

# Worth your Money *A plain map*

"WHEN my boy gets out in the world," a doctor remarked to me the other day, "I want him to make some money. I hope he will go into business."

Many parents, as well as their boys and girls, have this same queer idea that the sure-fire way to make money is to go into business. Everybody who cherishes this notion ought to spend a few minutes glancing over a book of real stories published every year by Secretary Mellon's Treasury Department and entitled Statistics of Income. Let me read you some brief items culled from this record of the latest tax returns. You will see that business is far from a sure thing and that the national advertisers are the ones who are making the money.

Look at all the business concerns in the country and you find that about EVERY OTHER ONE is losing money. To be exact, the number of corporations showing deficits during the past few years has ranged from 40 to 50 per cent of the total reporting.

The combined loss has ranged from two to four billion dollars a year. And yet people are always asking me to help their children get into business so they can be sure to make lots of money. Statistics plainly show that anyone who goes into business in a happy-go-lucky way stands almost a fifty-fifty chance of losing. Do you call that a sure thing? I call it a doubtful gamble.

However, let us dip further into Mr. Mellon's little book. After the big fellows there is a separate story for the small concerns. At the bottom of the heap are 100,000 small concerns showing an average profit of only \$95 a year apiece.

On top of the heap are 200 of the giant corporations, averaging an annual profit of \$15,000,000 apiece.

In other words, there is plenty of money being made in business today, but it is being made by the big corporations. Some of the soundest invest-

ments today from a long-growth standpoint are to be found among the securities of the great national advertisers who have risen from humble beginnings to their present position of power and profit by the force of tireless publicity.

It isn't that these leaders advertise because they are big, but rather they are big because they advertise. Regarding individual men, it has been said that some are born great and others achieve greatness. Not so with a business. A PERMANENTLY SUCCESSFUL BUSINESS IS NEVER BORN GREAT, BUT MUST ACHIEVE GREATNESS—WITH NATIONAL ADVERTISING PLAYING AN ALMOST INDISPENSABLE RÔLE.

Famous corporations, such as the Eastman Kodak Company and the Gillette Safety Razor Company, began with a good idea and grew on the nourishing food of advertising. The young man with a small business, therefore, should not scold about the big national advertisers who are making the money. He should not feel gloomy and rebellious and turn to radical literature. Radical literature may salve the pain of failure, but it is no guide-book to success. I have yet to see a red pamphlet and a check book in the same pocket. No. The coming business man has nothing against the business men who have arrived. They too—practically all of them—were once in his shoes but soon outgrew them. For a small concern to complain that it lacks opportunity is no more logical than for a boy to cry because he isn't yet a man.

In the old days of the covered wagon this country was a land of pioneers, and it offered the profits of pioneering. In the history of the United States there have been fortunes made without the aid of advertising. But in our time such fortunes will be rare. When Mr. Ford brought out Model T, if I recall the situation correctly, he used few advertisements, but Model A has been launched on a tremendous wave of advertising. Times have changed—and they will continue to change still further with the trend toward advertising and still more advertising.

In the transportation field the railroads grew up without much advertising, though they are turning to publicity now.

Some excellent advertising is being done by roads such as the New York Central, the Pennsylvania, the Chicago, Milwaukee & St. Paul and others. But the automobile industry, coming at a later date, has been a remarkable advertiser.

In another field, the older telephone industry was slow to advertise, although in more recent years the American Telephone and Telegraph Company has used some exceptionally striking advertisements. The newer radio industry has been a national advertiser almost from the start. The powerful Radio Corporation of America and other sound companies are consistent advertisers. Even in finance, the present generation of bankers and bond houses are not too proud to advertise, and their profits are closely related to their publicity.

## Advertisers Preferred

ONE of the most profound changes witnessed in recent years is the new attitude in judging credit. I well recall how the bankers of the passing generation used to sit around the table and turn thumbs down on loans to any business man who was suspected of advertising.

THE BANKERS OF THE COMING GENERATION WILL HESITATE TO LEND MONEY TO A BUSINESS MAN WHO IS NOT ADVERTISING, FOR THEY KNOW THAT HE IS PROBABLY DUE FOR A DEFICIT. LIKEWISE, INVESTORS WILL LOOK MORE AND MORE KEENLY INTO THE ADVERTISING POLICIES OF CORPORATIONS WHOSE BONDS AND STOCKS ARE OFFERED FOR SALE.

Before you buy a security issued by any corporation, study not only its assets but its advertising. Other things being comparable, I prefer the bonds and stocks of the big national advertisers. This goes today and will be even more vital in the years ahead.

After all, the deeper question is not whether advertising benefits the advertiser, but whether it benefits the public, for unless advertising benefits the public, it cannot long continue to benefit the advertiser. This is both good ethics and sound economics.

My own view is that the advertising of the big national advertisers is in the public service. I have been entertained by the idea, recently given currency, that some of the ingredients or materials in certain advertised products might be bought more cheaply in the open market.

In this connection did you ever stop to figure the price of the ingredients and materials that compose the human body? If analyzed and bought piecemeal in a drug store or fertilizer factory, you and I would come to something less than a dollar apiece. Meditate on that. But as an assembled unit and a going proposition there is no limit to a man's value.

*The Pilgrim Fathers  
knew it was root hog  
or die*





## of the road to prosperity

# By ROGER W. BABSON

The same holds for a nationally advertised product. Among the ingredients of a nationally advertised product are convenience, service and style; among its most important materials are purity, uniformity and reliability.

In other words, most of us choose—and intelligently so—to demand the intangible as well as the tangible in what we buy. Cave men gnawed their rump steaks as they found them, but gentlemen prefer a little service. Advertising's job is a worth-while job if you consider our civilization a worth-while civilization.

Advertising is a cost, yes. But what price health and happiness? What price convenience and cleanliness? What price comfort and service? What price uniformity and dependability?

### 6,000 New Customers Every Day

THE national advertisers are not only making the money, but they are earning it. They are earning it in various ways, one of which is this: The human race is lazy, just plain, plumb lazy. Why do the inhabitants of temperate climates outstrip in progress and worth-while accomplishments the natives of the tropics? Because cold and hunger are golden spurs. Because of the two evils man chooses to root hog rather than die. The Pilgrim Fathers knew that if they didn't keep almighty busy during the summer, they would never get through the next winter. The reason the United States was developed so rapidly was that it was 14 degrees below zero in the New England states and the Indians were good shots in all states.

Up to the last half of a century the thing which kept our civilization on an upward spiral was a kick in the pants and a sock in the jaw. Man is chemically so constituted that he won't hustle unless he is starved, tomahawked, clawed, shot at, snowed on, drowned out, growled at, and generally roughed by his environment. All this up to fifty years ago.

THEN CAME THE NEW PSYCHOLOGY. FEAR, WHICH STARTED THIS COUNTRY GOING, AS THE GREAT MOTIVE POWER, HAS BEEN REPLACED BY DESIRE. In arousing men's desires, advertising has kept the economic machinery in motion. It has taken the place, as an impetus to activity, of the crude drive and urge that lashed the early settlers.

Man must have a motive or he will inevitably lie down and take things easy. There are only two motives compelling enough to stir him to big things: fear and desire. Nature originally provided the first motive, and she wrote the first chapter of our history in letters of frost and blood. Advertising took up the

load and with an equally brilliant but less cruel pen it is writing the pages of a wonderful chapter to be continued long after you and I are gone. National advertisers are making the money, and they are earning it, for national advertising has become one of the great sources of the nation's greatness.

You might think that certain industries need not advertise. The movies, for example, are constantly in the public eye. The radio industry already has your ear, and the telephone industry is on every tongue. Nevertheless these industries have the wisdom and vision to advertise persistently.

Persistence is the very heartbeat of successful advertising. Statistics show the astounding turnover of customers. Advertisers realize that new customers are now coming into the market at the rate of about 6,000 a day. A message may be an old story to you, but every twenty-four hours there is a fresh group of 6,000 people who never even heard of you before. This is one reason why advertising should be continuous. Another reason is that an advertising message is like a nail; you cannot drive it home at the first stroke but must hammer it home with a succession of strokes.

The chief thing I have learned during thirty years of working with people and statistics is that the world is not ruled by figures but by feelings. THE BIGGEST JOB DURING THE YEARS AHEAD WILL BE TO HARNESS FOR USEFUL SERVICE THE FORCES OF HUMAN NATURE, JUST AS DURING THE PRESENT CENTURY WE HAVE BEEN LEARNING TO HARNESS THE FORCES OF INANIMATE NATURE.

IN THIS brilliant article Roger W. Babson pictures the vital part which national publicity plays in making America the most prosperous of nations. Babson is one of the major prophets of commerce. His success as business diagnostician built Babson Park, a flourishing suburb of Boston. In this article he shows how we have lifted ourselves by our own bootstraps and made the desire for a higher standard of living one of the great driving forces of American life.

One of the most pervading emotions is the love of gossip. National advertising can put to work this perpetual love of gossip. Instead of whispering about the sins of their neighbors, people can be led to talk over more wholesome and constructive subjects.

### Bigger Companies, Smaller Costs

THEIR minds can be turned to the wonders of a winter in Texas; their tongues can be set wagging on the dangers of buying wildcat stocks. Let them gossip about the style and service of the new fabrics and the new enamel finishes.

In short, just as it was once re-

marked, "If a man were permitted to make the ballads of a nation, he need not care who should make the laws," so we may now say, "Let us write a nation's advertisements and its laws will write themselves."

Our country has shot ahead so rapidly during the last half century, transportation and communication have made such colossal strides, that few of us appreciate what this development means to business, until we take out our pencils and do some figuring. While geographic mileage and geographic area have of course remained unchanged, economic mileage and economic area have remarkably lessened. The North is at least 350 miles nearer to the South. The East is at least 500 miles nearer to the West. The area of the country (from a transportation-communication point of view) has shrunk from 3,026,000 million square miles to 2,850,000 million square miles.

Meanwhile the population, the number of potential customers, has enormously increased. This means that many business men who feel that a national market is beyond their grasp are really fooling themselves. They are picturing a United States as it used to look in their old school days geography—an immense loose area sprawling over a large part of the globe. Today the contrary, the foreshortening effects of improved transportation and communication, have made the United States a compact, compressed, condensed market, readily within the scope of the ambitious and energetic.

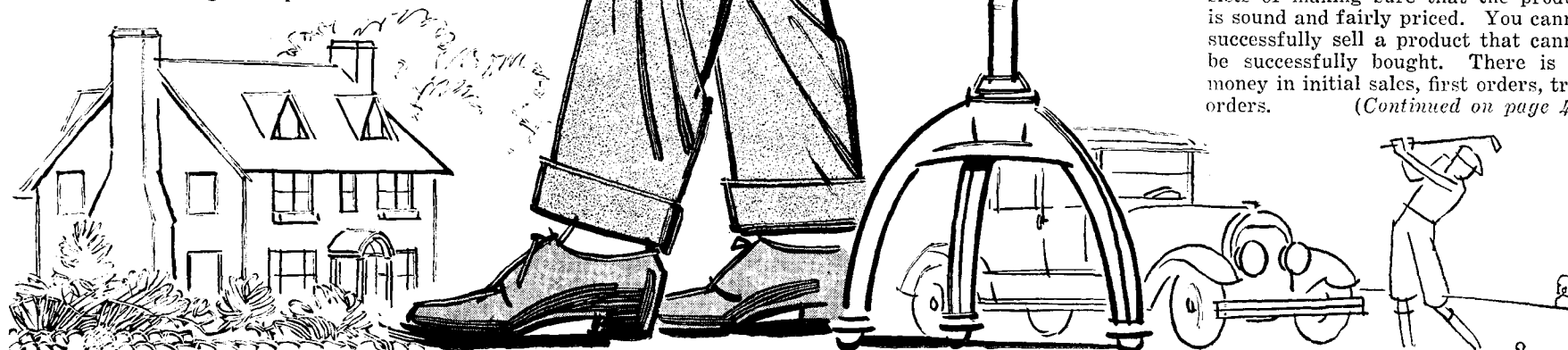
Hence national advertising for you is a far, far different proposition from what it was for your father. For him it might have been a luxury; for you, it may be a necessity if you want to retain the same relative status. For town, read county; for city, read state; and for state, read nation. Such are the corrections one must make to bring business geography up to date.

You may admit that national advertisers are making the money, but you ask who is paying the bills? Therefore let us trace out what happens when a company starts to advertise.

The first step is preliminary and consists of making sure that the product is sound and fairly priced. You cannot successfully sell a product that cannot be successfully bought. There is no money in initial sales, first orders, trial orders.

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*Desire, aroused by advertising, has replaced fear as our motive force*





Illustrated by  
REGINALD  
BIRCH



West meets East and  
the unsanitary mis-  
sionary horrifies the  
"heathen"

# How's Your Cold?

*The open sneezon is at hand for the great American winter game of sniff, sniff, who's got the sniffles? But if you'll fight 'em, cold germs won't beat you. They're the poor sports of the microbe world—they only hit a fellow when he's down*

By RUTH F.  
WADSWORTH, M.D.

Coryza is, from a doctor's point of view, an unscientific and unsatisfactory disease. It follows none of the rules observed by the more serious infections which make their treatment comparatively simple. The germ of coryza is no one organism. Therefore a serum cannot be developed.

When serum treatment is used for colds we must use what is known as a "shotgun" vaccine—made from eight or ten organisms, any one of which may cause a cold. This treatment is unsatisfactory; sometimes it is successful, and sometimes it isn't.

When we know the organism responsible for a disease, as in diphtheria, serum treatment is almost sensational in its results. That is why we all drew a long sigh of relief last summer when, at the height of the mild epidemic of infantile paralysis, it was announced that the organism had been isolated. This meant, to doctors at least, that eventually the serum would be made and the dread disease brought under control.

But with colds the organism hunt has proved too fruitless. Not one germ has been found but many, which means that each cold must be cultured if a specific serum is to be used. By the time this expensive and laborious procedure is

finished the disease has generally passed its height.

Another unpleasant habit of coryza, which differs from many of the other infections, is that one attack of it does not confer immunity. In fact, it is inclined to do the opposite. One attack often predisposes to another. This is because, generally, it is a mild infection. The body does not get sufficiently stirred up about it to develop a real resistance. The tissues which are involved locally, as the membranes of the nose and throat, are weakened by an attack and very easily pick up another germ which causes the same symptoms.

Persons who are what we may call "addicted" to colds will agree with me that colds are something to get excited about. They do not kill, of course, but they cause inconvenience, discomfort and real disability. They remove the joy of living as effectively as do boils, and they are conducive to the well-known inferiority complex.

Moreover, while they start as simple colds, they have an unpleasant tendency to end as something else, such as sinus infection, middle-ear disease, bronchitis or laryngitis.

To doctors who feel that the physical millennium will be reached when the infectious diseases are exterminated, the prevalence of the common cold is an indictment of our civilization.

## Keep These Eight Commandments

EACH person who succumbs to a cold makes the continuance of the life of the cold organisms more possible, as passage through the human organisms gives the germs new life and starts them on their way again rejoicing. If coryza should be classed as a serious disease, quarantined as other diseases are quarantined, and avoided as other infections are avoided, there is no reason why it should not be controlled as other infections are now controlled. The result in increased efficiency and enjoyment of life would be considerable.

With this ideal condition in view, let us consider ETHICAL BEHAVIOR OF THE CORYZA VICTIM:

There is no need to tell you that coryza is "catching." Everybody has had a cold which can be traced to close association with someone else suffering from a cold. Ordinary coryza, characterized by sneezing, inflamed eyes, discharging nose and chilly sensations, is most infectious in the early stages. In this period there are certain things that the victim should NOT do, in common decency and out of respect for the well-being of others:

1. He should not sleep in the same room with anybody else, nor in a communicating room with the door open.
  2. He should not kiss anybody, and should shake hands as little as possible.
  3. He should not spend any length of time in a closed room with other people. Many colds are spread by means of long drives in a closed car, or by an evening of bridge or poker.
  4. He should not—and this is a very elementary rule—drink from a glass used by anybody else, or touch food that is to be eaten by others. This rule concerns food handlers such as cooks and restaurant workers, over whom the boards of health now exercise active supervision in some communities.
- The things which a cold sufferer SHOULD do are quite as numerous as the things he should not do:

1. He should always hold a handkerchief before his (Continued on page 41)



Colds and kissing go together here—as he'll speedily find out

EVERYONE but the person most interested in a cold thinks it a little humorous to hear him talking without the aid of his nose. He gets very slight and casual commiseration, although more and more people are beginning to avoid him.

But I am afraid it will be a long time before the so-called "common cold" will be taken seriously.

Of course there is nothing very shocking and inhuman about our attitude toward colds, but it is based, certainly, on faulty or insufficient information.

The cold, as a matter of fact, is no laughing matter—ask the man who has one. Or better still, ask the man who has six or seven during the winter and another in midsummer. You probably won't ask him, because you hesitate to get him started. He has a real line of talk, having tried every form of cold medicine, every form of cold treatment, every mode of life—except, of course, the successful one—advocated to insure one against colds.

What is a cold? Are we not just making a mountain out of a molehill to take it seriously? We are willing to admit that it is a pesky and annoying thing, but is it not a little old-womanish to make a fuss about it?

## No Cure-All for Colds

LET'S see. In the first place, the word "cold" is very misleading. The group of phenomena which comprise what we know as a "cold" is, to be sure, more common in cold weather. But so are lots of other diseases.

A COLD CAN NO LONGER BE CONSIDERED A REACTION OF THE BODY TO LOW TEMPERATURE.

We know it is an infection, localized

in the respiratory apparatus, and causing the tissues in which it flourishes to react in various uncomfortable and unattractive ways.

A great many respiratory infections start in the mucous membrane of the nose. In its valiant effort to combat the infection this membrane starts a reflex which results in a violent expulsion of air and, generally, mucus—and we call the experience a sneeze.

For centuries the sneeze has been considered a sign of "catching cold." The response to it has been to shut windows, close doors, put on more clothing and stir up the fire. Experience has not taught us that these measures do not necessarily prevent the progress of the cold, if we happen to be getting one.

The sneeze is not only an attempt on the part of the nose to get rid of germs. It is a reflex which may be started by any foreign body, not only in the nose but on the surface of the face at different points, and even, in some people, by overstimulation of the eye by light or strain. Therefore a lot of our precautions are pointless. If a sneeze does mean an incipient cold, most people can tell it by the accompanying dryness and irritation of the nose and eyes.

But the shutting out of external cold is one of the most futile ways of responding to the attack. This is one of the reasons why we should learn to dissociate "colds" from cold.

The medical name for a cold will never do as a popular substitute. It is acute coryza. It is not a very descriptive name. Yet we do need a name that will take us away from the constant association of temperature with respiratory infection.