cost. Thus he is able to put a lower selling price to the consumer on his goods, giving himself and his jobbers and his dealers the same percentage of profit per unit sold as formerly—and a much greater volume of profit (manufacturer, jobber and dealer) on account of the greatly increased business done.

"And the consumer gets more for his money than he has ever been able to get before."

The result of the advertising of the General Roofing Company, therefore, has been—

- (1) To build up a trademark and good will worth far more than its cost.
- (2) To bring about a notable increase in sales.
- (3) To reduce the cost to the consumer.
- (4) To retain and increase the support of the jobber.

On this point a quotation from the General Roofing Company itself:

"The jobber is a necessary part of modern, up-to-date, economical business, and the only requirement is that he follow the lines of up-to-date business himself in giving service, distribution and credits, backed by a clean-cut business policy of truthful representation of goods."

Determination and ingenuity will solve the private brand problem of the Philadelphia manufacturer who wants to control his own market but is afraid to try.

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