

*the*  
**PLAIN TRUTH**  
*a magazine of understanding*

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The tragic remains of the first atomic blast in Hiroshima, Japan, fifteen years ago. Today France and China are entering the exclusive "Atomic Club." Is man about to blast himself off the earth? Will God intervene to save man from himself? Read in this issue the seven proofs that God is still supreme in the universe and will intervene in human affairs before it is too late!

# The Autobiography of Herbert W. Armstrong

Back in the newspaper business for 15 long, almost sleepless months, this 25th installment recounts unusual experiences, solving an "unsolvable" problem, with "inside facts" about retailing and advertising.

GETTING back into the newspaper business was a tragic mistake. A too dear price now had to be paid to learn an important lesson: when God once truly calls a man into His ministry, he must "keep at it, in season and out of season" (II Tim. 4:2).

And if he attempts, like Jonah, to run away from the mission, God will first teach him a stern lesson and then yank him back to perform what God called him to perform!

## Into Advertising Again

But it was in the descending depths of the great depression. By November, 1931—still the same year in which I was ordained—the Oregon Conference treasury had run low. Elder Roy Dailey and I had been laid off—our \$20 per week salaries stopped. Elder R. L. Taylor had been kept on, allowing him to try to build a congregation to fill the unfinished new church building in Eugene.

But I had not worried over the loss of financial income. I had come to have *faith!* I had prayed and asked God to supply the financial need, and in serene confidence awaited the answer. But though I had acquired *faith*, I had not yet acquired balancing *wisdom!* My former newspaper associate, Samuel T. Hopkins, had suddenly appeared, begging me to come to Astoria, Oregon, to pull his newly founded *Morning Messenger* out of the jaws of impending failure. I gullibly accepted this as God's answer.

I paid dearly during the next 15 months to learn that this was not God's answer to my prayer, but God's TEST! I should have rejected Sam Hopkins' desperate request, because it took me out of the ministry.

Sam Hopkins — "Hoppy," everyone

called him—had started a new morning newspaper, associated with an Astoria physician and the superintendent of a salmon cannery. The doctor had no cash capital to invest, and even less prestige to contribute. Why he had been taken in as one of the three owners, or how he got in, I never learned. The salmon cannery superintendent had a little private money. But he would never put any of it into the business except as a last-ditch prevention of bankruptcy. Investing it in this manner did far more harm than good. It always came too little and too late.

Mr. Hopkins had appealed to me, in desperation, to come to Astoria as advertising manager and save their new enterprise. He had insisted that I was the only man he knew who possessed the specialized advertising training and experience to do the job. It did seem to me, at the time, to be God's answer to our financial need. Still I knew I had been called to the ministry—but I reasoned it might be right to take this Astoria job *temporarily*. So I agreed to take the job for the one month of December, only. I fully expected to return to the ministry by the first of January, 1932.

## Caught in a Trap

Arriving in Astoria, I made a disillusioning discovery. Immediately I made preliminary get-acquainted calls on the leading merchants. It was then, for the first time, that I learned the true state of affairs. It was far worse than Mr. Hopkins had told me. Every merchant told me our situation was hopeless. We faced a predicament unprecedented, as far as I know, in the newspaper business.

It called for desperate and unprecedented measures for solution. And

before I realized it, I was caught in a trap of circumstances from which I was unable to extricate myself for fifteen months.

This was the unheard-of situation: Only months before, the opposition newspaper had purchased the old established morning paper, *The Astorian*, for \$50,000. But the opposition publisher had also signed up all local stores which advertised on 5-year contracts in which they agreed *not* to advertise in any other Astoria English-language paper. (There was, in Astoria, a Finnish language daily paper not harmed by the contracts.)

Apparently this publisher and the merchants had assumed the rather general concept of those in smaller cities, viewing advertising in terms of obligatory "support" of the newspaper, rather than as an effective means of selling goods, lowering costs, and increasing profits. This publisher offered to save the merchants from having to "support" *two* newspapers by buying out and thus eliminating his competitor—provided the merchants would sign up on these five-year contracts. Every store in town which was a regular advertiser, with the single exception of the J. C. Penney store, had signed!

"But," I protested, "that kind of contract is illegal! It is in restraint of trade!"

"We know that," came the answer, "but there is more to it than mere legality. You just don't know your opposition publisher and his tactics. Maybe you don't realize what he could do to us in retaliation, if we broke our contracts. He could print things harmful to us, slanting the news so as to reflect against us, or assassinate our character, right on the front page. I for one am afraid he really would do it—and I think the other merchants are as afraid of it as I am. We

just won't take the chance!"

A few days later I learned what he meant. Our news editor handed me a clipping from the teletype. It was a dispatch from Oregon City, Oregon, reporting an automobile accident involving one of Astoria's leading merchants. It exposed also the fact he was having a clandestine "affair" with an attractive woman, who was with him in his car. The press service had sent it along as a nice "juicy scandal" for Astoria papers.

But *The Messenger* did not print it. Neither did the opposition. I took the teletype strip personally to the merchant involved. His face reddened.

"Thanks!" he exclaimed in extreme embarrassment. "Man! This could have ruined me if you had printed it! It would have broken up my home, and ruined my business. You see, Mr. Armstrong, *this* sort of thing is the reason none of the merchants dares try to break his contract with your competitor by advertising with you."

Yes, I understood, now, only too well!

Our plight was utterly frustrating. Our newspaper was new. The opposition paper was old, well established. The evening paper had the dominant circulation. It was well financed. The morning *Messenger*, on the other hand, did not have the capital to do those things necessary to build a better paper, or, for that matter, even to keep it on its wobbly feet. And every retail advertiser in town, save one, actually by agreement and by *fear* was prohibited from advertising with us.

### It Means Something to YOU!

I am going to relate what was done in this predicament, because the experience has a direct connection with the lives of all my readers.

You probably shall never run into this specific *kind* of problem. But nearly all people *do*, more than once in a lifetime, find themselves in some frustrating, apparently hopeless trouble.

One of the seven basic laws of success in life is *resourcefulness*. Resourcefulness is the ability and determination to *find a way* to solve every problem, trouble or obstacle. It accepts and acts on the old adage: "where there's a will, *there's a way!*" Another of the seven principles of success is *endurance*. Nine

out of ten who have every other ingredient for success finally give up and quit, when just a little more "stick-to-it-iveness" mixed with resourcefulness would have turned apparent hopeless defeat into glorious success. Of course there *is* a time to get out and leave whatever you are in: if it is *wrong*, or if it really *is* totally *dead*. But usually it only appears dead.

The seventh and most important rule of success is contact with God, and the guidance, wisdom, and help that can be received from Him.

In this desperate situation, I did invoke these three recourses. I do believe I had made a costly mistake in supposing this call to the newspaper business in Astoria came from God. Yet, once in it, I did call on God for guidance and help. And a way *was* found to break those five year contracts, and fill our newspaper with advertising! I think the account of how it was done may be interesting, informative, and—if you will apply the principles to your own problems—helpful.

### "Inside Facts" About Advertising

This unprecedented situation, I knew, called for a totally unprecedented solution. Most people are absolutely *bound* by precedent. They are slaves of habit. They are conformists. They must do just what society does—the *way* society does it. I have never been afraid to break precedent, or to go counter to established procedures, if such action is both right and necessary.

Advertising space in newspapers and magazines had always been sold on the

basis of a certain price per column inch, or per page. The rate is set according to volume and class of circulation, being influenced also by competition and general circumstances.

So now let me give you a few "inside facts" not known by most of the general public. A full page of advertising space in one of the large mass-circulation magazines in the United States costs from \$3,000 up to \$40,000 and more.

"Do you mean for just *one time?*" many will ask, incredulously.

Yes, for one page in just one issue. But that is *not* expensive. It is, actually, one of the *least* costly ways to get a message to people!

The magazine which charges around \$3,000 per page has a circulation of *one million copies*, often actually read by two or three million people! Now suppose you tried to get just a very brief message to one million homes of people by a little inexpensive post card. You would pay 3c each for government postal cards in the United States. British readers and those of other countries can figure it according to your own postal rates. This may surprise you, but you would have to pay \$30,000 for the blank cards. You probably never realized that before. Then figure what you would pay to have your message printed one million times on a million cards. Add the cost of hiring enough people to write names and addresses of one million people on the cards. I think you will decide it would be much less costly to pay only \$3,000 for a *whole page* of space, as large as this page in *The Plain Truth*, which \$3,000 *includes* the cost of the paper, of the printing, of the postage for mailing, and of the stamping on of the names and addresses. And, more than this, in every home where your message is received, the recipient *asked for* the magazine to come, and (except for *The Plain Truth*) actually *paid* to receive it. If you were to spend about \$45,000 to print and mail out a million post-cards, they would be uninvited, and probably unwanted in most homes.

So you see, magazine and newspaper advertising is not expensive.

You probably have heard that advertising forces up the price of a com-  
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## WHY THE PLAIN TRUTH HAS NO SUBSCRIPTION PRICE

So many ask: "How can you publish a magazine, without subscription price, and without advertising?"

The answer is simple. The GOSPEL must go to the whole world, and it must go FREE. It must not be sold like merchandise. "Freely ye have received," Jesus said to His disciples whom He was sending to proclaim the Gospel, "freely GIVE." Without money and without price, is God's way. We proclaim a FREE salvation. Therefore, we cannot put a PRICE upon The PLAIN TRUTH.

We have been called of God to conduct this work. It is not our work, but God's. We have set out to conduct God's work God's way. We rely, in FAITH, upon God's promises to supply every need.

God's way is the way of LOVE—and that is the way of *giving*, not *getting*. God expects every true child of His to GIVE of tithes and offerings that His work may go FREE—that His true ministers may GIVE the precious Gospel to others. We simply TRUST GOD to lay it on the minds and hearts of His people to give of their tithes and offerings that we may be enabled to GIVE the good things of God's Word to the hundreds of thousands who hear the Message over the air, and the scores of thousands who read The PLAIN TRUTH.

Many times our faith has been severely tried, but God has never failed us. We must not fail HIM!

(Wilkinson, vol. v, p. 203). The vulture is noted for its sharp sight, and the great mother of the gods (recall that Semiramis was the "mother of gods") in Egypt had been known as "The Gazer." The Athenian Minerva wore a helmet with two eyes or eye holes in its front (Vaux's *Antiquities*, p. 186).

What have these similar Pagan deities to do with the lesson God wanted mankind to learn at Eden? It was believed by the Babylonians that Rhea (Eve) conceived by Kronos (Satan), and brought forth a child called Muth or *Death*, declared Sanchuniathon.

Sanchuniathon shows that this is in accord with Genesis, for Eve's lust, inspired by Satan, "when it had conceived did bring forth *Death*." "When lust hath conceived, it bringeth forth death" (James 1:15).

How did the devil remove this lesson of his deception and even turn it to his advantage?

Again, we find the answer in the goddess queen of Babylon. The goddess queen of Babylon held a *pomegranate* in her hand. Astarte or Cybele (Syrian and Roman names, respectively, for their goddesses corresponding to Semiramis) was also called "Inaia Mater" which signifies "the mother of knowledge"—in other words our mother Eve, who first coveted the "knowledge of good and evil." The pomegranate was represented as the fruit of the forbidden tree (Hislop, pp. 110-113).

Notice the clever deception! *Men were taught* to look upon Semiramis as their *grand benefactress*, as *gaining knowledge* which they might otherwise have sought in vain! SATAN THUS TAUGHT GOOD CAME TO MANKIND BY EVE'S DISOBEDIENCE TO THE ETERNAL AND OBEDIENCE TO HIM! According to the classic *pagan* story, it was God who was the snake that would not let man eat of the desirable tree of knowledge of good and evil. The false Messiah, Tammuz (as Hercules), slew it (Hislop, p. 112).

This, then, is a classical example of how Satan *twists* the teachings that God holds so dear! IT IS CERTAIN THAT AS HE WAS PERVERTING THE TRUTH SO MIGHTILY THEN, HE HAS NOT STOPPED NOW.

We have now seen why the gospel

that Christ proclaimed was counterfeited hundreds of years before Christ! From history it has been proved that these counterfeits *do* have their effect on religion *today*!

## Short Questions

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don't come to *personally* KNOW GOD! Such people have NOT TRULY REPENTED and their baptism *was probably not valid*! Their's was only a ritualistic "dunking" in the water.

If you were baptized for ANY of these reasons—YOUR BAPTISM WAS PROBABLY NOT A VALID BAPTISM, *because your motives were not right*! You need to *really repent* and be baptized into Christ by a true servant of God in order to receive the Holy Spirit and be added to the body of Christ—the true Church (I Cor. 12:13).

Some of you may still have doubts about whether you are properly baptized. *You need to be sure*! It is *important* that you counsel with a true minister of God about it. Nation-wide baptizing tours will be sent out next summer to visit those who have *requested baptism*. If you want a faithful minister or servant of God to counsel with you about your baptism, then send your name and address *immediately* to Mr. Armstrong, Box 111, Pasadena, California. (Those who live overseas should write to our London office, B. C. M. Ambassador, London W. C. 1., or P.O. Box 345, North Sydney, Australia.)

*Don't put this off any longer!* It means so much to your *spiritual growth*.

### ¡UN ANUNCIO IMPORTANTE!

¿Ha recibido usted su copia de la conmovedora obra del Sr. Armstrong intitulado ¿Sana Dios Hoy en Día?

Tendremos mucho gusto en enviarle gratuitamente su ejemplar al recibir su carta. Diríjase usted a:

EL MUNDO DE MAÑANA  
P.O. Box 910  
Pasadena, California

### Have you enrolled in our free Ambassador College Bible Correspondence Course?

This is a totally new, *different* kind of Bible study course, designed to lead you, by the study of *your own Bible*, to UNDERSTAND the whole meaning of today's fast-moving SPACE AGE, of the PURPOSE being worked out here below, of PROPHECY, of SALVATION, of this entire Treasure-House of knowledge, which is GOD'S WORD—the TRUTH.

The most VITAL, most IMPORTANT questions of YOUR LIFE are thoroughly gone into, and you are directed to the clear, plain, simple answers *in your BIBLE*! You will learn HOW to study the Bible—WHY so few UNDERSTAND it. You will PROVE whether the Bible really *is* the INSPIRED WORD OF GOD!

Just address your letter requesting the Ambassador College Bible Correspondence Course to Box 111, Pasadena, California. Those in Europe should address our European office: B.C.M. Ambassador, London W.C. 1.

## Autobiography

(continued from page 10)

modify or service to the consumer. Many people believe that if they can purchase a non-advertised brand they save money. They suppose the merchant or manufacturer who advertises must add the cost of the advertising to the price.

### Do You Pay More for Advertised Goods?

Let me tell you the true "inside facts"—the PLAIN TRUTH about this supposition. Truly, people as a whole are DECEIVED today, not only about God's truth, but even facts about business.

Actually, *if* the advertising is intelligently and effectively used, *it reduces the price to the consumer!* I think it may be interesting to you to know.

Here is how it works:

Suppose a certain comparatively small store sells \$100,000 worth of men's clothing and haberdashery in one year. This store spent nothing for advertising. But it did pay, shall we say, \$70,000 for the merchandise to the manufacturers. And it also had to pay,

shall we say, \$15,000 for clerk hire, and \$10,000 for store-rent, heat, light, water, wrapping paper—all other expenses. So you see that for every dollar of goods bought by a customer, the merchant had to pay, over and above the cost of the merchandise, 25¢, which is 25%, as a cost of doing business. He had 5¢—or 5% of sales—left for himself. This merchant, then, based on sales price, had a cost of 70% for merchandise, and 25% as cost of doing business, with 5% profit for all his own time, hard work, worry, and return on his capital investment.

Now suppose this merchant tries advertising the next year. This is, approximately, what *did* happen in a similar interesting case in Astoria, as I shall relate below. I am assuming this merchant's advertising is effective.

So the following year this merchant spends \$4,500 in advertising. It is effective, and brings in new customers. This year his sales increase to \$150,000. But because in the preceding year his salesmen did not have enough customers to keep them busy, he does not need to hire additional clerks. He still pays the same rent, public utilities, and similar expenses—a total of \$25,000, the same as the year before.

But here is the big difference. That \$25,000 was a 25% cost of doing business the year he sold \$100,000 worth of goods. But now, with sales of \$150,000, it is only 16⅔%. But he did have one increase in business expense—his \$4,500 advertising. But even so, his \$29,500 cost of doing business is only 19⅔%. This merchant passes this saving in total cost of his business expense, per dollar of sales, to his customers, still taking for himself the same 5% of sales for profit.

### Lowering Prices

Now see where this leaves the customers, and what it makes for the merchant. You may think the customers were the *only* ones who benefited, since the merchant still took only 5% profit. But the merchant actually made half again more for himself—because his 5% profit now is taken from \$150,000 sales, instead of \$100,000. So the merchant did all right for himself!—he made \$7,500 this year instead of only \$5,000.

But what about prices to the customers? The same item—or number of items—that sold for \$100 the non-advertising year are now priced at only \$92.92. It is simple to figure. The merchant still paid \$70 for this amount of merchandise. But his business expense now was only 19⅔%, and profit 5%—total 24⅔% instead of 30% the year before. 24⅔% of the sales price of \$92.92 is \$22.92. Add this \$22.92 to the merchant's cost of the goods, \$70, and you have the sales price of \$92.92.

So what actually happened? The merchant saved his customers more than 7¢ on the dollar—or \$7.08 on each \$100 of purchases. So his advertising *reduced the cost of goods to the customer!* At the same time, this merchant made \$7,500 for his own year's work, which was \$2,500 more than he made the year before he advertised.

You might ask, didn't the advertising cost anything? Of course. It cost \$4,500—or 3% of his year's sales. Then HOW did it save the customers money, and make more money for the merchant? The answer is that it does cost money to run a store. It does cost money for us who are customers to have a merchant take all of his time, and all of his salesmen's time, to gather in merchandise from New York, from Chicago, from London, from Los Angeles, and assemble it all in one store for the convenience of us customers. But could *we* go to the clothing manufacturer in New York, the shirt manufacturer in Utica, New York, and the shoe manufacturer in Boston or St. Louis to buy our goods, without spending money over and above the factory cost? Of course not. And if we all did this individually, the manufacturer would have to charge us more, because it would add to *his* expenses to have to deal with so many people. When the factory sells enough suits, or shoes, or hats for 200 people, or 500 people or more to just one store, he can sell for much less than he could by making 500 different transactions with 500 individual customers. So actually the local merchant renders us a pretty valuable service, far cheaper than we could do it ourselves.

In so doing, he has a cost of doing business. And, as the experience of thousands and thousands of retail stores

shows, that cost is reduced by spending about 3% or 4% in advertising, because then he spends *less*, per dollar of sales, on such other expenses as rent, salaries, public utilities, etc. His *total* expenses of operating his store are less, per dollar of sales.

That is how it works. Why your local merchants do not use a little of their advertising to just explain these simple but interesting facts to their public, I do not know. But I have spent years of my life as an advertising and merchandising specialist, and I thought that these *facts* about the price you pay for goods you buy every day—whether at the grocery store, the clothing store, the dry-goods store, or where, might prove interesting. You come in direct contact with this very merchandising operation at least every week of your life.

Now let me relate to you the rather exciting story of an experience with one store in Astoria.

### Breaking All Precedent

There were four retail clothing (men's) stores in Astoria. Three advertised, and were signed up on these five-year contracts. The second largest, Krohn & Carson, had never spent its first dime in advertising. I checked financial ratings in Dunn & Bradstreet. Krohn & Carson had the highest financial rating of the four.

So I went immediately to Krohn & Carson. I found them as firmly set against advertising as a 50-foot-thick stone wall. Apparently it was even more impossible to crack their stone-wall resistance against advertising than to break these five-year contracts. Yet I did have a will, and I did find a way!

I mentioned above that newspaper and magazine advertising has always been sold by the column inch or by the page. The *Messenger* rate was 25¢ per inch. The larger evening paper charged 50¢ per inch. But now I deliberately shattered all precedent in newspaper advertising practice.

I proposed an entirely new, completely revolutionary plan to Krohn & Carson. I explained to them what I have explained to you, above, how effective advertising works. The clothing stores in Astoria were each selling only about

40% as much merchandise as they had sold before the depression.

"But," I explained, "for every \$100 that men used to spend in these four stores, they still spend \$40. Now if we can show Astoria men and their wives that you can save them money in this depression, a *larger portion* of that \$40 will come to you. I can show you how you can still *double* your business, and your own profits, and at the same time save your customers money by lowering prices!"

It sounded fantastic, preposterous! But it cost them nothing to listen to my plan.

"First," I proposed, "you will put on a big price-reducing sale. Your shelves are loaded with goods that are not moving. Retail success depends more on *turn-over*—keeping your goods moving than on big margins of profit. You have capital tied up in all these goods. Put on a sale. Sell it for less money—get your money back out of the merchandise, plus a *small* margin to cover business expenses—re-invest that money in more goods—keep it moving. Better make 12 profits a year of only 1¢ on a dollar of sales, than a 10¢ profit once in two years. This way you make 12% on your investment. The way you are doing now you make only 5¢ per dollar.

"Now, here is how we will make this sale a success, and double your business. Harvard Bureau of Business Research figures show that the retail clothing stores which spend 4% of sales in advertising have the *lowest* cost of doing business, and the highest turnover. To spend less than 4% in advertising means to spend higher percentages in salaries, rent, utilities, and other expenses. To spend more than 4% does not bring enough additional increase in sales to pay. So this is what I propose. It is a new plan. It is *unheard-of* in newspaper advertising! *You pay us just 3% of your sales.* That is one-fourth less spent on advertising than most successful stores spend. Then we will give you *absolutely unlimited space* in *The Messenger*. I will give you my own personal service in writing all your advertising. Your competitors cannot afford to bring specially trained professional advertising writers to Astoria—and they do not know how to write ads that can compete with what I will write for you.

"We will start out with *four full pages*, announcing this sale. We will make it a BIG sale—and we will make it *look big!* We will reprint the four pages in our job printing department as a big handbill, and you can hire boys to distribute those to every house within the entire Astoria trade territory. We will charge you nothing extra for the circulars, but you hire them distributed. We will follow this up with two-page ads as long as the sale lasts. It will be an Astoria sensation.

"Now that people can spend only 40% as much for clothing as they did before the depression, they have to try to save every penny. They are price-conscious. These lower prices will bring in crowds of customers from miles around."

#### How Could WE Afford it?

"But, Mr. Armstrong," protested the younger partner, Mr. Krohn, who was Mr. Carson's son-in-law, "how can you afford to give us four whole pages, and then repeated double-pages, at no increase in cost to us—just this 3%?"

"Two reasons," I explained, smiling. "First, because I know this policy and this big space will greatly increase your sales. If we double your sales, we double what you pay us. It makes us a partner in your business, in a way. We get paid according to the results we bring you. If we don't bring more customers, you don't pay more. Then there is a second reason why we can afford to do this. We have to print eight pages every day—never less. The paper now has very little advertising. I am going to write these ads and design them with great, large display type. It will cost us far less to set a page, or two pages of these big-type ads than for our linotype operators to have set all pages in small news type."

Mr. Krohn persuaded Mr. Carson to accept my offer.

The sale drew crowds. Sales soared.

During the sale an opportunity came to the store to double its floor-space, and still reduce rent. The store occupied a corner location. The landlord had not reduced rent in proportion to reduced business during the depression. A ladies' ready-to-wear store which had occupied a middle-of-the-block location

with twice as much space as Krohn & Carson, and with four times as much front window display space, had failed and closed up. The landlord of this store-room, faced with a *no-rent* prospect for the duration of the depression, offered this to Krohn & Carson for half the rent they had been paying in their corner location.

I advised taking it. Then I recommended a new merchandising policy.

"If you double the size of your store, you will have to also double the volume of business, or such a big store-space will look rather foolish," I said. "Now, you are *reducing* your expenses, by lower rent, not adding to them. If you will be willing to try out a new merchandising policy, I think my ads will convince the men of Astoria, and make it work. My idea is that you now keep these special reduced sales prices in effect right along. If you have double the sales volume—or keep up what you are doing in this special sale—without increasing your expenses, you can make at least as much profit—perhaps more, and win the good will of the customers—help the public by reduced prices—and, as the depression begins to end and prosperity comes again, you'll be the largest and best liked store in town."

They agreed. As soon as the sale ended, and they moved to the new larger store, I began running full page "editorial" style advertisements. They were of the nature of a straight "Man-to-Man Talk" with the men of Astoria and vicinity.

I told the men that, if they would keep up the sales volume, this store believed it would be able to keep these reduced special-sale prices in effect every day in the year. I told them of the reduced rent. I told them of Krohn & Carson's well known financial capital—how they were able to take cash discounts, and buy for less—and were willing to pass these savings on to customers, if customers in turn would keep up the sales volume. I explained, as I have above for you, how increased sales volume, if it does not increase expenses, can lower the price to the consumer.

The ads were sensational in policy—dignified in appearance—and they had a ring of sincerity that rang true. The men of Astoria responded.

### "Breaking" the Opposition

I am taking space to explain in some detail this experience for one reason. I hope many readers may get from it the lesson of a valuable principle: *there is always a WAY, where there is a WILL!*

Would *you* have quit, thrown up your hands, and said, "*It can't be done*"?

And let me explain, here, another principle I always followed in my business experience—especially in advertising and selling. It was never to sell anything, unless I was convinced it benefited the other fellow, as well as myself.

"Be an expert *adviser* in your customers' interests" was a slogan I tried to follow. "Know your stuff" was another—in the advertising man's vernacular. Always educate yourself in your field. Know more about it than your competitors, or your customer. Know how to *help* your customer. If you are profitable to him, he will stay with you. Another adage I followed was: "A *customer* is more valuable than a *sale*." The one-time sales to customers who feel they were talked into something unprofitable costs more to make than it is worth. I have always wondered why more business men do not understand these principles. Honesty *is* the best policy!

But back to our story.

As I said, the men of Astoria responded. Soon Krohn & Carson was doing more than half of all the clothing and haberdashery business in town. The ones my work did *not* benefit—and for this reason I would never do this again—were the competitors.

In this experience I learned a few things about Jewish people. Both Mr. Krohn and Mr. Carson were Jewish. So was their chief competitor, who had previously had the biggest business, across the street. In business, these men were bitter enemies. But after business hours—well, that was different. Then they were friends. At the synagogue they were friends. But in the store—there they looked across the street at the competitive store with intense rivalry.

It is the same in many other businesses or professions. I certainly do not waste time watching prize-fights on television. But who can avoid seeing a few seconds of one occasionally, turning the dial from one channel to another? Have

you ever noticed the end of such a fight? Men who have fought viciously, unmercifully, with the "killer-instinct" trying to knock each other unconscious, will dance to their "enemy" of a second ago, after the final bell, and throw their arms around each other in loving embrace—and it makes no difference if one is white and the other colored! Lawyers who will fight each other angrily in a court room during the heat of a trial, will go out to lunch together after it's over, as the best of friends! I've seen bankers who have been bitter rivals forget it completely, and call each other by their first names, "buddy-buddy" fashion, at national bankers' conventions.

But, in business Krohn & Carson's Jewish rival across the street was bitter and now getting more and more bitter!

In desperation, as his customers flocked over to Krohn & Carson's, he ran a half page ad in the "opposition" paper. It cost him twice as much per inch as our regular inch rate. In it he advertised a price-slashing sale. Mr. Krohn called me to the store.

"Look at this!" he exclaimed, worried. "Now maybe *he* will get the business, and our new plan will fail after all."

"Oh no," I laughed. "This only means it's time for you and me to get busy. I want you to take that ad, and mark your own prices, cut *STILL LOWER*, on every item—item for item—listed in his 'ad.' Tomorrow morning we will run a *TWO-PAGE* ad, listing exactly the same items, every one priced *LOWER*—and once again reminding the men that Krohn & Carson *SAVE THEM MONEY*. We'll run a special sale tomorrow, also, on these same items."

Mr. Krohn looked at me and shook his head in amazement, and then began to grin, as he went to work marking lower prices.

Next day all the special sale customers filed into Krohn & Carson's—the biggest day in some time, while their rival across the street looked more discouraged than ever in his empty store.

Later that day, he telephoned *The Messenger* office, and asked if I would come to the store to see him.

"Look here," he stormed, "you are breaking my business. I can't afford to

run many half page ads in the evening paper at their high rates—and even when I do you come out with a *bigger* one for Krohn & Carson, and they get all the business from my ad as well as their own! You have brought me to the place where I am willing now to take a chance on the evening paper doing anything if I break my agreement not to advertise with you. I want you to make me the same deal you did Krohn & Carson—and I am willing to sign up *right now!*"

"I'm sorry," I replied, "but you and all the other merchants turned me down cold when I first came to Astoria. You presented me with a kind of unfair competition such as I never heard of. You forced me to break all precedent to develop new advertisers out of non-advertising merchants. That plan was offered to only *ONE* merchant in each line. You said you were bound and could not advertise with us. Now *WE* are bound, and can't give you this same deal of unlimited space on a percent of sales."

"Well, then," he countered, "can I buy space with you at your regular price by the inch?"

"Oh yes, of course" was the answer.

"But that is not enough," he continued. "It is the way you write these ads that is bringing the business to Krohn & Carson's. Will you write my ads, as well as theirs? If you will, I will start advertising with you, and quit with the evening paper."

I had not bound myself to exclusive ad-writing service, so I was free to agree. Next morning, his first ad, about a third of a page, appeared.

When I walked into the Krohn & Carson store that day, Mr. Carson was like a wild man.

"*LOOK* at this!" he shouted. "Anyone would know *you* wrote that ad. You cancel our advertising immediately, and don't ever come in this store again."

"All right, Mr. Carson, if that's what you really want to do," I said. "But first, I want you to calm down and listen to me just one moment. I never offered you my advertising-writing services exclusively. I have *not* given your competitor the unlimited space on a percent-of-sales basis at all. He has to pay the regular rate by the inch. Mr. Carson, I have doubled your business for you in the

midst of this terrible depression. I have worked hard for you, and made you money. But I am advertising manager of the *Messenger*, and when my plan begins to really *work*, and break down these unethical and illegal contracts our 'opposition paper' holds over these other merchants, that is the real reason I evolved this unprecedented system that has doubled your business, and made you the LEADER in Astoria, instead of second-fiddle like you were. Now, if you don't appreciate that, and want to cancel—O.K.! I'll walk out of this store, and never come back again—and now you free me to give this whole plan to your competitor across the street!"

I began to walk out rapidly.

Mr. Carson showed surprising and amazing athletic ability in scampering behind the counters to the front door before I could get there! He darted into the door-way, blocked it, holding up both hands.

"Wait! *Wait!*" he exclaimed. "Don't you walk out of here! Don't you cancel our agreement!"

He came up and threw his arms around me, and cried like a child.

"Mr. Armstrong," he said, embracing me, "I have loved you like a son. I didn't mean what I said. I want you to still be my advertising manager and adviser—even if you do write ads for that fellow across the street."

Even though dollars were at stake, Mr. Carson spoke from the heart. He was filled with emotion, now. He was really sincere—he *did* really feel a deep love for me. It was not only because of the business success our relationship had brought—our close personal association had brought about mutual affection. He was a *business man*—he was very conscious of *dollars*, and had acquired his share of them—but underneath was a real warm heart capable of real friendship.

Our radio listeners have heard me say that I do not hate the Jews—I love them, as I love all people. Some, allowing themselves to become "hooked" on the insidious, poisonous "drug" of anti-Semitism, and hatred for Jews, have never learned all there is to know about Jewish people. Sure, many of them, despised and hated and persecuted by race prejudice, have developed a keen sense

of "dollar consciousness," but who among us is so free from faults and sins he can throw the first stone? I have also learned that many Jews also have very warm hearts of friendship. We have all been carnal, weighted with human nature, until converted and filled with God's Holy Spirit of LOVE, and TOLERANCE!

#### Unable to Leave

I have been getting ahead of my story. I have carried this one experience with this one advertising client on to its conclusion, over a period of many months. But I wanted to complete this one case history, as a typical example of the Astoria newspaper experience.

Back, now to December, 1931.

In Astoria was one of the two leading hardware stores not tied up on those 5-year contracts, beside the J. C. Penney store, one of the "movies" and several restaurants. I induced most of the restaurants to take out advertising *in trade* for meal checks for our employes, and the Penney store and the hardware store accepted my unlimited space on a percentage-of-sales basis. But by December 31, I found I was caught in a trap. We had 23 men employed. If I left then, the paper would have folded up, and these men would have been out of work. There still was no money in the Oregon Conference church treasury to bring me back into the ministry. I was stuck in Astoria. God intended for me to learn a lesson. It seems that most of the time I have had to learn these lessons the HARD WAY, through experience, and by suffering. This was to be no exception. It was not until the end of February, 1933, that my prayers to be relieved of these newspaper responsibilities, and to be allowed to return to God's ministry, were answered.

It was a long, hard haul for a year and three months in Astoria. How I moved my family out there—how Garner Ted, having been dumb and unable to speak, was instantly healed and given his voice which is today heard by millions around the world; how we went hungry until we began faithfully practicing God's financial law of tithing; and how, at long last, I was put back in the ministry, will be explained in the next installment.

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