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HOW TO SAVE  
TIME AND MONEY  
THROUGH THE  
USE OF THE  
LONG-DISTANCE  
TELEPHONE

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NEW ENGLAND TELEPHONE AND TELEGRAPH COMPANY

# HOW TO SAVE TIME AND MONEY THROUGH THE USE OF THE LONG-DISTANCE TELEPHONE

## *Case Histories*

of the profitable use of the LONG-DISTANCE TELEPHONE by small and large businesses;  
by manufacturers, wholesalers, retailers, selling agents, insurance companies,  
brokers, collection agencies, business service companies and others.

## A L S O

*case histories* showing the scope, flexibility and economy of the TELETYPEWRITER  
in transmitting messages and controlling business operations.

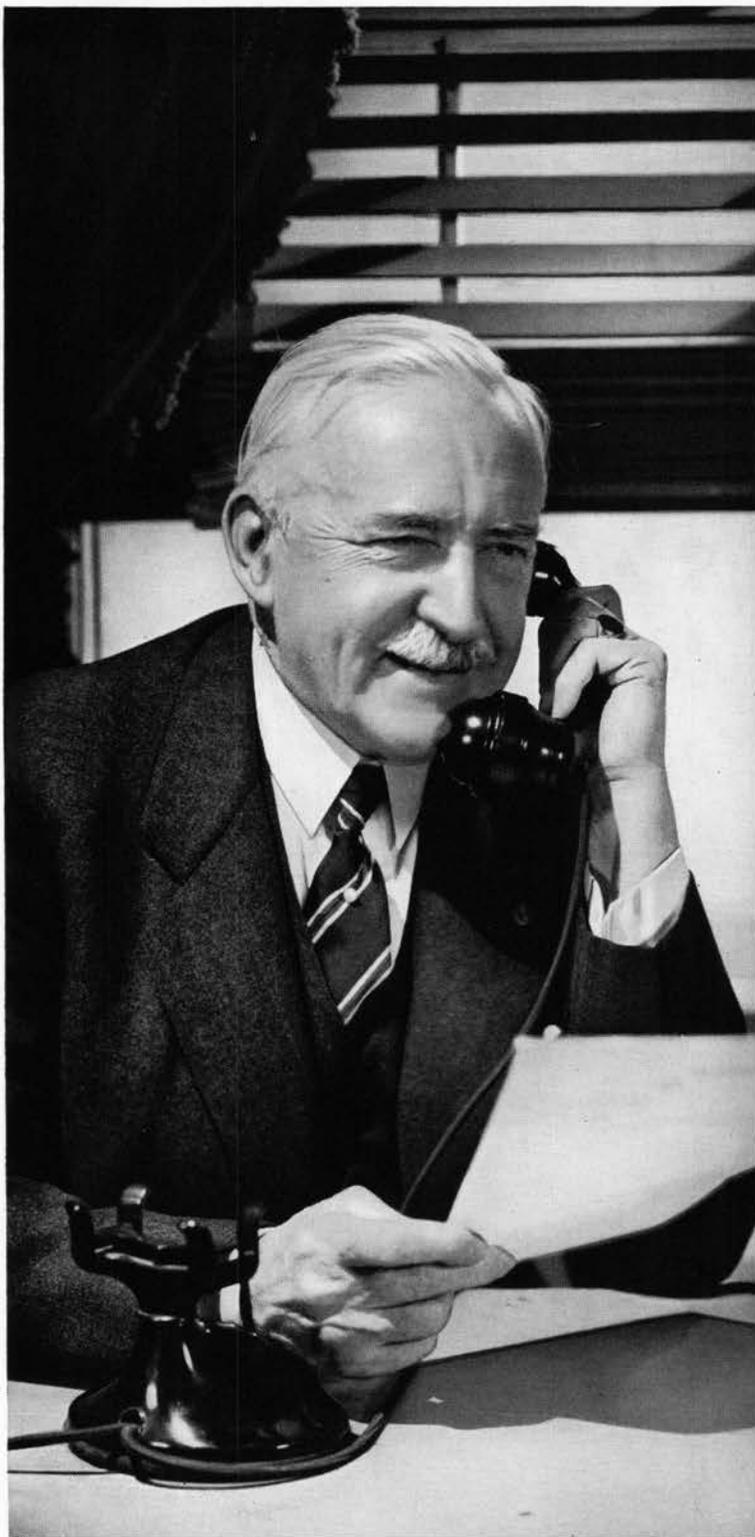


P U B L I S H E D   B Y  
NEW ENGLAND TELEPHONE AND TELEGRAPH COMPANY  
*Boston, Massachusetts*

## GUIDE TO THE USE OF THIS BOOK

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**Big businesses—small businesses—growing businesses**—are represented in the case studies in this book. No matter what the size of your business, a problem in long-distance communication which is important to you is important to the Telephone Company. If a review of the material in this book fails to bring an answer to your specific need, call the local office of your Telephone Company. Out of experience we may be able to help you.

*He can't fight—me and  
my brother and two cousins,  
we nearly licked him.*

—ANCIENT WISECRACK

**A** UNIVERSAL NEED in both large and small businesses is a little extra man-power in the right place at the right time.

Business is being done at high speed and over wide areas; there is a constantly increasing demand for close coordination and close working arrangements between a business and its customers and between headquarters, field representatives, factories and sources of supply.

The Telephone System has made careful studies of the application of long-distance service to all departments of a business. Some of the results of those studies, and some of the savings effected in small and large businesses, are recorded in this book.

The fundamental purpose of the book is to show how the man-power in many businesses is being put to work in the right place at the right time; how executives who are tied to desks by home office affairs are taking an active part in the development of their businesses through close personal contacts with sales forces and customers; how travel time is being made more productive; how some of the time previously wasted by salesmen in waiting rooms is being saved; how collections and adjustments are being made quickly with a minimum of misunderstanding and rancor; how order and production departments are being made to run more smoothly and to give better service through close working arrangements with both sales departments and customers; how old friendships with customers are being kept alive when the time required to visit them can't be spared; how new friendships are being

developed by executives from their desks at the home office; and how this is being accomplished with a small investment of time and money.

This is the story of the place in business of long-distance telephone and teletypewriter service. It is not a book of theory. It is based on experience in many businesses ranging from those run by a few men to those employing many thousands.

The further purpose of the book is to help you to coordinate long-distance communication with advertising, sales promotion, selling, purchasing, production, delivery and collection practices.

If you want more information about any of the long-distance telephone usages described in this book; or if you have any specific situation involving communication on which you would like help, call your local Telephone Business Office. Men whose sole concern is the study of communication problems will be glad to help you.

NEW ENGLAND TELEPHONE AND TELEGRAPH COMPANY

## Eight rate reductions in 12 years

The sample rates on this page give a general idea of the reductions in rates between distant points in a 12 year period. Hand in hand with these reductions the average time required to make connections has been reduced from six minutes to seventy-eight seconds. Night and Sunday rates are much lower than day rates.

<b>Sample rate reductions, 1926-1938</b>	<i>Station-to-Station</i>		<i>Person-to-Person</i>	
	DAY RATES		DAY RATES	
	<i>1926</i>	<i>1938</i>	<i>1926</i>	<i>1938</i>
Boston to Washington, D. C. . . . .	\$2.40	\$1.25	\$3.00	\$1.65
Portland, Me., to Cleveland, Ohio . . . . .	4.00	1.90	5.00	2.55
Providence, R. I., to Chicago, Ill. . . . .	5.40	2.50	6.75	3.25
Manchester, N. H., to Denver, Colo. . . . .	11.05	4.75	13.80	6.25
Burlington, Vt., to San Francisco, Cal. . . . .	16.45	6.50	20.60	8.75

<b>Sample night and all-day Sunday rates, 1938</b>	<i>Station-to-Station</i>		<i>Person-to-Person</i>	
	NIGHT AND ALL-DAY SUNDAY RATES		NIGHT AND ALL-DAY SUNDAY RATES	
Boston to Washington, D. C. . . . .	\$ .75		\$1.15	
Portland, Me., to Cleveland, Ohio . . . . .	1.15		1.80	
Providence, R. I., to Chicago, Ill. . . . .	1.50		2.25	
Manchester, N. H., to Denver, Colo. . . . .	3.25		4.75	
Burlington, Vt., to San Francisco, Cal. . . . .	4.25		6.50	

The above rates are for the initial period of 3 minutes; night rates apply from 7 p. m. to 4.30 a. m.

A small Federal tax applies where the charge is 50c or over.



**These are pictures of similar opportunities** — In one of these pictures a major executive sits face to face with a customer. In the other these same two men are supposedly separated by several hundred miles. In each situation, however, there is an opportunity for an exchange of viewpoints on policies, on merchandise, on market needs or conditions, and for an expression of interest in each other's personal welfare. There is an added advantage in the long-distance telephone situation. This sort of contact can be made at surprisingly small cost when the time required for a personal visit can't be spared.



**But this opportunity is too often neglected** — Without moving from your desk, simply by reaching for your telephone, you can talk just as intimately with your customer as you can when you sit face to face with him in his office. You can express your personal interest in him and his affairs. You can exchange viewpoints on any matter of mutual interest — policies, products, or market conditions. You can gather the first-hand information which you need to run your business most profitably. You can do this at a very low cost.

# How any executive can make profitable contacts with customers, with sales forces or with distributors at small cost and with a minimum expenditure of time

*“I know it’s flattery—but I like it”*

A visitor sat and waited while the superintendent of a large manufacturing organization in Boston answered the telephone. In a few minutes the superintendent hung up the receiver and turned to the visitor.

“That call,” he said, “was from the general manager of one of our regular sources of supply in New York. A few days ago we got a shipment of material from them. The manager called up to find out how it’s working. It’s a smart organization; they never overlook a thing. Next week I’ll get another call—on my birthday; they must keep a tickler system, they always remember my birthday.”

The superintendent hesitated a moment. “Of course,” he said, “I know it’s flattery, but, gosh, how I like it.”

There was a thoughtful pause.

Then the superintendent added, “They sure make it tough for their competitors.”

There is an unusual story back of this incident; a story of the successful holding of a large amount of business in the face of strong competition by executives who are closely tied to desks by administrative duties. It should prove especially interesting to you if you are a busy executive with comparatively little time for contacting important customers.

The visitor was a salesman selling a fine product competitive to that of the general manager who had just talked to the superintendent over

the long-distance telephone. The visiting salesman was a close personal friend of the superintendent,—so close that the superintendent sincerely wanted to give him business. Yet his statement to the salesman was that he couldn’t switch the business without causing a small riot in his own plant. He told his salesman friend that, in addition to the salesman who called regularly from this source of supply, five principal executives—president, executive vice-president, general manager, sales manager and production manager—were keeping in touch with his organization and with everyone who had anything to do with the operation of the plant and the processing of the product. Once a year each executive paid them a visit. Every week without fail, however, one of them telephoned with some reasonable excuse. As a result of this system, nothing could go wrong for long. The superintendent said that this attention made it impossible for competitors to break in. His statement to the salesman was that he was competing not with one salesman, but with six topnotch salesmen.

The further important details are as follows:  
*The business volume is about \$250,000.*

*The telephone calls, one each week, cost about \$200 per year.*

*The time actually expended on the telephone by all the executives combined in a year is about six hours.*

*Very little money; very little time; but excellent results.*

The first fact to which we direct your attention is that this is an unusual story, yet it can be matched to some degree by many other experiences.

The further facts to which we direct your attention are these:

The long-distance telephone visit has the same personal quality that is found in the premise visit. It is accepted as personal attention. It gives you and your customer the same opportunity for discussion and for exchange of opinions and viewpoints that you would have if you sat face-to-face with him in his office.

For these reasons the regular use of the telephone can help you to maintain a personal friendly relationship with customers. It also can

help you to gather first-hand information regarding customer opinions of your policies, your product, your service and competitive activities. If any competitive situation becomes acute, the long-distance telephone enables you to gather full information from numerous distant points almost simultaneously, and to act on the information with no delay.

No customer is farther away than the telephone at your elbow.

If you are tied to your desk by administrative duties, we suggest that you test the long-distance telephone call as a builder of customer goodwill and as a means for keeping in touch with conditions affecting your customers and your business.



**How to better control a telephone conversation** — With careful organization, a great deal of ground can be covered in a telephone conversation in a short time. Those who use the long-distance telephone regularly with customers and prospects find it helpful to list subjects to be discussed in the order that they should be taken up. This makes it possible to introduce the new subject just as soon as one matter is settled. Notes should be kept of replies. On page 15 you will find some suggestions for getting extra values out of telephone comments by customers and prospects on quality, prices, market conditions and competitive activities.

# How to insure against neglect of any important customer

## by executives

### How to set up a long-distance call system

There are special occasions and emergency occasions when a customer located at a distance is reasonably sure to get personal attention from a sales manager, a production manager or a superintendent. This is when he sends in an exceptionally large order; when he sends in an order of an unusual nature; or when he sends an order of reasonable size on which the instructions are not clear.

On these occasions some executive automatically reaches for the long-distance telephone. These special or emergency uses of long distance please customers and help to build good-will. They keep customers conscious of the fact that you appreciate their business and are doing your part to give them good service.

To build good-will among a large group of customers, however, demands regular and persistent attention on a systematic basis. We suggest the following steps:

- ONE: Go through your customer list; select the names of customers whom you want to call regularly.
- TWO: Provide a tickler file. List the names of customers and a few of the items in which they are interested.
- THREE: Before making calls be sure your information regarding the customer's orders is up-to-date. Consult with the order, production and shipping departments.
- FOUR: Be sure you know exactly what you are going to talk about. List the items on a call slip similar to that shown.
- FIVE: Keep notes of customer replies and comments. The call slip will help you do this.
- SIX: Have the notes transcribed and filed for reference.

TELEPHONE MEMO	
Party Called _____	Tel.No. _____ Date _____
Subjects for discussion	Result of Conversation
1. Order 27615-A shipped Tues. Has it been received? Has Adams looked at the finish on these items?	<i>Adams reports good quality may be better than usual.</i>
2. Prospect of price raise on June 10 - Ask about stocks.	<i>Stocks too low - will check and advise.</i>
3. Can we delay shipment of 10 cases of hard-finished materials till June 25?	
4. Remember to ask about Richardson's wife in hospital - minor operation.	
5. Get dope on new prices of Sampson & Elwell.	
COMMENTS:	

When a system similar to this is used, you neglect no customers and gradually you build up a file of valuable information.

NOTE: If you call a list of customers on a regular schedule, it may be to your advantage to use the sequence calling list sheet shown on page 50.

# How to get full value out of information gathered over the long-distance telephone

*“We thought everyone knew about our new price policy”*

A large mercantile organization takes the bulk of its orders over the long-distance telephone. On its order blank is a space reserved for customer comment. Following the inauguration of a new price policy, the general manager was thumbing through a pile of orders and casually noting comments by customers. It seemed to him that an exceptionally large number of the comments touched on the price policy. He decided on a more careful examination of these comments. *This examination brought to light the fact that a large number of their customers were ignorant of the new policy and that this was causing a loss of business, despite the fact that the general manager and members of his organization had felt sure the new policy had been fully explained.* A combined direct-mail and telephone campaign was immediately set in motion to correct the situation.

This experience illustrates a method by which a close check can be kept on business by means of the long-distance telephone, a check sufficiently close so that no adverse situation can get far out of hand, and any new market opportunity will be sensed almost immediately.

This method involves three steps:

- ONE: Regular executive contacts with customers by long-distance telephone as suggested in previous pages.
- TWO: A careful report on a special form of any comment affecting product, service, competitive activities or market opportunities.
- THREE: A *periodic* examination of these reports.

*The important point to keep in mind is that only through the periodic examination of these records are trends revealed.*

Over a period of a few months many comments similar in character may be made by customers. The repetitive and collective significance of these comments will seldom be noted, however, because the comments that are similar in character will be interspersed by other diverse comments. In the periodic examination those comments which are similar in character cannot escape notice.

Forms similar to that shown on page 15 for tabulating customer comments will be furnished on request.

# The low cost in money and time of contacting customers, sales forces, selling agencies, and of gathering information by long-distance telephone

There can be no complete appraisal of the value of the use of the long-distance telephone unless cost is included.

In the pages following you will find costs of contacting two groups of cities by telephone: a group of New England cities and a group of cities that would represent a fairly complete national distribution outside of New England.

These tables are set up in this way to give you a general idea of the cost of contacting by telephone similar groups of cities from a home office in New England. Before taking a look at these tables, we suggest that you consider one other cost factor. This factor is *time*.

It is not an easy matter to slice a day or two out of a busy week to visit customers, even though you recognize the full importance of those visits.

It is possible, however, to pick up ten, fifteen, or twenty minutes out of even your busiest days without seriously interrupting any activity. This permits you to make personal contacts daily over long distance with two, three or four customers. In the course of a month, with no interruption of your normal administrative duties, you run up a surprising total of profitable contacts with customers or distributors—somewhere between fifty and a hundred.

If you are doing business in the major New England cities your average investment per call of three minutes is less than sixty cents. For that modest investment you turn a few odd moments

each day into productive time; you keep in personal touch with conditions throughout a broad territory so that when you can spare a few days' time for a trip, you are in a position to accomplish many things that otherwise you could not accomplish.

If you are doing business on a national scale, including the west coast, your investment averages about three dollars for a three-minute conversation. Here, too, this modest investment enables you to turn odd moments into productive time. You are always up to date on what is happening in the field.

There is also one other factor that should not be overlooked. This factor is *speed*.

There are times in every business when every minute lost in the exchange of information with distributors, branch offices or customers costs a great deal of money. Long distance offers the fastest possible personal contact with distant points.

Over long distance you can talk intimately with ten to twelve persons an hour regarding new policies, new merchandise, new promotion plans, price changes or competitive activities.

So, in considering the cost of long distance, we suggest that you keep in mind, first, that it enables you to turn odd moments into productive time; second, that when speed of coverage and personal discussion are necessary, the use of long distance gives you the quickest possible return on your investment.

# Long-distance telephone costs from Boston to 35 New England cities

BOSTON to:	Station- to-Station	Person- to-Person	Station- to-Station	Person- to-Person	BOSTON to:	Station- to-Station	Person- to-Person	Station- to-Station	Person- to-Person
	DAY	DAY	NIGHT	NIGHT		DAY	DAY	NIGHT	NIGHT
<b>MAINE</b>					<b>RHODE ISLAND</b>				
Portland.....	\$ .75	\$ .95	\$ .40	\$ .70	Providence.....	\$ .40	\$ .55	\$ .25	\$ .50
Augusta.....	.95	1.20	.50	.85	Pawtucket.....	.35	.50	.25	.50
Bangor.....	1.15	1.45	.60	.95	Woonsocket.....	.35	.50	.25	.50
Lewiston.....	.85	1.05	.45	.75	Westerly.....	.60	.80	.30	.60
<b>NEW HAMPSHIRE</b>					Newport.....	.45	.60	.25	.55
Manchester.....	.45	.60	.25	.55	<b>MASSACHUSETTS</b>				
Nashua.....	.35	.50	.25	.50	Worcester.....	.35	.50	.25	.50
Concord.....	.50	.65	.25	.55	Springfield.....	.60	.80	.30	.60
Laconia.....	.65	.85	.35	.60	Brockton.....	.20	.30	.20	.30
Portsmouth.....	.45	.60	.25	.55	Clinton.....	.35	.50	.25	.50
Keene.....	.60	.80	.30	.60	Fall River.....	.40	.55	.25	.50
<b>VERMONT</b>					Fitchburg.....	.40	.55	.25	.50
Burlington.....	1.05	1.30	.55	.90	Gardner.....	.45	.60	.25	.55
Rutland.....	.85	1.05	.45	.75	Greenfield.....	.60	.80	.30	.60
Montpelier.....	.95	1.20	.50	.85	Holyoke.....	.65	.85	.35	.60
Barre.....	.90	1.15	.50	.85	Lawrence.....	.25	.35	.25	.35
Bennington.....	.80	1.00	.40	.70	Lowell.....	.25	.35	.25	.35
Brattleboro.....	.65	.85	.35	.60	New Bedford.....	.40	.55	.25	.50
					North Adams.....	.80	1.00	.40	.70
					Pittsfield.....	.80	1.00	.40	.70
						\$20.55	\$26.85	\$11.65	\$21.15

TOTAL COST, 35 cities, 1 call each from Boston, day rate . . . . \$20.55  
Average cost per call . . . . .58+

The above rates are for 3-minute station-to-station calls. A small Federal tax applies where the charge is 50c or over.  
Night rates apply from 7 p. m. to 4.30 a. m.

Rates as of January 1, 1938.

**Person-to-person and station-to-station calls.** In the use of long distance it is often necessary to reach a particular person or department. Any call asking for a particular person or department is a person-to-person call. In a station-to-station call you talk to any one who answers at the called number. The person-to-person rates are higher than station-to-station rates. When you make a person-to-person call and the called telephone is reached but the person desired is not available, a small "Report Charge" is made. Usually this report tells you when and where the party you want can be reached.

## Long-distance telephone costs from Boston to 35 cities — national coverage

BOSTON to:	Station- to-Station DAY	Person- to-Person DAY	Station- to-Station NIGHT	Person- to-Person NIGHT	BOSTON to:	Station- to-Station DAY	Person- to-Person DAY	Station- to-Station NIGHT	Person- to-Person NIGHT
Springfield, Mass.....	\$ .60	\$ .80	\$ .30	\$ .60	Portland, Ore.....	\$6.50	\$8.75	\$4.25	\$6.50
Buffalo, N. Y.....	1.30	1.75	.80	1.25	San Francisco, Cal.....	6.75	9.00	4.50	6.75
Pittsburgh, Pa.....	1.50	2.00	.90	1.40	Los Angeles, Cal.....	6.50	8.75	4.25	6.50
Cleveland, Ohio.....	1.70	2.25	1.05	1.60	Dallas, Tex.....	4.25	5.75	2.75	4.00
Detroit, Mich.....	1.85	2.45	1.15	1.75	El Paso, Tex.....	5.50	7.25	3.75	5.50
Columbus, Ohio.....	1.90	2.55	1.15	1.80	New Orleans, La.....	3.75	4.75	2.25	3.25
Cincinnati, Ohio.....	2.20	2.95	1.35	2.10	Memphis, Tenn.....	3.25	4.25	1.95	2.90
Louisville, Ky.....	2.40	3.25	1.45	2.25	Birmingham, Ala.....	2.90	3.75	1.75	2.60
Indianapolis, Ind.....	2.30	3.00	1.40	2.10	Atlanta, Ga.....	2.60	3.50	1.60	2.45
Chicago, Ill.....	2.50	3.25	1.50	2.25	Miami, Fla.....	3.50	4.50	2.10	3.00
Milwaukee, Wis.....	2.60	3.50	1.60	2.45	Jacksonville, Fla.....	2.90	3.75	1.75	2.60
Minneapolis, Minn.....	3.25	4.25	1.95	2.90	Charleston, S. C.....	2.30	3.00	1.40	2.10
Des Moines, Iowa.....	3.25	4.25	1.95	2.90	Charlotte, N. C.....	2.20	2.95	1.35	2.10
St. Louis, Mo.....	2.90	3.75	1.75	2.60	Richmond, Va.....	1.45	1.95	.90	1.40
Kansas City, Mo.....	3.50	4.50	2.10	3.00	Washington, D. C.....	1.25	1.65	.75	1.15
Denver, Colo.....	4.75	6.25	3.25	4.75	New York, N. Y.....	.80	1.10	.50	.80
Salt Lake City, Utah...	5.50	7.25	3.75	5.50	Providence, R. I.....	.40	.55	.25	.50
Seattle, Wash.....	6.50	8.75	4.25	6.50					
						-----	-----	-----	-----
						\$107.30	\$141.95	\$67.70	\$101.80

TOTAL COST, 35 Cities, 1 call each from Boston, day rate . . . . . \$107.30

Average cost per call . . . . . 3.06+

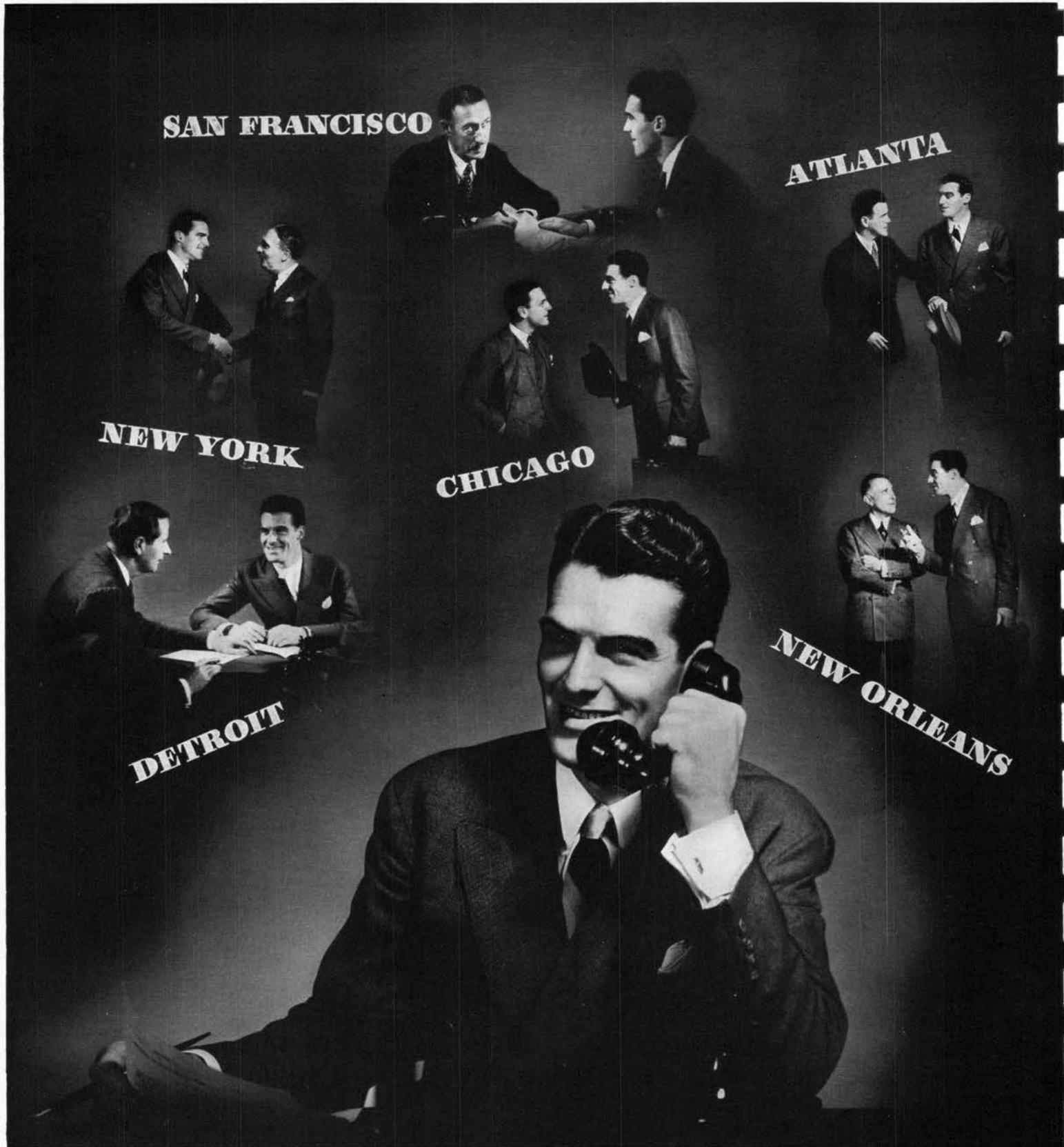
The above rates are for 3-minute station-to-station calls. A small Federal tax applies where the charge is 50c or over.

Night rates apply from 7 p. m. to 4.30 a. m.

Rates as of January 1, 1938

**Overtime rates** are approximately one-third of the initial three-minute period rates, except where the station-to-station rate is 25 cents or less. Overtime is charged for each additional minute or fraction thereof of conversation beyond the initial three minutes.

Exact costs can be kept on long distance with a very small expenditure of time. The sequence lists shown on page 50, the credit card on page 63, and the forms for tabulating costs pictured on pages 56 and 57, are all practical helps in recording and tabulating costs against results. A request to any local business office of the Telephone Company will bring you a supply of these devices sufficient for your needs.



**A little more peace-of-mind for a sales manager — a little more business for his company —** This sales manager is doing a sensible thing. He's clearing his mind of worry. He should take a trip to see a number of customers. He has a lot of desk work that can't be neglected. Simply by reaching for the long-distance telephone he clears his mind of concern about the customers. They're all glad to hear from him. He talks with them as intimately as though he had made the trip. From some of them he gets orders. From all of them he gets useful information regarding general business and market conditions. He can go back to work at his desk with his mind free for he has gathered exactly the same pertinent up-to-date information that he would have gathered on the trip.

# The profit in personal contacts by telephone

## between the sales manager and customers

If you are a sales manager you have, among other worries, the thought of many customers you should see more often.

You can't forget these customers.

You are not allowed to.

Salesmen say: "I wish you could spend just a couple of days in my territory. It sure would help."

The general manager says: "You ought to get out on the road more. There are a lot of people you ought to see."

Even without this prodding, the urge to get out on the road is constantly with you. There are customers who turn business your way partly because of their friendship for you; you don't want to neglect these customers. There are other customers who find attention from you as sales manager subtly flattering; a visit from you helps the salesmen who cover these accounts. Then there are still other customers who want to see you for sound and practical reasons; they want to take advantage of your knowledge and experience; they want to discuss merchandise, service and policies, and to lay specific problems before you in the hope that you can give them help and advice.

All of these contacts are important to you. Out of them you get some new business. In addition you gather a great deal of first-hand information about the strong and weak points of your products and service, and about market opportunities.

If your duties are as multitudinous as those of most sales managers, your problem is to find time to make these customer contacts frequently

enough. There is administrative work which must be done. You can't shorten travel distances. You can't stretch time. So, you must either partially neglect customer contacts or find a way to keep in touch with customers which does not involve too much time.

In this situation the long-distance telephone has been surprisingly helpful to many sales managers; first, in helping them make a better use of travel time; and, second, as a factor in actual contacts with customers.

*Those who have experimented with calling ahead for appointments on trips have saved many days and have stepped up the number of customer visits, in some cases more than fifty per cent, with no increase in the time used on the trip.* The full story of time-saving and the methods employed in appointment calling are found on pages 41 to 43.

This saving, however, is but a small part of the profit that sales managers have discovered in the use of the long-distance telephone.

*The major advantage of the long-distance telephone is found in making direct customer contacts to supplement travel visits.* As was pointed out on the pages covering major executive contacts, the long-distance call has the personal quality of a premise visit. Over long distance you can exhibit the same friendly interest in old and new customers that you would if you were sitting face-to-face with them in their offices. You can show a proper appreciation for past business. You can discuss policies, merchandise and service. If there has been any misunderstanding, the long-distance telephone enables you and the customer to review the circumstances, to exchange

viewpoints, and to arrive at an understanding quickly.

There is one further advantage. You can talk with many customers in a remarkably short space of time, which means that when the necessity arises, you can get exact first-hand reports on conditions in many markets and act on them before any situation gets too far out of hand.

Some of these statements are susceptible of proof. Others are not. Time saving in travel can be proved; and, as stated on the previous page, many sales managers have testified to savings of time through appointment calling on trips. One reports eight days saved on a month's trip; another, two days saved on a normal five-day trip, and many others report the saving of a day or two a week.

Good-will building is a matter of opinion; but many sales managers report that the cost of

their long-distance calls with this object in mind is paid by the profit from the direct orders received.

The real test of the value of these suggestions is a trial. Pick a list of important customers. Call them regularly with a specific objective. Check the results.

### **Other ways in which the long-distance telephone can help a sales manager**

There are many other specific ways in which the long-distance telephone has paid unusual profit in the daily conduct of sales work: in the direction of salesmen and selling agents, in speeding the receipt of orders, in intensifying sales promotion, in making the travel time of sales forces more productive, in decreasing the waiting time of sales forces and in increasing the number and size of orders. The methods which have been employed are explained and described in the following pages.

# Case histories demonstrating the close personal supervision, at low cost, of out-of-town units and field representatives by long distance

The long-distance telephone offers you three methods for supervising branch offices or field representatives at a low cost.

**ONE:** Supervision by conferring with each individual or office separately.

**TWO:** Supervision by long-distance conference service which enables you to confer with several individuals at different points *at the same time*.

**THREE:** Supervision and stimulation by long-distance conference service *plus a loud speaker* which enables you to explain your personal viewpoint to a group at any distance.

The full story of the conference methods is told on page 27.

Following are some practical experiences in the supervision by long distance of one office or individual at a time.

## Case 1

A traveling supervisor found it difficult to cover out-of-the-way agents because of the time required for administrative work. He now telephones these agents from key towns without interrupting his travel schedules.

**RESULTS:** *This method is satisfactory. Few personal visits required. Average long-distance charge, 30 cents, as against \$3 to \$4 for personal visit.*

## Case 2

A chain of stores employs a group of merchandising men to visit stores to check inventories, to review publicity and sales promotion plans, to check up on local conditions affecting the store, and to give counsel and advice.

Important situations require discussion and immediate decision by headquarters. After a trial of other methods of communication, an experiment was made with daily reports by long distance.

**RESULTS:** *Headquarters now has effective up-to-the-minute control; instructions are fully understood; it is possible to capitalize immediately on changing conditions. Company considers a monthly expenditure of \$450 for telephone service an excellent investment.*

## Case 3

A manufacturer has about twenty district offices throughout the country. These offices work very closely with distributors on sales promotion. District managers telephone headquarters at stated times once a week to keep headquarters informed on progress of work. Extension stations and some special equipment at home office allow several executives to enter into the discussion at the same time.

**RESULTS:** *Headquarters has up-to-the-minute information and control. Opportunity for discussion makes certain that problems and instructions are understood by both headquarters and district managers. Gives centralized control with no travel expense and with small expenditure of time. The president of the company credits part of their lowered selling costs to the liberal use of the long-distance telephone.*

## Case 4

This organization deals in second-hand machinery on a nation-wide scale, buying and selling and making the interchange as rapidly as possible. All the leads secured from trade-paper advertising and direct-mail are immediately followed up by telephone. Because of the familiarity of the organization with the machinery they buy and sell, and also because the telephone offers every opportunity for discussion of details, many deals are com-

pleted over the telephone. But, if necessary, the nearest salesman is called by telephone and asked to visit the prospect.

*TYPICAL INSTANCES: Required machinery known to be in mid-western city was purchased by telephone and immediately sold to buyer on the Pacific coast by telephone. Amount of transaction, \$4,600. Customer in another mid-western city was sold a piece of machinery on a three-minute long-distance telephone call.*

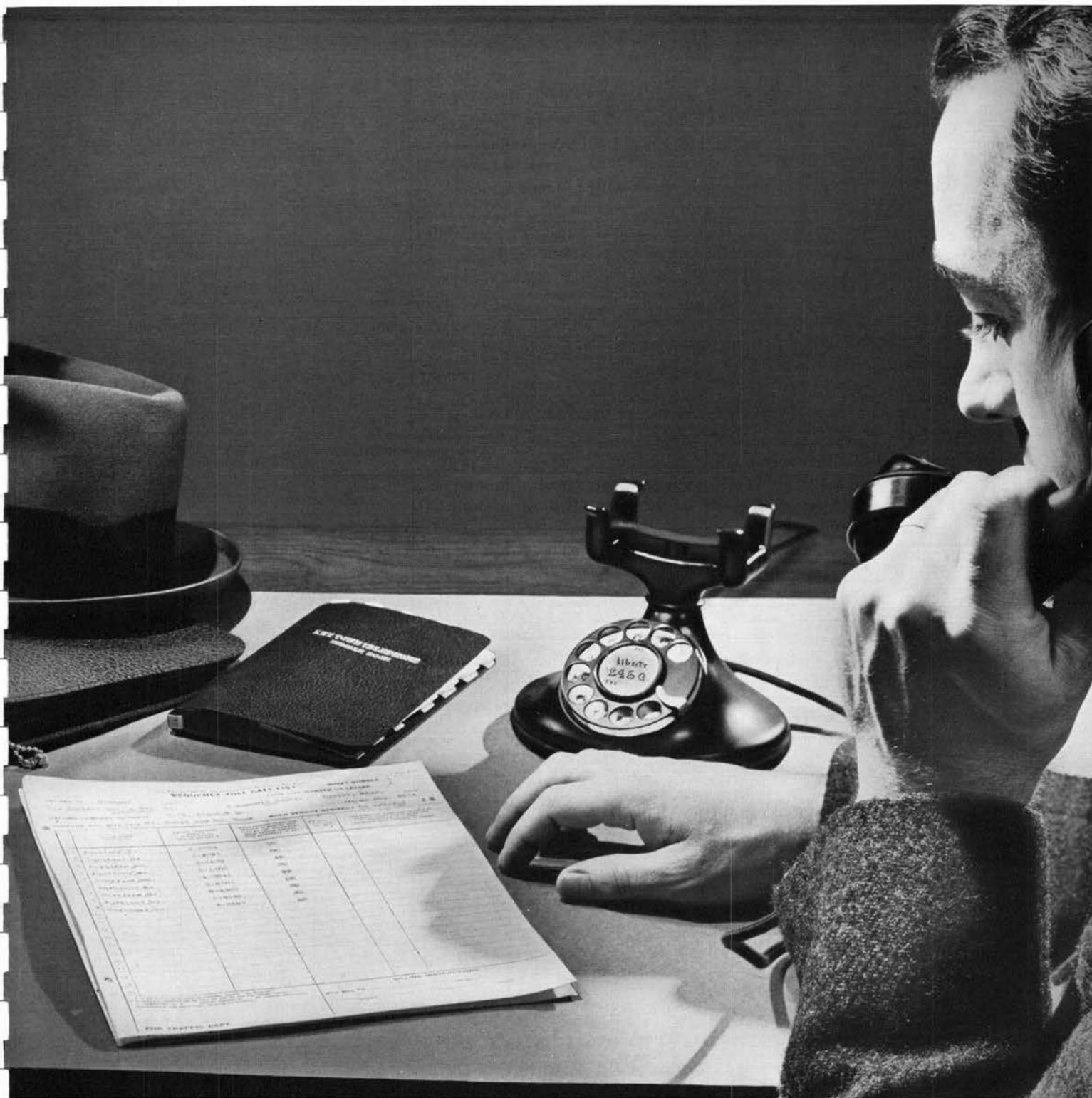
#### Case 5

A wholesaling organization dealing in perishable goods has to match demand and supply daily. They use the long-distance telephone to maintain a balance between supply and demand. They telephone branches daily to discuss supply at each point in order to dispose of any overstock quickly. They also discuss at the same time

sales, shipments, collections and credits and other matters.

*RESULTS: These uses of the long-distance telephone give the home office up-to-the minute control of branches; permit headquarters to keep in close touch with conditions in the field; and insure that instructions and reports are received promptly and are fully understood.*

If there is in your business a need for the close supervision of out-of-town offices or representatives, the long-distance telephone offers you that opportunity. Through discussion and exchange of information and viewpoints over long distance, you can direct out-of-town business with an exact knowledge of conditions, and be sure your instructions are understood.



**Your salesman can make calls from any business office of the Telephone Company** — Facilities for making calls are provided at each office of the Telephone Company. If salesmen are making calls regularly, sequence calling lists similar to the one shown on page 50 may be filed with our operator. She will make the calls in the order indicated on the list. This will save time and enable your salesman to work at high speed. If the salesman is provided with a credit card, this permits him to have the calls charged to your account at your branch or home office. This gives you a record of all calls. Requests for credit cards should be made to the business office of your local telephone company.



**The long-distance conference service brings individuals together for group discussion regardless of the distance which separates them** — The long-distance conference service offers the following advantages: *It speeds decisions:* By means of a conference connection, you can get immediately the undivided attention and opinions of those with whom you want to confer. *It brings quick action:* Any misunderstandings can be cleared away promptly as they arise — quick action follows because every one knows the plan to be followed. *It saves time and money:* There is no need for any executive to leave his desk to talk things over. The money and time required to get groups together are saved. To arrange a conference, call Long Distance and ask for the conference operator. If a number of distant points are to be included, a little advance notice is desirable.

# **“Let’s sit around a table—diameter 50 miles or 2000 miles— and talk it over”—the story of conference service**

## **Long-distance telephone conference service prevents delays in decisions and in the exchange of information and opinions**

Unless your business is different from most, many important decisions are set aside too long because it is impossible to get the right people together to discuss certain points which affect the decision. One man is on a trip. Another on a vacation. Still another is located in a distant city and visits the home office infrequently. Ten minutes discussion would settle the matter. Weeks may pass, however, before the group can be gathered together. To try to settle matters by correspondence is difficult, because of the lack of opportunity for discussion and interchange of viewpoints.

Another typical situation, characteristic of many which occasion delays and dissatisfactions, is the infrequent opportunity for discussion and exchange of information and opinions between branch office heads and between them and headquarters.

In both these situations, the long-distance conference service offers a positive and immediate correction at small cost. It allows of discussion between any points where there is telephone communication, and each party can hear all the discussion and enter into it at will.

Ordinarily, for conferences involving more than six points, advance notice should be given to the local telephone business office to allow for any special arrangements that may be necessary.

Following are examples of the practical use of long-distance conference service:

## **Sales manager confers once a month with branch managers—maximum distance 745 miles—average cost per month less than \$75**

A sales manager directing the activities of 12 branch agencies confers with the district managers once a month. He talks with them in two groups of 6 each. In one group the maximum distance is 390 miles. The cost of a ten-minute conference is \$18.50. In the other group the maximum distance is 745 miles. The cost of a ten-minute conference is \$33.75.

This plan allows of the same sort of discussion as though each of these groups were brought together. Opinions and viewpoints regarding company policies, competitive situations, market conditions, sales results and specific problems are exchanged as freely as if the branch managers and the sales managers sat together in one room. *These meetings result in a close working arrangement between the home office and its branches and a full and complete understanding between all branches.*

*The cost, both in time and money, is but a fraction of the cost of bringing the group together.*

## **Zone manager confers daily with four field representatives simultaneously—maximum distance 100 miles—average cost \$14**

In a business where it is necessary to pass daily on credit situations and also to exchange stock items between one distributor and another, zone manager confers each day simultaneously at a specified time with four field supervisors located a maximum distance of 100 miles from home office.

*This telephone conference enables zone manager to exercise complete control over district with practically no travel expense. Average conference, 11 minutes; average cost, \$14.*

## **Sales manager confers simultaneously with representatives in 6 cities; approximate cost \$6.50**

In a business where price and policy changes occur frequently, the sales manager wanted a quick and economical way to post field representatives on changes and also to get their reactions for future guidance. He also

wanted all representatives to hear and to enter into the discussions so that all would benefit from them.

Two conference groupings were set up, each one covering 6 cities. Maximum distance, 140 miles. Cost of two three-minute connections about \$6.50.

*The sales manager reports that these arrangements are exceptionally satisfactory for keeping in touch with conditions in the field and for maintaining close working relationships between representatives.*

**Manager of small business confers with representatives 500 miles apart— cost \$8.00**

In a small business, the manager has several representatives working in the field who buy from farmers and sell to distributors. Market conditions and prices change frequently. Telephone conference service is used to talk with the representatives in each territory as changes occur. Announcements are thus made simultaneously and the representatives have an opportunity to exchange viewpoints with each other and with the manager.

Cost of 3-minute conference (3 points) over maximum distance of 500 miles, \$3.75. Cost of another conference of 4 minutes (3 points) over a maximum distance of 450 miles, \$4.25.

**Association committee holds meetings by long-distance conference—maximum distance 170 miles—cost (18 minutes) \$15.85**

The executive committee of a manufacturer's association comprises five men located in five cities, maximum distance apart 170 miles. To get all the members together in one city at one time is difficult and expensive. Most meetings now held by telephone conference service. An 18-minute conference costs \$15.85, which is 10% of the cost of a get-together meeting in one city.

**Lawyer arranges agreement between three parties in cities 1,000 miles apart—telephone cost, \$14.25**

A lawyer had a case in which three parties were interested. All lived in different cities, the lawyer in another city. The maximum distance was 1,000 miles. The lawyer worked out his proposal. It was explained to all the

parties in a long-distance telephone conference. All parties subscribed to the agreement. Conference took five minutes—telephone cost \$14.25.

**Receiver reaches agreement with principal creditors in four cities 1,150 miles apart—telephone conference cost, \$21.75**

A receiver was attempting to liquidate the affairs of a concern which had gotten into financial difficulties. Principal creditors were located in four different cities, maximum distance 1,150 miles. Agreement was reached in a five-minute long-distance telephone conference at the modest cost of \$21.75.

**Home office executive of trucking company maintains close control of operations of three branches as far apart as 110 miles. Length of daily conference, 6 minutes. Average telephone charge, \$3.10**

This company has a number of trucks which leave terminals in three cities at scheduled times each evening except Saturdays. It is necessary for the home office to know how many trucks are leaving and their destination in order to maintain a reasonable distribution of trucks. The home office executive confers simultaneously with branch managers in three cities, using long-distance conference service. He and the branch managers are thus fully informed as to incoming and outgoing shipments. This four-sided discussion helps to avoid delays and errors due to misunderstandings.

*Thus in a telephone conference a group of people, no matter what distance separates them geographically, can accomplish the same things that could be accomplished if they sat in the same room. Actually they accomplish more; decisions are reached in a shorter time; there are no interruptions; there is a strict attention to the business in hand, and consequently a greater concentration by all parties. Each listener hears all that is said. Any listener can enter into the discussion. Both time and money are saved.*

# How to make your personal or company viewpoint clear to a group at any distant point at small cost—an explanation of loud-speaker service

*“I wouldn't say it just that way”*

You have undoubtedly witnessed a parallel of the following incident in your own business.

An executive explains a new policy, a new plan, or a new process to a group of fellow-executives. When he finishes some one says, “I wouldn't say it just that way,” and he offers his version. The second speaker, because of his particular function in the business, is a little more familiar with the subject under discussion than the original speaker. His version, because of this intimate knowledge, is more exact than an explanation made by any one else. Every time, however, his version is relayed from one person to another it loses just a little of its original force and clarity. So, in any business there are times when it is desirable to have the one man who is most familiar with a policy, a sales plan, a process, or a product tell the story in his own way to salesmen, or to distributors or other selling agencies.

However, to bring executives and salesmen, or executives and distributors, together costs considerable money in two directions: time and travel. The long-distance telephone when hooked up with a loud-speaker at the group meeting point, or simultaneously at more than one meeting point, offers a remarkably satisfactory solution to this problem at a very low cost.

When use of this service is contemplated, the local telephone business office should have advance notice sufficient to allow for installation

of necessary loud-speakers and other arrangements.

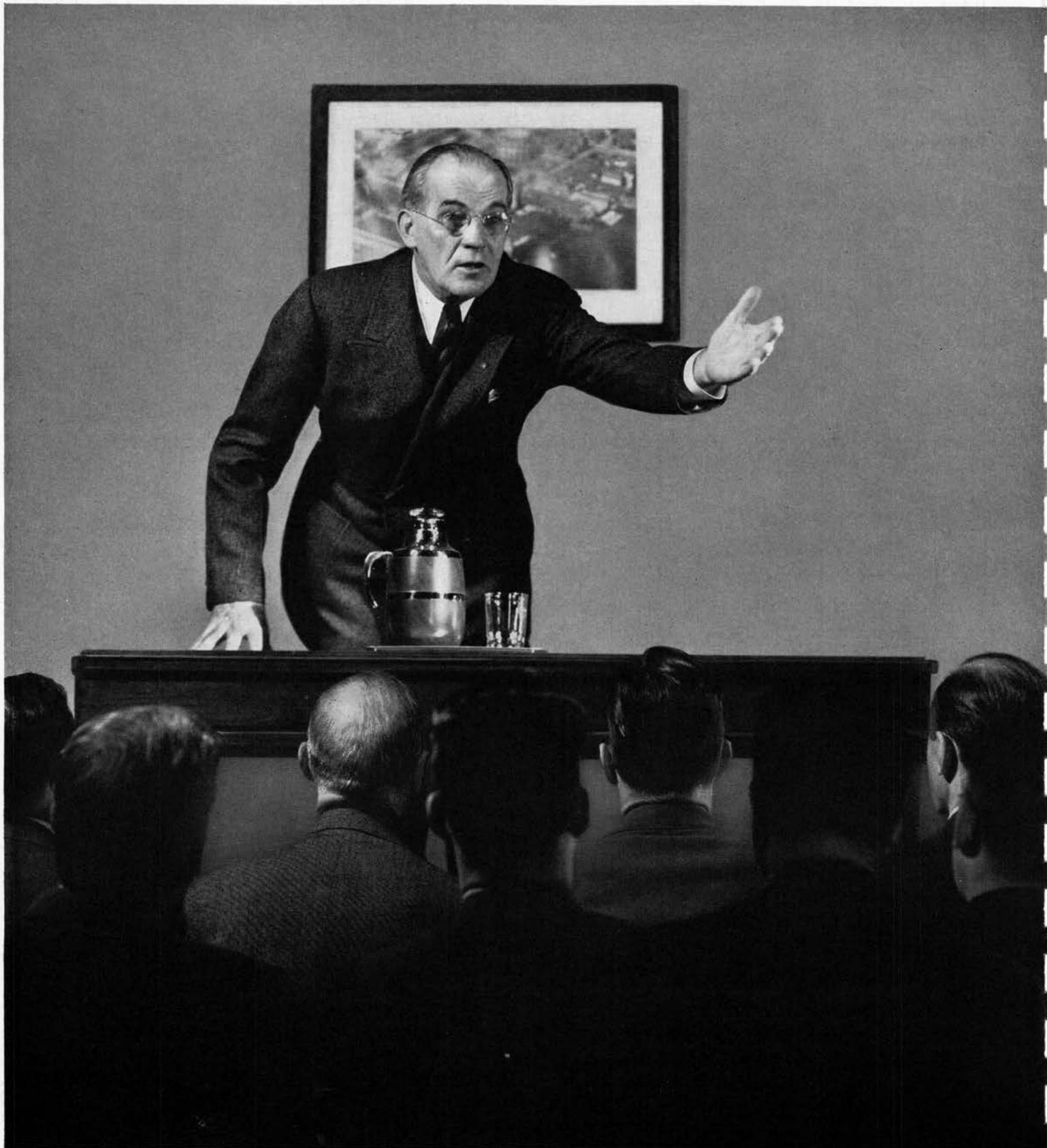
The following experiences show how some organizations have made use of long distance and the loud-speaker to have executives talk to salesmen, to distributors, and to agencies.

## **In one day one executive talks to 1,200 men located in 16 cities—cost \$360**

A manufacturer established a new sales policy behind a new line of merchandise. Group meetings of salesmen were held in 16 cities—all on the same day. The sales manager wanted to tell the new policy story to each group in his own way. Obviously it was impossible to cover these meetings by travel. Arrangements were made to allow the sales manager to talk to the meetings in turn over the telephone with a loud-speaker in each meeting room. He talked to the entire force of 1,200 men in one day. The maximum distance was 1,250 miles. The cost, including loud speakers, was about \$360.

## **Ninety-minute address by chairman of board to 75 men 150 miles away—cost only \$140**

The chairman of the board had an important address to make to the sales forces of his company. The salesmen in the nearby districts were assembled at a convention at the home office. Salesmen in outlying districts could not be brought in except at a considerable expense. Seventy-five of these salesmen were assembled at a convenient central point. A telephone connection was set up between this point and the convention headquarters. A loud-speaker was installed at the hall where the small group was gathered together. The address took ninety minutes. Each of the seventy-five salesmen heard it distinctly. The distance was 150 miles. The cost of the telephone service complete was \$140.



**Talk in person to a group at any distance** — Over long distance, you can talk to a group of any size, at any distance. *Or you can talk to several groups in as many cities at the same time.* A long-distance hook-up plus a loud-speaker, or loud-speakers, makes this possible. This service permits you to deliver your message in your own way, using your own language, and giving your message the inflections that are often so necessary to make it clear, exact and impressive. This service is available one-way or two-way. On two-way service, questions asked by the audience and telephoned to you over the associated telephone can be answered by you through the loud-speaker.



**How the Bell System loud-speaker operates** — The Bell System loud-speaker is connected directly to the telephone line. Operate a key and every one present can hear the person speaking at the distant point. Restore the key and the loud-speaker is cut off. A control dial regulates volume. There are two types of loud-speakers. Each is contained in a small, attractive cabinet and can be placed on the corner of a desk or table. One type is suitable for small offices and also rooms holding up to one hundred people; the other for larger groups. Can be used with any type of telephone call — inside, local, out-of-town, or conference. The Telephone Company installs and maintains the loud-speaker for a small installation charge and a low monthly rental. For further information consult the business office of your Telephone Company.

**Executive addresses meetings in 58 scattered cities over 2,000 miles of territory—cost \$2,000**

A large organization has a group of factory representatives who were addressing meetings of distributors' salesmen throughout the country; 58 meetings were held by these representatives, some of them a distance of 2,000 miles from the home office. It seemed desirable to have these meetings addressed by the general sales manager. Telephone connections and a loud-speaker were set up at each meeting place. The sales manager addressed each meeting separately for an average of ten minutes without leaving his office. The cost, including loud speakers, was \$2,000.

**Sales manager talks to group of 400 men 450 miles away—cost \$61**

A sales manager wanted to address a convention of salesmen of a distributor personally but could not spare the time to go to the convention. With a long-distance telephone connection and a loud-speaker at the convention he addressed a meeting of 400 salesmen over 450 miles of telephone wire. Length of address, 20 minutes. Cost, including loud speaker, was \$61.

**Executive in Europe and two in America address 5 meetings in cities over 2,750 miles apart—cost \$600**

Executives in two United States cities and one executive in Europe wanted to address two conferences, each one including 5 United States cities - some of them 2,750 miles apart. The European connection was set up for 3

minutes. The addresses in this country took 15 minutes. Cost, including loud speakers, was \$600.

**Sales manager addresses several district meetings simultaneously; maximum distance 100 miles**

A company selling appliances direct to householders has three hundred salesmen working in five districts. Sales meetings are held each morning in each district. When the sales manager participated in meetings, sales increased. The company wanted him to address one meeting in each district each week. Home office duties made it impossible to find the time to do this in person. Loud-speakers were installed at all district offices. Sales manager now talks once a week to all five groups simultaneously.

Long-distance telephone costs for twenty-minute conference connection, \$12.90; thirty-five minutes, \$21.90.

Not only does loud-speaker service enable any executive to present a story in his own way, but it does something more. It enables the executive to inject the force of his own personality into any group meeting at any distance. Questions can be asked of the speaker by telephone and he can answer them to the group, again insuring his own interpretation.

There is a nominal charge for the use of the loud-speaker. Details can be secured through the business office of the Telephone Company.

# Extensive and frequent coverage of territories at low cost with the long-distance telephone

Today both the development of prospects into customers and the gathering of orders from customers require a definite selling technique. The last decade—including a few years preceding the depression—has been marked by a strong emphasis on the rapid flow of merchandise. Business is being done with a minimum of warehouse and store space and with a minimum of capital tied up in merchandise. This means that a customer orders frequently and that a salesman must contact him frequently to get his share of the business.

This necessity for frequent contacts adds to selling costs.

This same necessity also adds to the cost of

cultivating out-of-the-way accounts, small accounts and prospects.

In this situation the long-distance telephone offers invaluable help in making increased contacts with both customers and prospects with no interruption of travel schedules, and in keeping selling costs down.

The methods of use and some traceable results from those methods of use are recorded in the pages that follow.

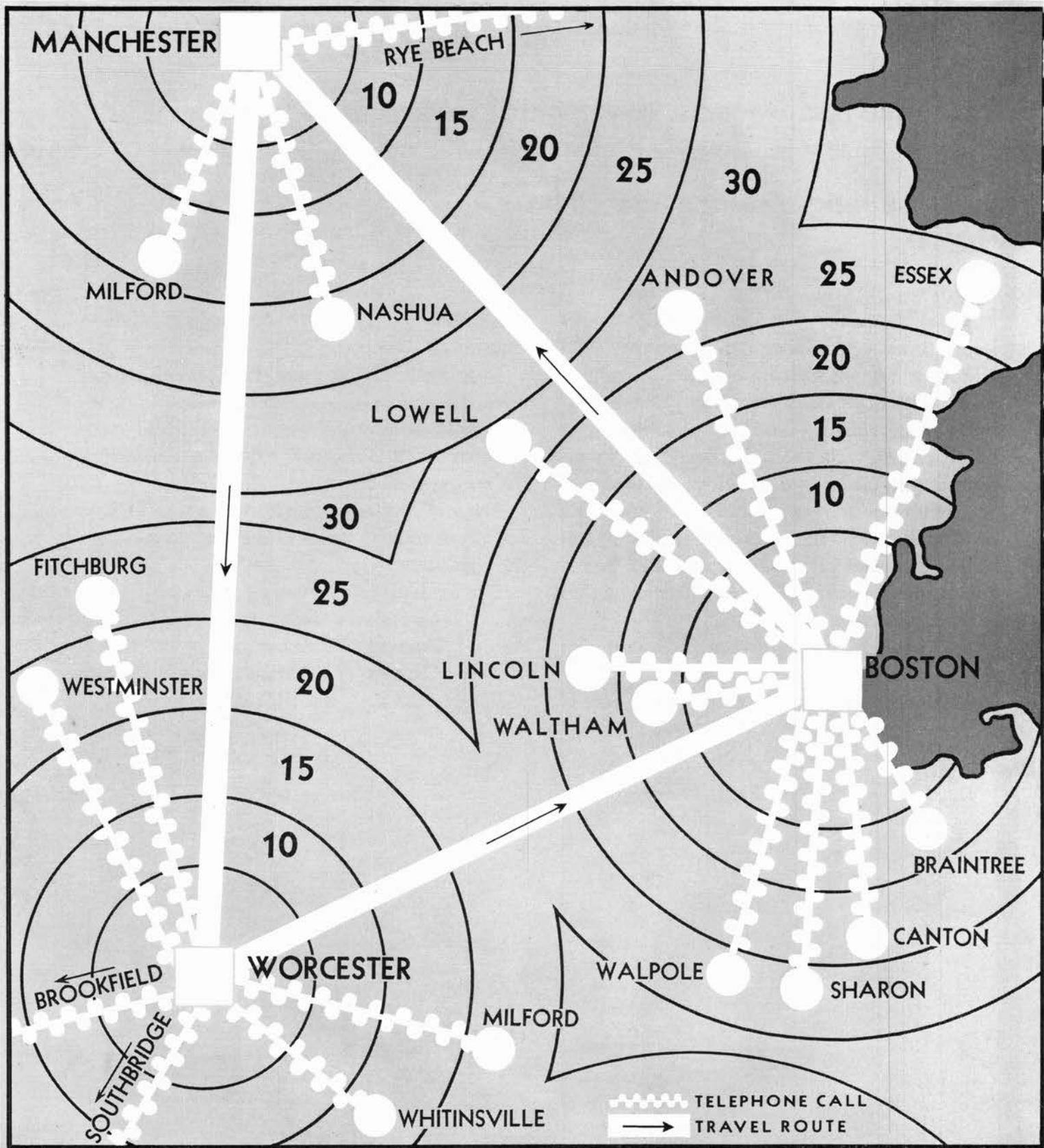
The methods are:

KEY-TOWN CALLING.

SKIP-STOP CALLING.

CALLING FOR APPOINTMENTS.

MAKING CALL-BACKS.



**Key-town calling saves thousands of miles of travel yearly** — This map shows part of the key-town calling method used by a sales organization to cover a number of towns and cities. The full trip includes nearly all of New England. The key towns are selected to give customer coverage in towns off the line of travel at a minimum charge for telephone service. For example, customers in Lowell or Andover are telephoned to from Boston; the charge is 25 cents for each call. If these calls were made from Manchester, the charge would be 30 cents each. By following this method of selecting key towns, telephone charges are kept at a minimum. Maps showing zone charges in any territory furnished on request to the business office of the Telephone Company.

# Key-town calling gives intensive or increased coverage of customers with a minimum of travel

Key-town calling is designed to give intensive coverage of accounts at low cost.

This plan is primarily for the use of sales managers or salesmen in the field. It does not dispense with the visits made on customers. It supplements those visits with telephone calls made for the purpose of making extra contacts and picking up extra orders.

The term "key town" is used to designate a town which is selected as the base from which to make calls.

Many considerations enter into the selection of a key town. The town naturally must be along the travel route of the man who uses it and must suit his convenience.

A further consideration is the distances over which calls are to be made, each key town being selected to give, as far as possible, a minimum cost of calling.

Maps showing key towns along the usual travel routes in any territory from which calls can be made most economically are furnished by the Telephone Company. When necessary, maps will be made up to suit special travel routes which do not include the normal key towns.

When the key towns have been selected, customers may be listed on forms furnished by the Telephone Company.

A sequence calling list (see page 50) may be used or the key-town number book list (see page 52).

If the sequence list is used, a copy may be filed in the telephone office of the key town. A salesman going to that town to telephone asks for the sequence operator, and calls for the list,

giving the name of his company and the list designation. The operator then makes each call just as soon as the previous call is completed, thus saving time for the salesman.

If the key-town number book is used, the salesman can give the numbers to the operator in the order he wants them called. The operator puts each call through as soon as the previous call is completed just as she does with the sequence list.

If the salesman uses a credit card which he must present personally at a business office of the Telephone Company (see page 63), calls which he makes from that office are billed monthly to his branch or home office. This gives his company a record of calls made by him. It also relieves him of the necessity of waiting to pay for the calls.

A call to the local business office of the Telephone Company will bring a representative to help you work out key-town calling schedules.

The following are typical experiences in the use of key-town calling.

## Case I

The agency of a fuel company has to increase its customer coverage during busy season. Due to the large size of each territory and the fact that road conditions are bad during peak season, personal coverage of entire list of customers is impossible at the time when this coverage is most important.

The sales department now telephones a large portion of its customers direct during the peak season by long distance. The selection of this list is based on a comparison of past volume with orders received up to the time the telephone call is made.

RESULTS: 50% of total business is secured by long-

*distance telephone. Telephone charges on a \$1,000 order were 1/10 of 1% of sales.*

#### Case 2

This organization sells to 2,200 industrial plants located throughout the country. The coverage program set up for salesmen was not being met; some customers were entirely neglected. The addition of salesmen, however, would increase costs too much.

Salesmen now telephone customers from key towns to maintain coverage and to save time for the development of new business.

*RESULTS FOR ONE MONTH'S TRIAL: 4 salesmen covered 650 customers by long-distance telephone. Market coverage materially improved. One salesman covered in one day a territory which previously required two to three days.*

#### Case 3

Each salesman working for this wholesaler of steel and copper products has 500 accounts, some active, some inactive, which he attempts to cover each month or six weeks. Salesmen were unable to call on all present customers because of lack of time.

Salesmen now telephone to customers by long distance from key towns between personal visits, spacing the personal visits farther apart. This enables them to maintain present coverage and to gain the time necessary to develop new business.

*RESULTS: Three times as much territory covered by one salesman; saving in time equivalent to a full-time salesman. Telephone costs, \$125 per month.*

#### Case 4

The potential market of this chemical company is large; coverage was less than 10%. The company wanted to increase the coverage and reduce the cost.

The salesmen now telephone customers from key towns to increase the frequency of coverage. Out-of-the-way customers and inactive accounts are covered principally by long-distance telephone.

A trial of this plan was so successful that it has been introduced on a national basis.

*RESULTS: One territory, 35% increase in customer contacts; another territory, 45% reduction in average cost per contact; another territory, 50% increase in volume.*

#### Case 5

The salesmen of this manufacturer of building materials were unable to visit all customers with the desired frequency. The company believed that increased coverage would increase sales but did not wish to enlarge sales force. The salesmen now telephone customers from key towns to increase coverage.

*RESULTS OF TWO MONTHS' TRIAL: One salesman's sales increased from \$3,000 to \$6,000. Telephone charges, \$20, or less than 1% of increased sales.*

#### Case 6

The sales of this sporting goods company are seasonal. Close contact with customers is necessary during busy season to increase frequency of coverage.

Salesmen telephone from division office during busy season to increase frequency of coverage.

*RESULTS: 101 long-distance telephone calls produced 40 orders, value \$800, and 9 new customers. Telephone charges, \$45, or 5½% of sales.*

#### Case 7

The salesmen of this company visit customers and prospects periodically. The company felt that more frequent coverage would increase sales and build good-will.

The sales department tried the experiment of telephoning customers once a month between the salesmen's visits.

*RESULTS: In one day 18 calls to dealers produced orders valued at \$11,000. Telephone charges, \$21.75.*

**The following are specific instances of the successful coverage of out-of-the-way accounts by long-distance telephone from key towns:**

#### Case 1

A wholesaler of grain and feed has many customers located in towns and villages and at the cross-roads. His business is seasonal.

The salesman covers all out-of-the-way customers in busy season by long distance from key towns so as to increase frequency of coverage.

*RESULTS OF ONE TRIP: 19 long-distance telephone calls produced 9 orders totaling one carload. The expense of selling these orders by personal visit would have left no profit.*

#### Case 2

A supervisor of insurance agencies can make a limited number of calls a day on agencies. He is unable to cover all the accounts in the time he can allot to this work, yet the work has to be done. He now telephones out-of-the-way agents from key towns on his regular trips.

*RESULTS: Agents are fully covered. Many personal visits are eliminated. Telephone charges, 30 cents each call; average visit costs \$3 to \$4.*

#### Case 3

This company has peak seasons. Certain out-of-the-way customers are covered only occasionally. The com-

pany wanted to increase its coverage of these accounts during the peak seasons, yet it felt that no substantial increase in sales expense or travel time was warranted.

The sales department now telephones customers, using home office as key town during peak season to increase frequency of coverage.

RESULTS: 21 telephone calls produced \$287 in orders. Telephone charges, \$15, or 5½% of sales. Time required, 1 hour and 53 minutes.

#### Case 4

This company sells supplies to farmers and dairies. It has an unusual problem in that the majority of its accounts are in towns away from the main travel routes. The bulk of its selling had been done by the sales manager through personal visits. Regular and frequent coverage was expensive because of the travel involved.

The sales manager now telephones the accounts that are difficult to reach, using the branch offices as key towns. If a personal visit seems necessary or advisable he makes it.

RESULTS: 10,000 mile decrease in travel largely due to the use of the long-distance telephone; and an increase in business. 7 telephone calls brought 6 orders, value \$3,100. Telephone charges, \$7.15, or ¼ of 1% of sales.

#### Case 5

State representative of producer sells to 60 widely-scattered dealers. Customers are visited only once in 6 weeks. Better customer coverage was wanted at low cost.

Each Monday this representative telephones customers

not to be visited that week. Out-of-the-way accounts are covered principally by telephone from key towns.

RESULTS FOR ONE YEAR: Sales increased 20% while business in other territories decreased. In one week 16 long-distance calls produced 37 carloads, value \$15,000. These calls would have required 3 weeks of travel.

#### Case 6

The sales office of a manufacturer has 12 salesmen who cover 1,000 jobbers and large consumers about once a month.

Many customers are located in scattered towns. Sales office wanted regular monthly contact with out-of-the-way accounts at small cost.

Salesmen now cover out-of-the-way accounts principally by telephone.

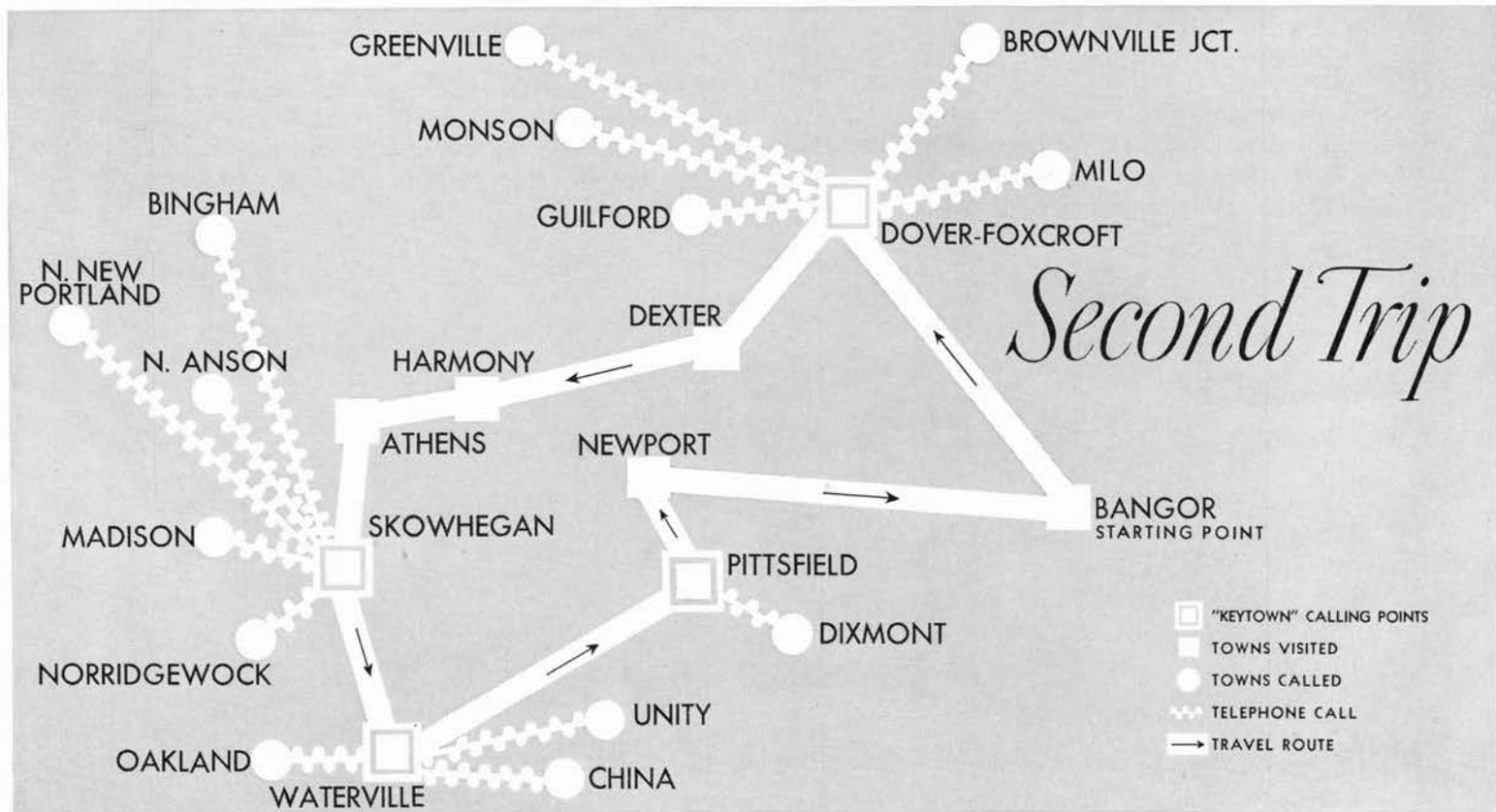
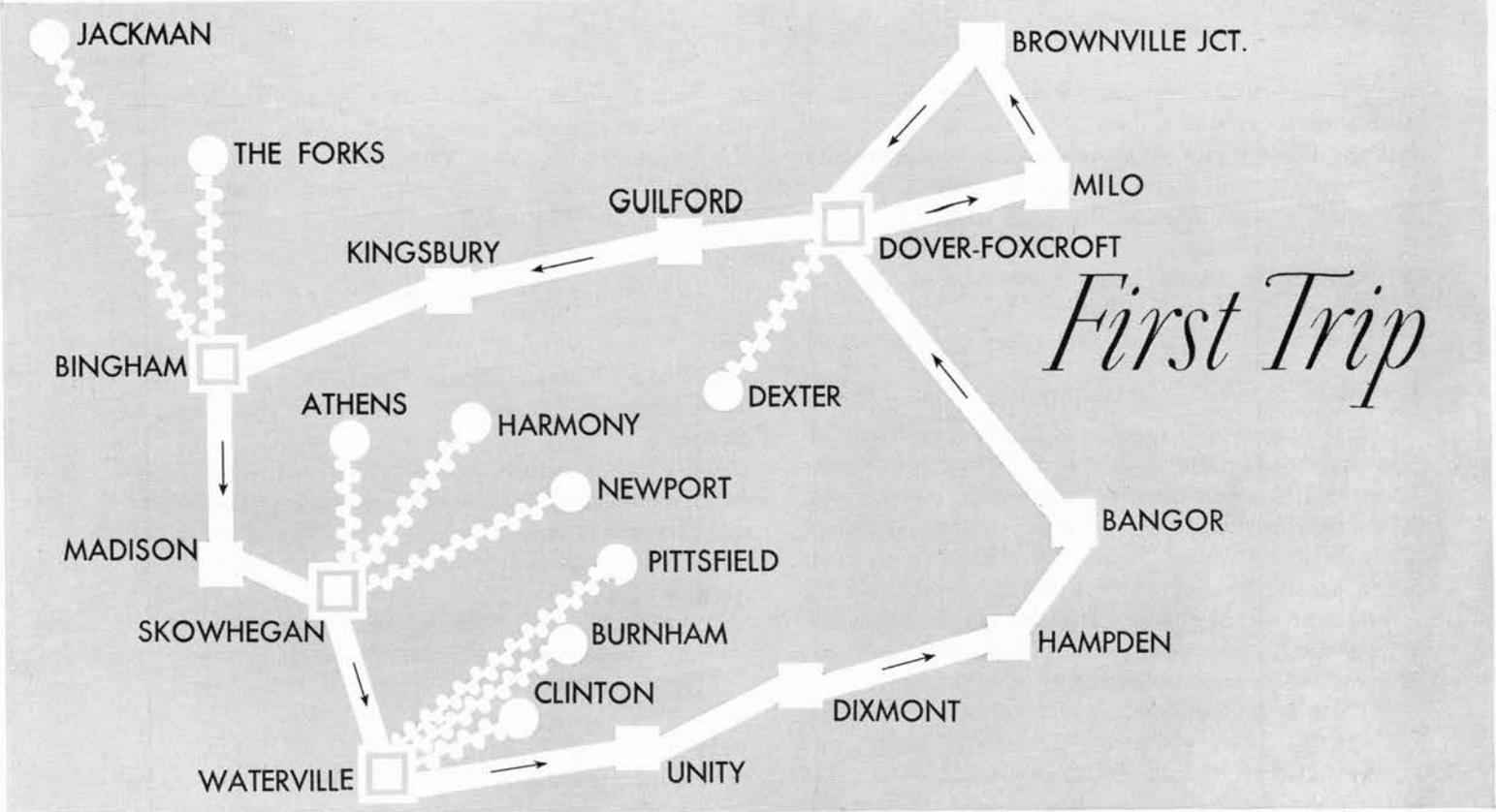
RESULTS: 40% reduction in travel expense. Sales to out-of-the-way accounts maintained at former level.

#### Case 7

A district manager of a paint company wanted to cover accounts with a minimum of time and expense and still to maintain his satisfactory relationships with his larger customers.

He now telephones out-of-the-way customers from key towns to increase the frequency of his contacts with them.

RESULTS: On one trip he took \$14,000 in orders by long-distance telephone. Telephone charges, \$37, or ¼ of 1% of sales.



**How one salesman uses skip-stop calling to cover his territory adequately** — These maps show how one salesman covers his territory with skip-stop calling. On his first trip this salesman visits customers in twelve cities and towns. From four of them he telephones customers in nine other cities and towns. On his alternate trip he visits eight cities and towns. From four of them he telephones customers in fourteen other cities and towns. Thus he covers twelve towns and cities with alternate travel and telephone visits. He covers twelve other points either by travel or telephone. Five other salesmen in this organization use this skip-stop method to save time and to secure intensive territorial coverage. Average order \$30. Average cost of calls 25 cents.

# Skip-stop calling — a variation of key-town calling — gives complete coverage with a minimum use of selling time

Skip-stop calling is a modification of key-town calling. The basis of this method is alternate premise visits and telephone visits. A graphic demonstration of the practical application of this method of making frequent contacts with customers and prospects is found in the maps on the opposite page.

Skip-stop calling may be used to increase the territory covered by a salesman without forcing him to neglect customers in the original territory. Or it may be used to increase the frequency of coverage in established territory. Or it may be used to give salesmen more time with customers on personal visits.

The following experiences are typical:

## Case 1

A wholesaler of glass wanted to extend territories and still maintain coverage of regular customers. A number of out-of-the-way and inactive accounts were rarely visited. The management wanted to contact these accounts regularly at reasonable cost.

They set up a system of skip-stop calling. Each salesman now visits one half of his customers and telephones the other half on each trip. Inactive and out-of-the-way accounts are covered principally by telephone.

**RESULTS:** *All accounts are now covered regularly with no additional salesmen.*

## Case 2

The accounts of a wholesaler of food products are scattered over a wide area. Salesmen telephone from key towns, one half the customers being visited and one half telephoned on each trip. Small accounts and out-of-the-way accounts are covered principally by telephone.

**TYPICAL RESULT :** *8 calls by one salesman on one day brought \$2,000 in orders.*

## Case 3

All the selling of a wool broker is handled by one salesman. This salesman is able to visit customers only once every three weeks.

This salesman now telephones from key towns. He visits one half the customers and telephones the other half on each trip.

**RESULT:** *Coverage has increased from once every 3 weeks to once every 10 days. The volume secured by telephone is equal to the volume secured on the visits.*

## Case 4

A laundry supply house has many customers in small towns difficult to reach. The management wanted increased coverage at low cost.

The salesmen now telephone from key towns. One half the customers are telephoned and one half visited on each trip. Accounts difficult to reach by travel are covered principally by telephone.

**RESULTS ON ONE TRIP:** *7 telephone calls brought \$170 in orders; charges less than 1½% of sales. One day and \$10 in expenses were saved. Profit on telephone sales, \$50.*

## Case 5

Eight salesmen of a distributor selling to manufacturers in the east use skip-stop calling in covering 1,500 accounts. Regular accounts are covered monthly and small out-of-the-way accounts formerly neglected are covered as often as necessary by telephone.

**RESULTS:** *During the first month this plan was used, 500 telephone calls produced 450 sales, value \$33,000.*

At your request, a representative of the Telephone Company will be glad to help you work out a plan for skip-stop calling and to furnish sequence-calling lists, key-town number books and other time-saving aids.



**"Yes, Mr. Farnum is expecting you"** — The salesman who uses the long-distance telephone judiciously to make appointments wastes a minimum of time in waiting rooms. He saves himself days of travel time because he realigns his travel schedule when he finds a buyer away or not ready to place his order. The calls which he makes to secure appointments often bring him orders, and enable him to dispense with a trip. Many times an appointment will enable him to clean up his work in a town quickly and to reach the next town ready for work in the morning.

# Cutting sales costs

## through appointments by long-distance telephone

**Appointment calling enables a salesman to plan his trips to best advantage; it insures interviews, prevents waste time in travel, guarantees sufficient time for the full presentation of a sales story, enables the salesman to get past buffers, and develops orders.**

The following are experiences in saving time and money through calling by long distance for appointments.

### Case 1

An automobile company was making a seasonal sales campaign on selected prospects. In previous similar campaigns the salesmen had wasted a great deal of time waiting to see prospects, and visiting prospects not on the market.

A specially trained employee now telephones prospects from district office for appointments.

*RESULTS: In two days 213 telephone calls resulted in weeding out 56 poor prospects, securing 93 good prospects and 17 doubtful prospects. 9 requests for demonstrations were also secured from prospects definitely interested.*

### Case 2

Partner in agency for high-grade display material does most of the selling, requiring frequent trips. He had been wasting considerable time waiting to see customers too busy to be interviewed properly and calling on customers who were absent or not in market.

This partner wanted a practical, economical plan to use time effectively. He now telephones prospects from key towns to make appointments.

*RESULTS: 1½ days were saved on one trip at a telephone cost of \$5.45. Telephone charges per appointment were 50 cents. The firm attributes increased number of interviews on trips to the plan of calling for appointments.*

### Case 3

A sales manager who was faced with a great deal of

administrative work wanted to shorten sales trips as much as possible without affecting coverage or sales volume. On his trips he had wasted a great deal of time waiting for busy customers and calling on those absent or not in market.

This sales manager now telephones customers and prospects from key towns to make appointments.

*RESULT: On one trip he saved 2 days at telephone cost of \$12. On another trip 5 calls to different cities saved him 1,450 miles of useless travel. On another trip he saved 5 days at telephone cost of \$28. In one instance a prospect planning to be away stayed at his office to see the sales manager. \$429 in orders were taken on two calls; telephone cost, 95 cents.*

### Case 4

The active distributors of a manufacturer of men's wear were not being seen as often as desirable; inactive distributors were seen rarely.

Salesmen were losing too much time waiting for customers to see them and calling when they were absent or too busy to talk.

Salesmen now telephone distributors from key towns to make appointments.

*RESULTS OF TRIAL: 60% of telephone calls result in appointments. Telephone charges, 25 cents per call. Customer coverage increased from once every 10 days to once a week.*

### Case 5

Each salesman of a manufacturer of uniforms covers extensive territory 4 times a year. Each has about 500 customers and prospects. Person in charge of institution must be interviewed to make sale.

The salesmen lost a great deal of time waiting for prospects to see them and calling on prospects too busy to talk.

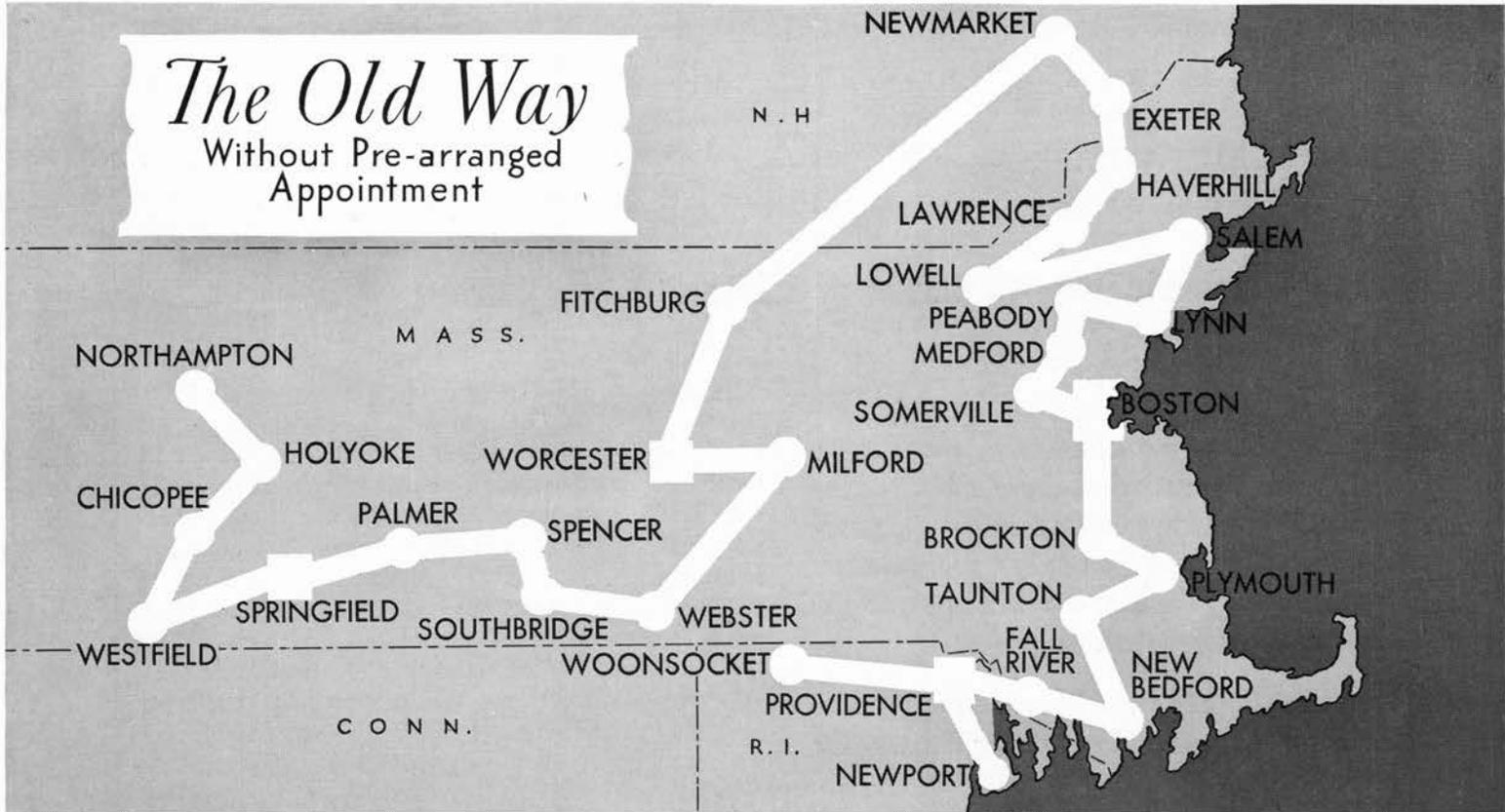
The salesmen now telephone from key towns to make appointments.

This plan was tried personally by the sales manager for one month.

*RESULTS OF ONE MONTH'S TRIAL: 8 days were saved at a telephone cost of \$30. The average cost of calls was 30 cents.*

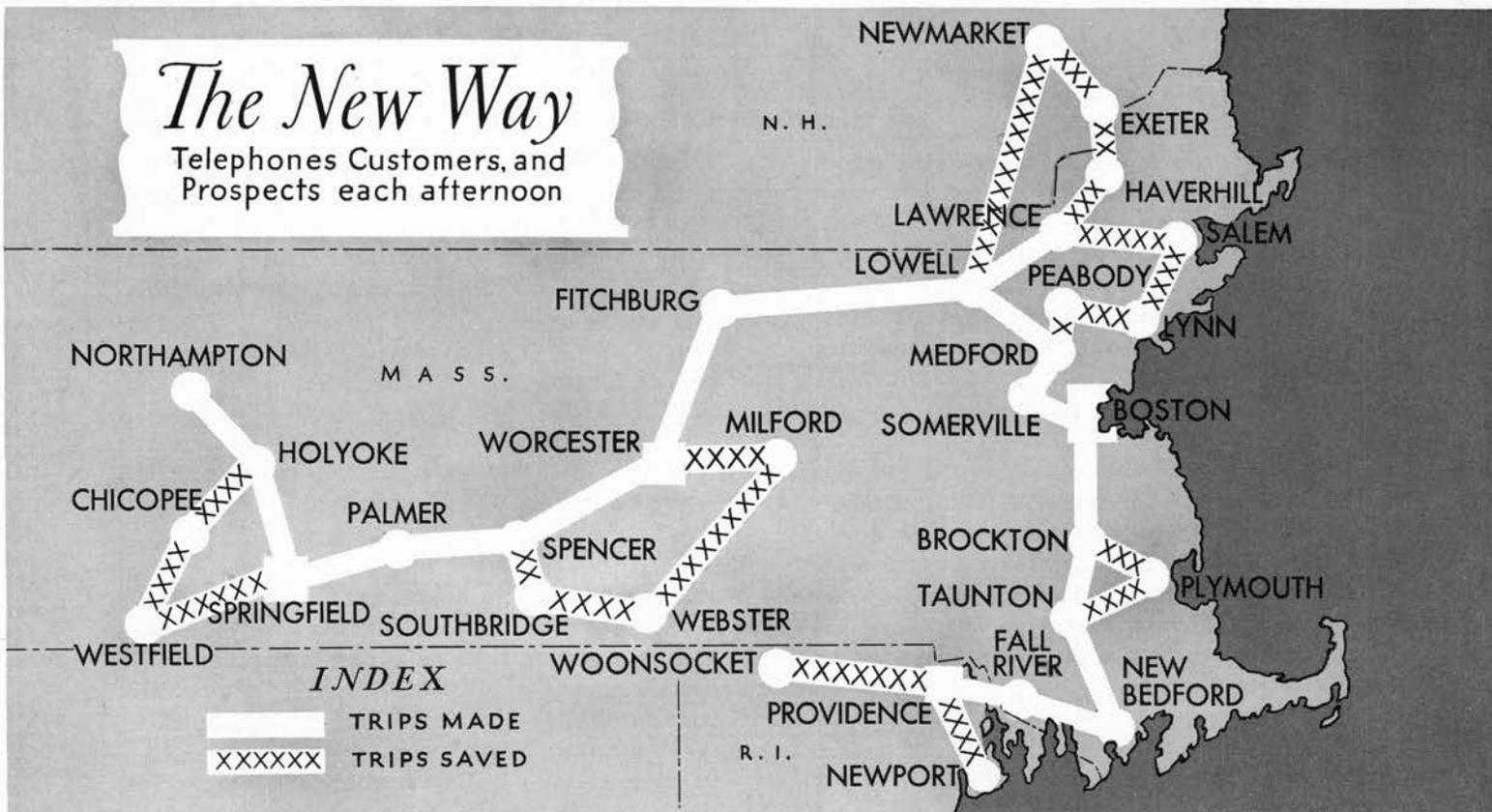
# The Old Way

Without Pre-arranged Appointment



# The New Way

Telephones Customers, and Prospects each afternoon



**How appointment-calling saves 1 day in 6** — *Old method:* Without pre-arranged appointment, a salesman made personal visits to 111 prospects and customers in 31 towns. Thirty per cent of the visits were made to customers and prospects who either could not be seen or who were not in the market at the time.

*New method:* 111 telephone calls by this same salesman cost \$30.15; fifteen orders were taken over the telephone; fourteen towns were eliminated from the trip; thirty-four proposed visits were cancelled as unnecessary; four days less were required for the trip.

### Case 6

Each salesman of this company had been calling on about twelve customers or prospects per day. No interviews on many calls, customer being busy or absent.

Salesmen now telephone customers and prospects from key towns to make appointments.

*RESULTS: 100% increase in interviews; 25 appointments per week; 10 unnecessary calls per week avoided; telephone charges, 17 cents per call.*

### Case 7

5 salesmen attempt to cover jobbers once every 6 weeks. 30% of visits made to people who could not be seen or who were not in market. Firm wanted to increase interview time economically.

Salesmen now telephone customers and prospects from key towns to make appointments.

*RESULTS ON 3 WEEKS' TRIP THROUGH 111 TELEPHONE CALLS: 14 towns were eliminated from trip; 34 unnecessary visits avoided; 15 orders taken over telephone; 4 days saved and \$120 in travel time and living expenses saved. Telephone costs were only \$30.15.*

### Case 8

A customer contact schedule was not being met. Prospects are now telephoned to for appointments.

*RESULTS ON A 3 DAY TRIP THROUGH 44 TELEPHONE CALLS: Produced several sales, eliminated several personal visits as unnecessary. Visits in person to 44 prospects would have required at least 10 days. Sales cost of previous average trip, 10% of sales. New basis, 5%.*

### Case 9

A sales branch office of a manufacturer of store fixtures employs 9 salesmen. Salesmen had lost a great deal of time waiting in offices of prospects and calling when they were too busy to talk.

Before leaving the office salesmen now telephone prospects to make appointments.

*RESULT: Additional sales interviews made possible by telephoning for interviews have increased total sales without increasing the unit sales cost.*

The time which salesmen spend traveling from one customer to another can't be avoided.

But many wastes in reaching and selling customers can be avoided with the use of the long-distance telephone.

One is the time spent *needlessly* in waiting rooms.

Another is the time spent *needlessly* in travel to

discover the customer away from his office.

A third is the time spent trying to interest a prospect or customer too busy to listen attentively to any salesman.

The first two wastes are obvious, and the way to cut them down with the use of long distance is fairly obvious. If a salesman has to travel ten, twenty or a hundred miles or more to reach a city, then the use of the long-distance telephone may save time in two directions. It will often save him many hours in waiting rooms by securing him an appointment. It will do more than that. The delays in waiting rooms frequently force a salesman to stay an extra day in a town. Appointments made by long distance cut down these delays and enable a salesman to get through his interviews rapidly and to reach the next town the same day. The investment made in the long-distance call is small compared to these savings.

The third point for consideration is an important one, but its application to successful selling often escapes notice.

A salesman from a distance visits a prospect or customer who does not expect him. He sends in his name. The prospect is loaded up with work which must be completed. In fairness to himself he should tell the salesman he is too busy to see him and ask him to come at a more opportune time. He realizes, however, that the salesman has come a long way and decides to see him, explaining as he does so that he is hard pressed for time. The interview which follows is satisfactory neither to the prospect nor to the salesman. The salesman usually hurries his story. The prospect tries to listen; he may appear to do so, but his mind keeps reverting to the matters on which he should be working. The result is that instead of concentrating on the story the salesman is telling, he is conscious of nothing but annoyance with himself and with the salesman.

An interview of this description is worse than no interview at all. Both the man interviewed

and the salesman have lost something because of it. The customer has missed the fine points of a story out of which he might have gained something. The salesman has not only wasted the time he spent with the customer, but the circumstances surrounding the interview may prevent him ever gaining the ground he has lost.

If the salesman had called this customer by long distance, the customer would have felt free

to ask him to postpone his visit until he had enough time to give the story his full attention. Both the salesman and the customer would have profited through the postponement.

These are some of the ways in which wastes in time and travel can be avoided by the use of long distance. They should be considered carefully by sales managers. They should be covered carefully with salesmen.

# How the long-distance "Call Back" gathers orders

## and makes travel time more productive

Typical instances:

### Case 1

The sales office of a distributor of oil products was aware that its customers frequently bought supplies between the visits of its salesmen. The salesmen were able to estimate the approximate dates on which these extra supplies would be needed. It was too expensive to have salesmen revisit customers at these times. Branch office now has a trained telephone salesman call the customers on dates suggested by the salesmen.

RESULTS: *Ten to fifteen telephone "call-backs" a day. About 75% of calls bring orders. Average order, \$500.*

### Case 2

Salesmen determine as far as possible date for follow-up based on customer's expected requirements. Full information is sent to home office and included in comprehensive record system. Many orders used to be lost because salesman was in another part of territory when follow-up was necessary. Home office now telephones customers on suggested follow-up dates to save salesmen retracing their steps.

RESULTS: *3 out of 4 orders secured on some accounts through telephone "call-backs," although competing companies have offices in cities where customers are located.*

### Case 3

Customers are visited by the salesmen of this organization once a month. These visits could not be scheduled to permit salesmen to close all sales. Company wanted sys-

tematic, economical follow-up of these visits. Following the visits by salesmen, regional sales manager now telephones customers and prospects when customers are believed to be ready to buy.

RESULTS: *60% of all sales made on long-distance "call-backs" from home office.*

### Case 4

It was difficult for the salesmen of a wool waste company to time visits to meet customers' need for merchandise. Return visits by salesmen were often very inconvenient or expensive. Salesmen now make telephone "call-backs" on customers who make no decision during their visits.

TYPICAL RESULT : *One long-distance telephone "call-back" produced \$1,100 order; telephone charge, \$1.75. Another "call-back" produced \$7,000 order. Telephone charge, \$6.75.*

The telephone "call-back" has the following definite advantages. It saves time and money by reducing the number of personal "call-backs." It prevents disruption of travel schedules. It permits the same sort of discussion and sales effort as the personal visit, and this pressure can be exerted at the time when the customer is known or believed to be ready to place his order. It increases sales volume at low cost. It can be used with equal effectiveness by home office, district office, or by salesmen.



**More orders? These reminders will bring them**—Stickers similar to these are bringing to many organizations many orders that otherwise might have gone to competitors more strategically located. They are being used on bill-heads, letters and direct mail pieces to remind customers and prospects that the collect-call privilege is being extended to them on long-distance telephone calls to place orders or to make inquiries. To get them, call the local business office of the Telephone Company.

# How to set up profitable out-of-town representation

## by long distance

A great deal of profitable business is being gathered by many organizations through a long-distance usage known as "out-of-town representation," so termed because it furnishes the equivalent of a branch office or of extra visits by a salesman.

Out-of-town representation extends to customers or prospects the privilege of calling you by long distance, without charge to them, for the purpose of placing orders or to get information.

This usage places you on an even plane with more-strategically located competitors. It reduces the risk of losing orders between the visits of your salesman. It enables the customer to give the order to you at no cost to him just as though your salesman were there to take it. The cost to you is much less than the cost of a visit by your salesman.

Out-of-town representation improves your service to customers. It attracts new business. It holds customers by building good-will. These facts are testified to by many who use it.

The following are examples of the use of out-of-town representation and results.

### Case 1

A wholesaler selling to retail dealers in a business where it is a practice to carry small stocks was failing to gather all the business his standing with customers warranted because of too-infrequent calling by his salesmen. He extended the collect-call privilege to customers.

RESULTS IN ONE MONTH: \$1,500 in orders at a telephone cost of \$11.

### Case 2

A wholesaler of plumbing and heating fixtures had no salesman covering the outlying territories of the city in which he operates. He extended the collect-call privilege

to customers and prospects in a 60 cent long-distance radius.

RESULTS, 7 MONTHS: *Orders valued at \$14,000; minimum order, \$15. Telephone charges, \$335, or less than 3% of sales.*

### Case 3

A wholesaler selling novelty shoes to stores extended the collect-call privilege to retailers on the basis of a minimum order of \$100.

RESULTS: *In a short season 10 collect calls brought orders valued at \$3,000. Telephone charges were \$15.*

### Case 4

A branch agency selling bulk product to retailers and industrial consumers established a collect-call system to pick up orders between visits of salesmen.

RESULTS FOR FIRST MONTH: *23 collect calls produced sales valued at \$1,870. Telephone charges, \$6.25.*

### Case 5

A manufacturer selling to wholesalers wanted to pick up extra orders between monthly visits of salesmen. He established the collect-call privilege.

RESULTS, FIRST MONTH: *Orders valued at \$5,292 received by telephone. Telephone costs, \$40.*

### Case 6

An automobile accident insurance company whose customers travel throughout this country and Canada wanted to take immediate action and to give best possible service to policyholders in case of accidents.

This company extended collect-call usage to all policyholders when involved in accidents.

RESULTS: *Company reports this service has been responsible for many repeat orders from policyholders and for many recommendations by them to other car owners.*

### Case 7

A manufacturer of specialties selling to retailers through catalogs, sales letters and periodicals established

out-of-town representation, explaining its use by means of stickers on direct mail.

This manufacturer also wrote 250 prospects from whom no orders had been received in spite of previous direct mail cultivation, explaining collect-call opportunity.

*RESULTS: In six weeks 35 collect calls produced 32 orders, value \$800. Telephone charges, \$25, or 3% of sales. 18 of the orders were from prospects who had failed to respond before.*

#### Case 8

Wholesaler in grain wanted to pick up orders from customers between visits of salesmen. He established out-of-town representation.

*RESULTS, ONE MONTH: 63 orders, value \$29,540. Telephone charges, \$72. Seventeen of the orders were from new customers.*

#### Case 9

A company engaged in buying and selling machinery and complete properties wished to make it easy for prospective customers to get in touch with them regarding sales or purchases. This firm used stickers on circulars and catalogs informing prospective customers that they could call collect.

*RESULTS FOR 3 MONTHS: 480 collect calls produced 175 orders, value \$26,250. Telephone charges, \$600, or less than 3% of sales.*

#### Case 10

A manufacturer of a product which has to be kept fresh by means of equipment which the manufacturer also sells was required to give quick service when equipment got out of order to prevent claims for spoilage. He allowed collect-call privileges on maintenance service.

*RESULTS: The cost of collect-call service is small compared to reduction of losses by spoilage.*

These examples give some idea of the variety of ways in which collect-call service can be used to advantage.

One man who through this service does an exceptionally large business single-handed over a wide territory calls attention to one important point. He says, "When a customer calls you, he is favorably disposed to do business with you. By exercising good salesmanship you can either increase the size of his order when he calls or sell him other merchandise."

When this collect-call privilege is extended to customers, it is advisable to keep them reminded of the fact that they can call you without charge. On page 46 you will find a series of stickers for use on letter-heads and bill-heads. These will be furnished at no cost to you.

### **"Enterprise service"—the automatic extension of the collect-call privilege in selected exchanges**

If you want to extend the collect-call privilege to prospects and customers in certain towns or cities without the necessity of their stating that the call is collect and of having our operator ask you to accept the charge, a special service is available. An "Enterprise" number will be assigned to each exchange where you desire this service. Any calls from these points are automatically charged to your telephone.

The advantage of this special service is that you can advertise it to your customers as a service through which they can call your organization without charge. The calls made will be billed to you monthly. There is a nominal monthly charge for this special handling in each exchange where the service is furnished.

# How to make additional sales by following up direct mail and sampling programs with long-distance telephone calls

A direct-mail or sampling program that is sound and well organized gathers orders for reasons that are perfectly understandable. In many instances a series of carefully-planned telephone follow-ups increases the returns for reasons that are also understandable.

One reason that some potential orders fail to materialize from direct mail and sampling is because of inopportune interruptions. A mailing piece or a sample reaches the desk of a prospect. It strikes his fancy. He starts to read the mailing piece or to examine the sample. He is interrupted by some matter demanding immediate attention. He lays the mailing piece or sample aside. It is gathered up by his secretary and put in a pile with other material. By the time the prospect gets around to give the matter further consideration, his interest may have waned or the need which occasioned his interest has been taken care of in some other way. The order is lost.

Another prospect who receives direct mail or samples is a border-line prospect. He is a victim of indecision. He examines the mailing piece or sample. He wavers back and forth between the idea of placing an order and of not placing one. First he thinks he ought to chance it and then he thinks he'd better not. A strong urge is needed to bring a decision.

There is also the procrastinator. This prospect examines the mailing piece or sample. He decides he ought to place an order . . . perhaps tomorrow. He takes it up tomorrow . . . but decides to put it off for a while. Without further urging, without some firm suggestion to cause him to act, he will not order.

In all of these cases aggressive action will turn many of the prospects into buyers. The long-distance call furnishes just the urge that is required to bring results. It revives the interest of the prospect who has mislaid the mailing piece or sample. It tips the border-line prospect in the right direction. It brings action by the procrastinator. It mops up many orders.

The telephone call does something more than to gather orders. It gives you a personal contact with the prospect and enables you to decide through discussion whether it might be worth while to visit him at once or at some future time.

It permits you to make appointments with those prospects whose interest seems keen enough to make a visit profitable.

Practical experiences in the combined use of direct mail and sampling programs and the long-distance telephone follow.

## Case 1

A manufacturer sells a style product direct to men. Direct mail was not bringing sufficient returns and personal visits were too expensive.

The sales department now telephones customers and prospects following direct mailings.

*RESULT OF TRIAL: 200 long-distance telephone calls brought orders worth \$450. Telephone charges were \$13.85, or 3% of sales.*

## Case 2

This company selling machine tools wanted to increase the number of worth-while calls. The following system was set up:

Every Wednesday a mailing piece is sent to five prospects in each of 11 cities the salesman plans to visit the next week.

Two days later a personal letter is sent to the same prospects saying the salesman will call on the telephone for appointment.

The next day samples and a letter are sent asking prospects to examine samples previous to salesman's call.

Salesman then uses telephone to make appointments as he travels through territory.

RESULTS: *Coverage increased from 4 to 11 towns per week. 12 new customers secured by one salesman in one week.*

### Case 3

A manufacturer and distributor of a high-grade product used on country estates sells direct to large consumers and to dealers throughout the country.

The salesmen follow up direct mail to consumers from key towns to stimulate dealer interest in active selling and to demonstrate possibilities of product.

Direct mail alone was not fully effective in getting orders and appointments.

Salesmen now telephone prospects following the direct mailings.

RESULTS: *One salesman took orders for 3 carloads one week by telephone; another carload by telephone and visit.*

### Case 4

A manufacturer of food products sells to jobbers, chain stores and large retailers. In addition to regular accounts covered by sales force, he was making sales to some customers almost entirely by correspondence and direct mail.

He wanted an economical way to get more orders than the mailings brought in.

He now telephones selected customers following the mailings.

TYPICAL RESULT: *One call costing \$21.60 brought an order for 2 carloads valued at \$10,000.*

### Case 5

This organization buys and sells used machinery. It has a total of 15,000 prospects—5,000 of them active. New prospects were being developed from the remaining 10,000 by direct mail and were followed up only when an inquiry was received.

A visit by a salesman usually required a long and expensive trip. These trips interfered with the systematic territorial coverage.

Sales costs were high.

Salesmen now request mailings to from 50 to 100 prospects at a time. They follow up these mailings by telephone calls from key towns.

RESULTS THE FIRST YEAR FROM COMBINED MAILINGS AND TELEPHONE CALLS: *5,000 calls brought 1,800 orders, value \$300,000. Sales increased 6%. Total telephone charges, \$6,000, or 2% of sales. Sales cost reduced 10%. SECOND YEAR: 1,000 additional calls brought \$100,000 more business. Further sales cost reduction, 11%.*

### Case 6

Company sells a high-grade service to businesses and to executives. The management wanted an effective, economical method to increase sales of a new service. Personal calls were regarded as too expensive. Tried the experiment of having salesmen telephone from key towns following direct mailings.

RESULTS: *5.8% of calls resulted in sales by telephone. 5.7% of calls brought appointments. 12% of these resulted in sales.*

### Case 7

A manufacturer sells a product direct to large industrial concerns. 35,000 potential users. To cover his market, this manufacturer has salesmen telephone prospects from key towns following direct mailings which are sent on a prearranged schedule.

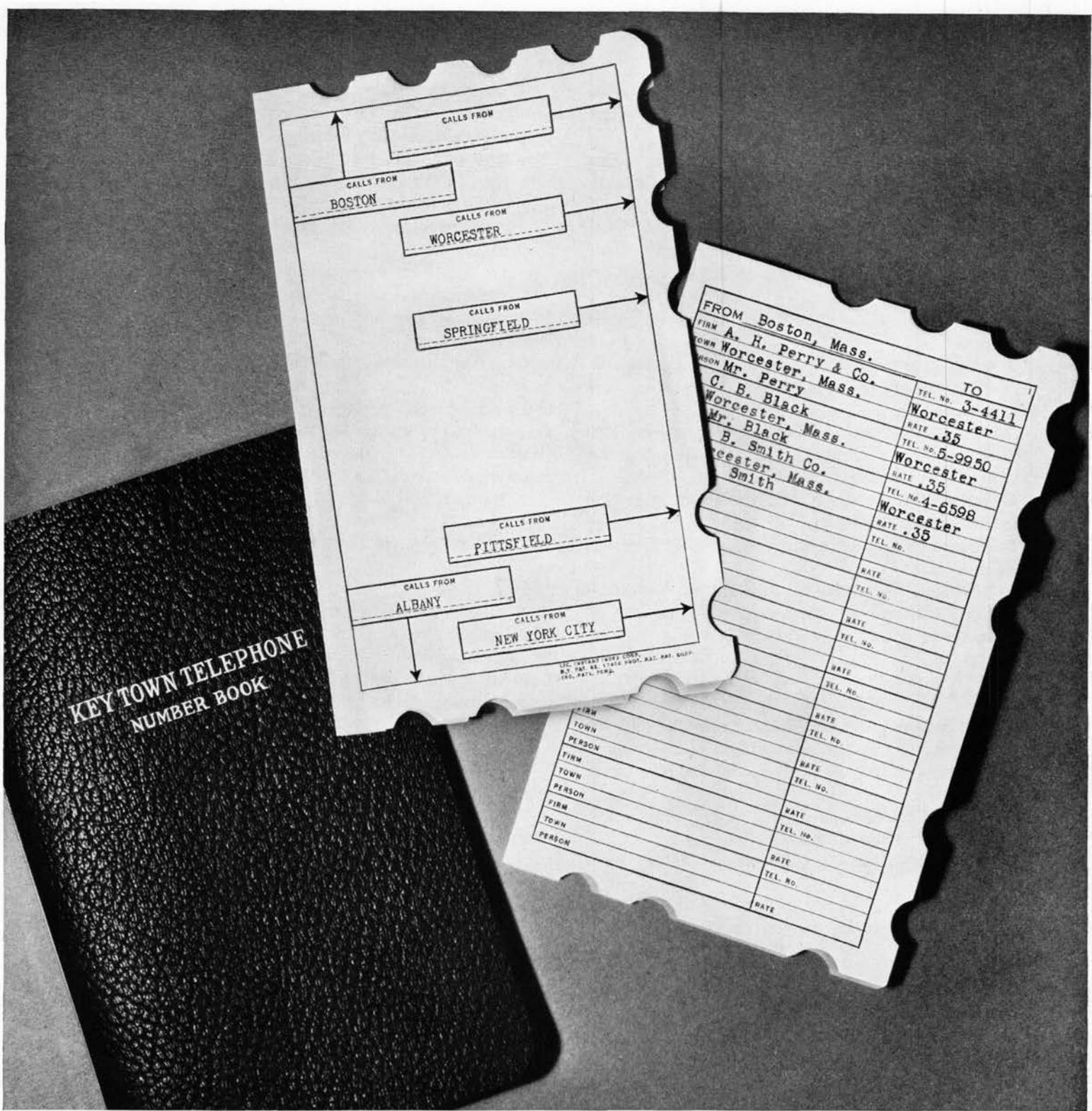
RESULTS: *Sales volume largest in company's history. Percentage of sales cost was reduced.*

### Case 8

Sales agent of porcelain products sells to jobbers and contractors. Personal visits to prospects were too slow and expensive. Direct mail was not as effective as desired. Salesmen now telephone following the sending of direct mail and samples.

RESULTS: *Sales expense cut one third. Sales volume as great as before.*

Any direct-mail or sampling program gives you an opportunity to test the use of long-distance telephone follow-up of direct-mail and samples. Pick out a number of prospects who have not responded and call them by long distance. You will get some orders. You will get some appointments and you will be able to weed out some undesirable prospects.



**A convenient pocket-size list of numbers for key-town calling** — This book is furnished to salesmen or executives who make calls regularly from key towns. Numbers are listed as shown. A handy thumb index enables the salesman to find the town lists quickly. A territorial map is also included on which costs of calling in key-town zones are indicated. This method of listing and calling makes certain that no customers are neglected. If calls are made from the office of the Telephone Company, time can be saved by giving all the numbers on the list to the operator in the order in which they are to be called so that she can make a new call just as soon as the previous call is completed.

# Getting maximum returns from inquiries and leads

## with the long-distance telephone

An immediate response to an inquiry does a great deal to build business. This sort of attention pleases customers. It is especially impressive to a prospective customer. It suggests aggressiveness, keen interest and an organization that gives the kind of service that so many claim and so few deliver.

A response to an inquiry by long-distance telephone is the fastest possible response. The speed of that response will please prospects and customers. It gives you several other advantages. You can discuss quantities, qualities, sizes, prices and delivery requirements just as you would in a personal visit. This discussion gives you an opportunity to try to close the order at once just as you would in the prospect's office.

If you don't close the order, the discussion gives you an opportunity to decide whether the prospect can be developed into a customer; whether it is worth while to list him for follow-up; and whether it is worth while to have a salesman call. If a salesman has to be sent, he starts with a full knowledge of requirements. If the same inquiry has been sent to competitors, you are in first with all the edge that one gains by showing immediate interest in a prospect.

There is profit also in the quick cultivation of leads by long distance.

A lead is a little different from a straight inquiry. It usually arrives by devious channels. Someone hears that so and so is dissatisfied with his source of supply. A friend tells a friend, who tells a friend of yours, that the Blank Company is in the market for this or that. All this takes time, so that when the lead is uncovered, the

information is likely to be fairly old. Quick action is necessary. The long-distance telephone gives quick action. If the lead is still hot, you can get information over the telephone that tells you just how to proceed, or you may be able to take the order at once.

Typical experiences follow.

### Case 1

A dealer in containers selling to manufacturers has strong competition. Inquiries which come to him also go to competitors. The inquiries come by mail. He finds that many of the personal visits made by salesmen do not justify the expense involved. Discussion and an exchange of information, however, are necessary to secure orders at a fair price. Speed is also important because of the competitive situation. This dealer now uses the telephone to find out if a visit seems advisable and to get in ahead of competitors. Many orders are taken immediately over the telephone.

*RESULTS, 1 MONTH: 8 calls produced 5 orders valued at \$975. Telephone charges, 1% of sales.*

### Case 2

The branch office of a manufacturer of machinery sells in rural districts. Inquiries are received from catalogs and other direct mail. Answers by mail are not as effective as desired. Personal visits are expensive.

Branch manager now uses long-distance telephone. If prospect seems worth a visit, he telephones a salesman. Some orders are gathered over the telephone through opportunity for full discussion.

*RESULT WHICH IS TYPICAL: 2 telephone calls brought \$1,400 order; telephone charges, 1/10 of 1% of sales.*

### Case 3

A manufacturer selling manifold forms and sales books to stores has several strong competitors. Most inquiries are sent to several competing concerns. Personal visits involve long and expensive trips. Sales department now

uses the telephone to decide on the wisdom of sending a salesman. Some orders come over the telephone.

RESULT WHICH IS TYPICAL OF OTHERS: *A \$3,000 order on one call. Telephone costs, \$5.65.*

#### Case 4

The division office of an organization selling a service gets inquiries from advertisements.

All inquiries were formerly followed up with visits by salesmen. The salesmen now use the long-distance telephone to determine worth-while prospects so that personal visits will be more productive.

RESULTS: *3,150 calls produced 420 appointments resulting in 210 sales, value \$12,600. Telephone charges, \$473, or 3.8% of sales. Selling costs were reduced from 26% to 21%.*

#### Case 5

A manufacturer selling an appliance learned that a department store was in the market for a large quantity order. Discussion would be required of models, finishes, prices, delivery terms, etc. It appeared that quick action might forestall competitors; long distance was used.

RESULT: *Order valued at \$22,480. Telephone costs, \$6.25.*

#### Case 6

The branch sales office of a manufacturer of instruments receives inquiries from three sources: direct from old customers, through advertising, and through salesmen.

Inquiries by mail seldom carry sufficient information. The sales manager uses long distance to get the complete story so that a salesman can handle the inquiry properly. Some orders are closed over the telephone.

RESULTS: *One month's telephone charges, \$15.85; 2 orders closed, value \$300; one new customer added. Prospects developed are kept alive by telephone until ready to buy or until a salesman can visit them.*

#### Case 7

This is an unusual case. A manufacturer of special material learned that a prospect located several thousand miles away was in the market for a large quantity of material. The salesman of a competitor was already on his way to try to land the order. The sales manager of the manufacturer telephoned the prospect.

RESULT: *An order valued at \$12,000. Telephone charges, \$39.20, or 1/3 of 1% of the sale.*

# How to revive inactive accounts

## and to contact prospects by long distance

Following are specific examples of the revival of inactive accounts through the use of the long-distance telephone:

### Case 1

A sales manager took a list of inactive accounts, checked them carefully to discover the last items purchased and the date. Next he checked his own stocks of similar up-to-date items. With this information carefully tabulated, he called each customer by long-distance telephone, cited the last purchase, gave the specifications of the new items of a similar nature, saying that he called because he felt the customer might be interested in the new stocks.

*RESULTS: Invariably the old customer was pleased with the attention. A large percentage of the accounts were revived.*

### Case 2

This company is an importer and wholesaler of fine merchandise for homes. It also operates a repair service. The sales department had sent direct mail to 10,000 old customers reminding them of this service. The replies were scant.

The sales department then prepared card records for calling 3,000 of these accounts by long-distance telephone.

*RESULTS: During the first 11 days 700 calls produced 91 orders, average value \$50. The plan has proven so satisfactory it will play a part in future activities.*

### Case 3

This company manufactures and sells apparatus to industrial plants throughout the country. It maintains no

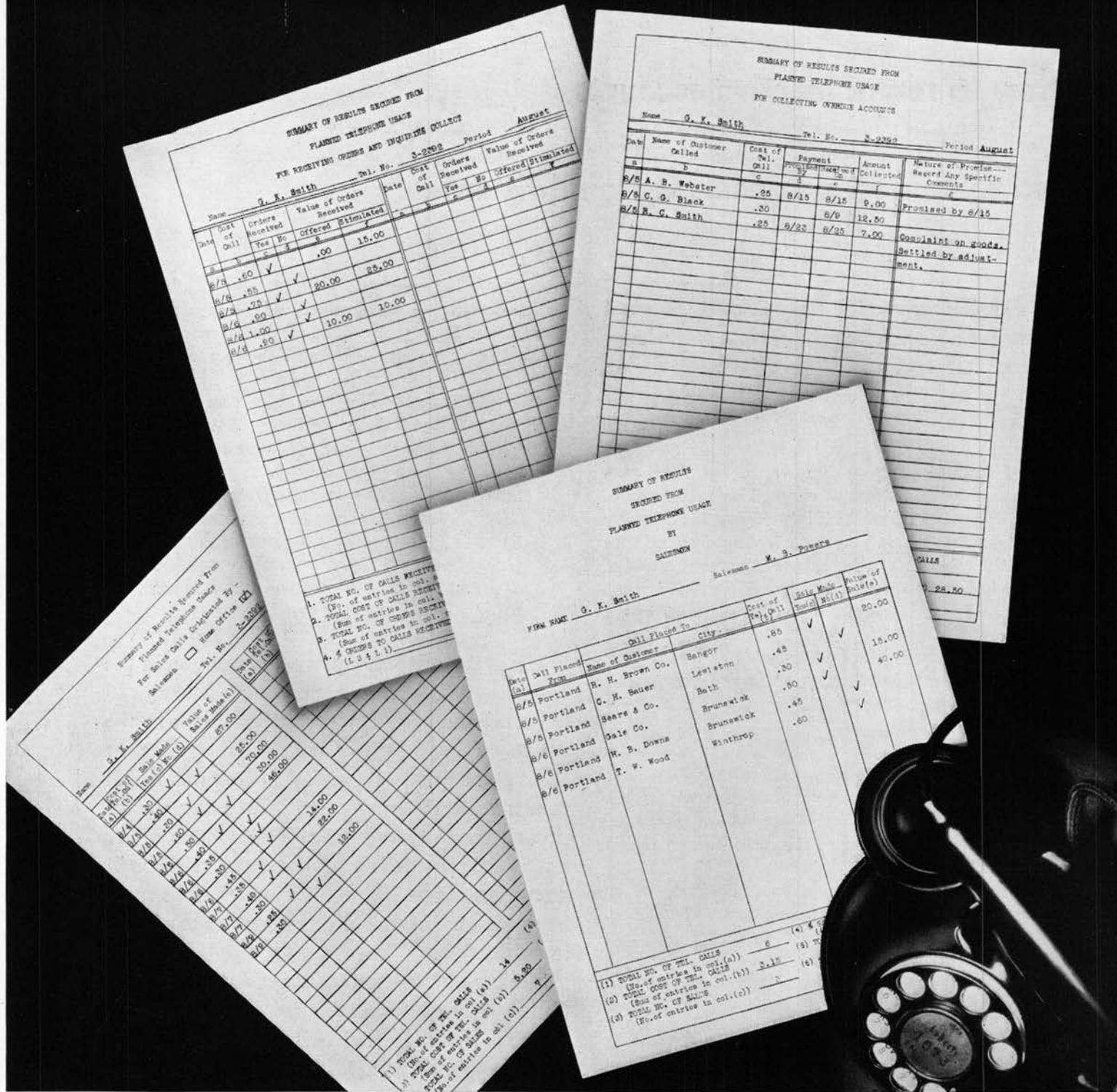
regular coverage of accounts because the apparatus lasts many years. Eighty per cent of the customers carried on the books over a period of twenty-five years had become inactive.

The salesmen now telephone twice yearly from key towns to try to revive these inactive accounts. Each salesman spends a full week on the telephone on this work.

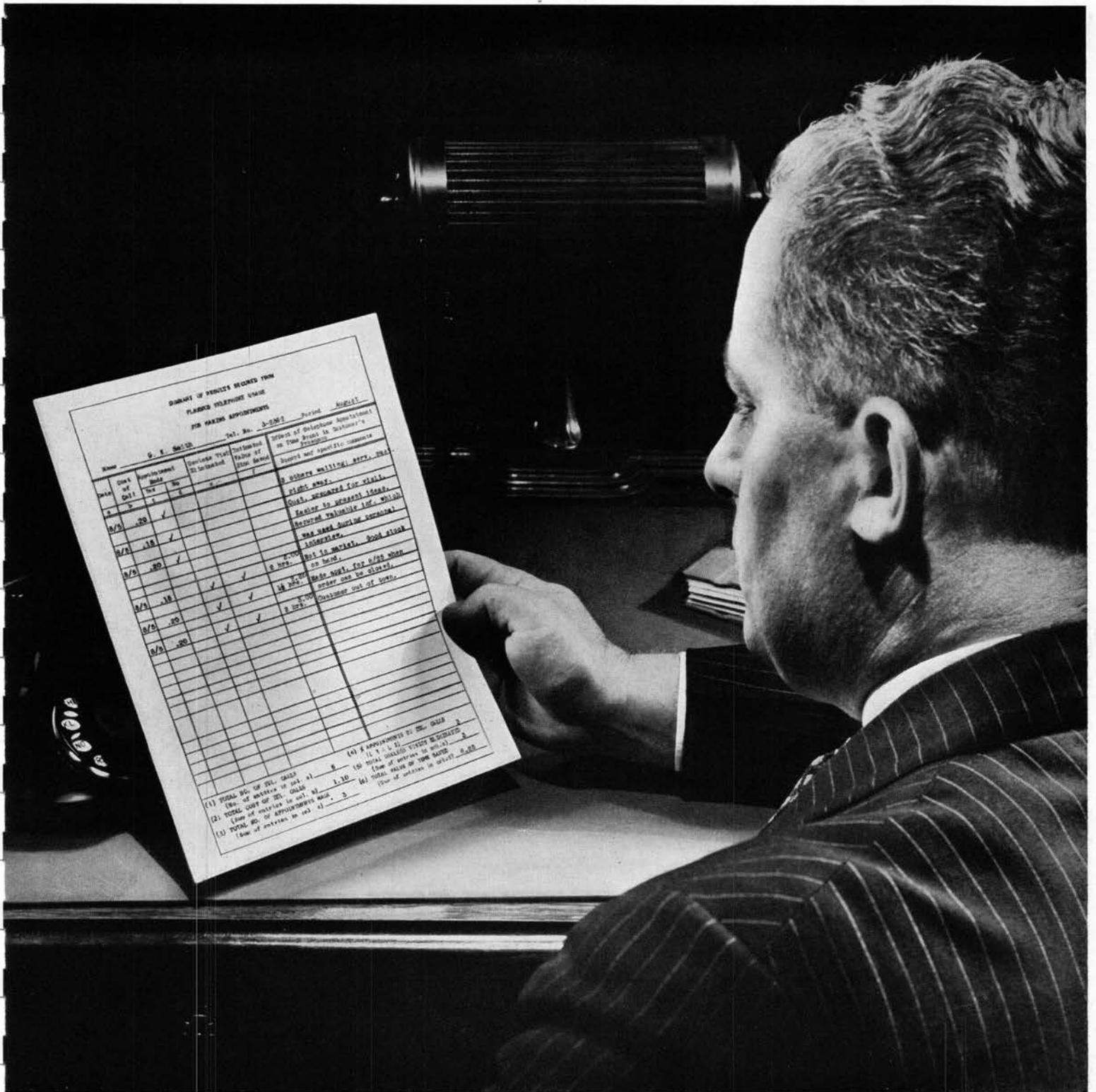
*RESULTS: 270 telephone calls from 6 key towns increased the active accounts from 78 to 190, or 143%. Nine direct sales were made running from \$100 to \$1,000 each. Telephone calls cost \$175. On another trip 80 telephone calls brought 9 orders, 2 of them for \$1,200 each and 30 interested inquiries. Telephone calls cost \$12.*

There is a quality of personal attention in the long-distance telephone call which pleases old customers and puts many of them back in the active buying column. If you fail to interest them at the time of the call, the discussion which results enables you to decide whether to approach them again either by telephone or by some other method. You also discover through discussion many who for various reasons must be dropped. This prevents further waste of time in cultivation.

Similar methods are effective in the cultivation of prospects. The discussion over the telephone brings some orders immediately. It tells you when and how to follow up interested prospects. It weeds out undesirables.



**These forms are furnished for record-keeping purposes** — Keeping these records involves very little extra time because the necessary data can be written as calls are made. Records are being kept by many organizations of the cost and results of calls made to secure appointments. Records are also being kept of calls made either by salesmen or office to secure orders, of calls made collect by customers to place orders or to get information, and of calls made to collect overdue accounts. To secure these forms, and complete information regarding them, consult the local business office of your Telephone Company.



**Prove to yourself the value of planned long-distance telephone usages** — The savings in time and money and the profits made through the planned usage of the long-distance telephone are subject to proof. It takes very little time to make records of calls and to tabulate results. Through the use of the forms pictured on these pages, you can know just how the long-distance telephone is being used by salesmen or office people. You can tell how many days of travel are saved, the value of orders received over the telephone, the value of orders received collect and the cost of getting them, the number of overdue accounts collected and the cost of collection.

# How to increase attendance at sample displays

If all or part of your selling is done by means of sample-room displays, the following experiences in increasing attendance will be interesting to you:

## Case 1

A wholesaler of dry goods and draperies uses sample-room displays in selling to stores and converters. Mail invitations were formerly used. An experiment was made with long-distance telephone invitations just in advance of the arrival of the display in the city.

*RESULTS: The salesmen were able to persuade buyers from towns at a considerable distance to come in addition to those located near and in the city. On one trip 480 telephone calls brought 180 buyers, sales \$12,000. Telephone costs were \$110, less than 1% of sales. On previous trips 10% attended, average sales were \$9,000.*

## Case 2

An importer and distributor of fine dinnerware sells to stores principally by means of sample displays in hotels. Selling is done to best advantage if buyers can be induced to come singly at an appointed time. Salesmen tried using the long-distance telephone in place of cards previously used.

*RESULTS: 353 calls secured 245 appointments to visit displays. Sales volume increased. Telephone costs, 1/5 of 1% of sales.*

## Case 3

Wholesale distributor of novelties and toys selling to retail stores was doing his selling by means of sample dis-

plays in centrally located cities. He wanted an economical way to get buyers to visit displays. The salesmen experimented with the long-distance telephone.

*RESULTS FROM ONE TRIP: 350 telephone calls brought 100 buyers. Sales, \$9,000. More buyers visited displays and more business was done than on any similar trip. Telephone charges less than 1% of sales.*

## Case 4

A manufacturer and distributor of misses' dresses selling to the better stores was using sample displays as one method of interesting buyers. Attendance at sample displays was not as large as desired. The salesmen of this organization now use the long-distance telephone to develop business in one of three ways: to invite the buyer to the sample room, to make appointments for visits, to take orders.

*RESULT OF TWO MONTHS' TRIAL: 75 orders by telephone, value \$8,000. Attendance at sample-room displays increased 15%.*

The long-distance telephone invitation, whether used with or without other forms of invitation to sample displays, has several important advantages. It increases attendance. It gives personal contacts with prospects and customers and brings some orders from buyers who cannot visit displays. It enables you to arrange special showings for large buyers at times convenient to them. It creates good-will and increases sales at low cost.

# Gathering business during price changes

## by long-distance telephone

An impending price change offers several opportunities to make sales by long-distance telephone. Many customers can be reached immediately regardless of distance. This method of contact allows the use of personal effort to sell if the change impending is a price raise. There can be a mutual understanding of terms. The speed of the approach gets you in ahead of competitors and builds volume and good-will. In the case of a drop in prices you can gather many orders quickly from those whose stocks have been allowed to run down in anticipation of the drop.

The following examples are typical:

### *Case 1*

In a basic industry frequent price changes necessitate contacts with customers at irregular intervals. Firm wanted quick, economical way to tell salesmen and important customers of impending price raises so as to give customers an opportunity to order at old prices. Route sheets of salesmen are used to reach them by long-distance telephone. Salesmen and headquarters then use long distance to give customers the price story quickly.

*RESULTS: Sales equal to many weeks' normal business secured in one, two or three days.*

### *Case 2*

In another basic industry where there are seasonal price raises an organization made 16,000 long-distance customer calls in three days to tell of impending change.

*RESULT: A tremendous step-up in business.*

# How and why the acknowledgment of orders

## by long-distance telephone increases good-will and sales

One result of the acknowledgment of orders by telephone is customer appreciation. Naturally, if there is a strong regular flow of orders from customers, the acknowledgment of all of them by long-distance would be unwarranted. But the acknowledgment by long-distance telephone of orders having special instructions, of orders of unusual character or size, or of orders from new customers or from customers who only place business with you occasionally is appreciated.

This sort of acknowledgment pays because of

other reasons: In many cases the discussion which results will insure greater satisfaction in filling the order; it will insure a complete understanding with regard to deliveries and other matters. The following experiences emphasize these points:

### *Case 1*

Manufacturer of packing materials found that orders coming direct to factory were decreasing in size. The management wanted to find an economical way to exert

sales influence to increase these orders. A stereotyped mail acknowledgment of orders was being used. Sales department now telephones customers by long distance on receipt of orders, first reviewing customer's buying habits and capacity to determine if call is warranted. During discussion of order and delivery requirements, attention is called to price differentials on larger quantities.

*RESULTS: Customers pleased with this personal attention; many points of difference have been uncovered and cleared up; a great deal of information is secured on probable time of other needs for follow-up; cost of long-distance telephone calls is small compared with increase in business.*

### Case 2

Manufacturer of cleaning and bleaching agents was faced with the competition of lower priced materials, and of more strategically located competitors who played up the convenience of local service.

Order department now telephones customers following receipt of orders of reasonable size to confirm receipt of orders and to make sure that shipping dates will meet the need of customer.

*RESULTS: This careful attention to customer requirements and the ensuing complete understanding with customers has built a great deal of goodwill and brought a definite increase in business.*

## Rapid disposal of overages, odd lots and specials by long-distance telephone

The specific advantages of the long-distance telephone for disposing of overages, odd lots and specials are that it allows a full discussion of all the points of the merchandise, including quantity limitations, with customers who are most likely to be able to use the merchandise; it enables you to reach these customers quickly at small cost no matter where they are located; it avoids the customer dissatisfaction occasioned by demands from several customers for the same lot when it is offered on a widespread basis.

### Case 1

A small producing unit has about two hundred accounts. A sales manager and one salesman handle these accounts.

Naturally it is difficult to maintain a proper balance between production and sales, with the result that there are overstocks at times. These must be disposed of quickly to avoid shut-downs.

The sales manager telephones likely prospects to dispose of these overstocks.

*RESULTS WHICH ARE TYPICAL: 5 telephone calls sold orders valued at \$3,000. Telephone charges, \$10.*

### Case 2

Large producers of standard merchandise frequently have surplus stocks which must be disposed of without undermining markets. A broker has set up a business to dispose of the surpluses, keeping identities of both producers and buyers secret. Quick action is necessary to minimize storage charges. The broker must obtain best possible prices. Personal visits are too slow and expensive, yet discussion is necessary to give details and to arrive at satisfactory arrangements. The broker telephones preferred list of customers.

*RESULTS: Immediate commitments are secured; no danger of selling more than supply on hand with resulting embarrassments and disappointments because of inability to fill orders. Average cost of long-distance telephone calls ½ of 1% of sales.*

### Case 3

A manufacturer of basic materials is faced frequently with competitive quality step-ups and color and style changes. At such times a great many items become obsolete in terms of the general market but are perfectly suitable for some markets.

*RESULTS: The use of the long-distance telephone enables this manufacturer to describe these items fully to specially selected customers and to dispose of them rapidly to make room for new stock items. The cost is small in relation to results.*

# The effective use of long distance when an immediate exchange of information helps buyer and seller

There are certain times in many businesses when an immediate explanation to the customer of changed conditions, or a few minutes discussion with him, makes additional sales or builds good-will by giving him better service. Instructions to the sales, order or production departments to use long distance at these times will help your business. The following are typical instances:

**When stock items are low,** or are diminishing rapidly and may not be replaced soon, a long-distance telephone call will protect the customer who uses these items regularly and whose stocks of these items may be low, too. The long-distance call gives him an opportunity to put in an immediate order for whatever stock he may need until your stocks are brought back to normal.

The advantage of the long-distance call in this situation is that it gives an opportunity for a complete discussion and a full exchange of information.

**When an item must be substituted** on a rush shipment for one not in stock, a long-distance telephone call enables the customer to make his own substitution at once, and prevents delay in the shipment of the entire order.

**When instructions on orders are not clear,** the long-distance telephone call makes it possible to arrive at an understanding quickly through discussion.

**When machine-running schedules are changed,** the long-distance telephone call enables the sales division to pick up orders from customers who may need some of the items that have been put at the top of the new running schedule.

**When a run of a special item** or an item for which there is a strong demand is nearing completion, a long-distance call to a customer gives him an opportunity to enlarge his order. Many additional sales are being made by following this procedure.

# The collection of delinquent accounts

## by long-distance telephone—small cost—large returns

The following are experiences in collecting delinquent accounts by long-distance telephone as reported by companies experimenting with this method.

### Case 1

*95% of calls bring payments. Some new orders are secured when collection calls are made.*

### Case 2

*75% of amounts due are collected immediately. Definite dates are made and kept for payment of balance.*

### Case 3

Previous plan was to have salesmen collect delinquent accounts. Branch managers now telephone customers after no response is received to reminder notice of overdue accounts.

*RESULT: Collections have improved. Salesmen have less difficulty in selling to and in retaining accounts which have been given delinquent account treatment.*

### Case 4

*Prompt payment is made in 90% of over-due accounts. No other collection method so cheap nor so effective as the long-distance telephone. In many cases collection calls result in new orders.*

### Case 5

Collections previously made by mail. Results not entirely satisfactory. To collect them by personal visit was too expensive. Long distance was tried.

*RESULTS OF TELEPHONE TRIAL: 10 customers were telephoned. 7 customers paid within a few days. \$2,500 was collected, representing over 50% of amount due. Total telephone charges were less than 2% of money collected.*

### Case 6

Previous method: Collections were made by field representatives with personal visits. Average cost of visit out-

side of metropolitan area, \$1.57. Specially trained employee now telephones within 25 cent radius of branch office.

*RESULTS: In first 96 calls 82% of cases were disposed of without personal visit. Long-distance telephone charges were 23 cents a case, a saving of 85% over personal visit.*

### Case 7

Previous method: Delinquent accounts after certain period were turned over to salesmen. Branch office now telephones after one statement and one collection letter. Some large accounts are also telephoned before cash discount period expires.

*TYPICAL INSTANCES: 5 telephone calls to accounts 60 to 90 days past due brought prompt payment; \$3,240 was collected. 2 telephone calls brought \$1,200 by return mail.*

### Case 8

A series of letters is used to collect delinquent accounts. Accounts not collected by this series are turned over to sales agents. Method previously used was personal visit, which occasioned long delays because sales agents might not call on accounts for several weeks. Sales agents now telephone these accounts.

*RESULTS: One week's trial—117 calls—brought promises from all customers to pay on specific dates. Long-distance charges were 40 cents per call. Plan has been made permanent.*

The outstanding points in these cases regarding collections are:

*From 50% to 95% of the delinquent accounts are paid immediately.*

*The collections are made usually without disturbing in any way the relationships between the company making the collections and the customer.*

*The collections are made with an unusually small expenditure of time and of money.*

The claims in these testimonials are strong. Yet there is a reasonable explanation. The

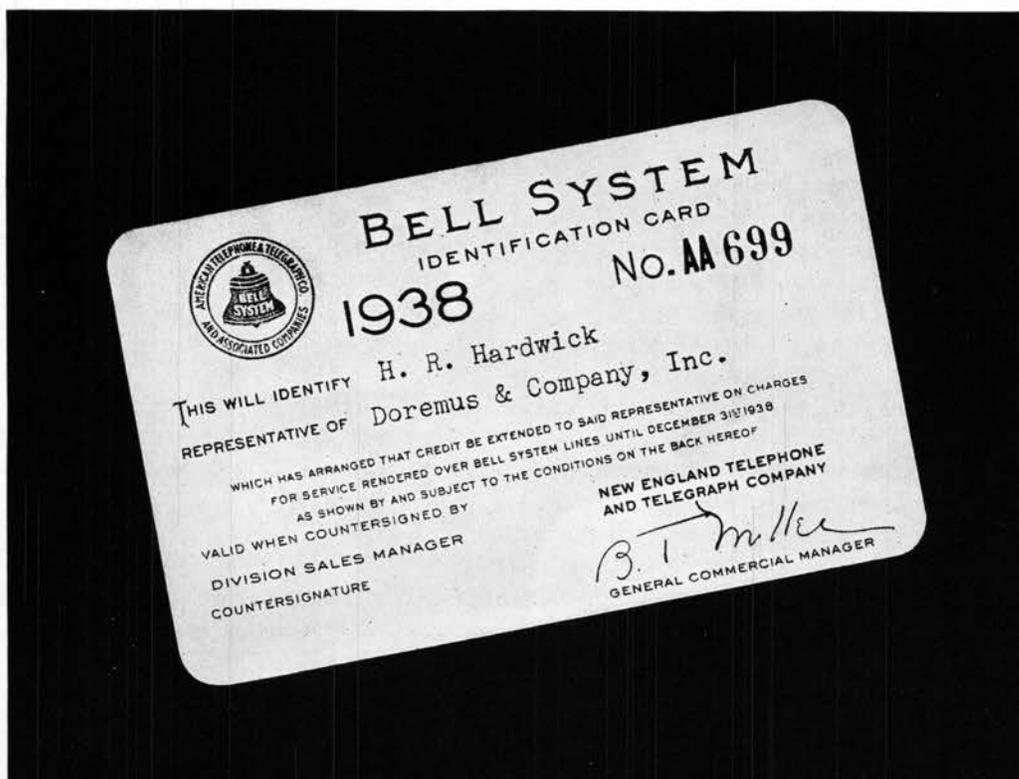
great majority of businesses and a majority of individuals pay bills on due dates. Another large percentage responds to the usual mail form of reminder. There are others, however, who for various reasons respond most readily to a personal request for payment. That form of request when made tactfully to this group brings results.

The request for payment over long distance can be made just as tactfully as though the creditor and debtor were face to face. If there is a legitimate reason for non-payment, the telephone call offers the delinquent plenty of opportunity to explain his position in his own way. If there are misunderstandings, these can be

ironed out by discussion. If adjustments are warranted, these can be made immediately with a full knowledge of the facts.

Many organizations stress one point with regard to the saving of time which should not be overlooked. Delinquent accounts are seldom congregated in one area. They are usually spread over a wide territory. The long-distance telephone enables the person best fitted by experience and judgment to handle the collections to cover many delinquents in a comparatively short time.

There is only one way to know how successful the telephone can be in making collections. This is by testing it.



**A credit card saves the time of your salesmen—its use gives you a record of calls —** Credit cards similar to the one pictured here will be given salesmen or executives on request. When this card is presented at the business office of the Telephone Company in any town, the calls made by the person presenting it will be charged to your account at your branch or home office as designated by you. The use of this card saves time. The charges give you a record of calls and the cost.

# The rapid and satisfactory adjustment of complaints

The following incidents are typical of the satisfactory adjustment of complaints by long-distance telephone.

## Case 1

An organization had been adjusting complaints by mail. It was felt that a personal discussion was desirable, but personal discussion through travel was difficult, because the complaints, like all complaints, were spotted throughout the territory.

A test was made with the long-distance telephone. The trial proved so satisfactory that an executive now telephones 85% of all complaining customers and makes the adjustment personally.

*RESULTS: Many favorable comments made by customers on this personal method of handling complaints. Sales made over the telephone after adjustments are worth many times the cost of calls.*

## Case 2

This company makes a product, some of the defects of which cannot be detected except in use. This results in customer complaints requiring adjustment. Complaints involving large amounts are referred by district representative to the home office nearly 1,000 miles away for approval. Previous method of handling these complaints was by mail. An exchange of several letters was required before adjustments could be reached. Company wanted to speed up adjustments so the long-distance telephone was tried.

*RESULTS: Complaints previously held a week to a month pending settlement are now cleared up in one long-distance call. Telephone costs are more than offset by improved customer service. 30 calls over three months' period cost \$220. Average call, 1,000 miles, cost \$7. Other matters were discussed on these contacts to the added benefit of the business.*

## Case 3

Firm had contract sale with customer. A complaint required immediate executive action, but salesman handling the account had pertinent information. The district representative used long-distance conference service to talk to the salesman and to the customer simultaneously.

*RESULT: This three-city hook-up brought a satisfactory adjustment. It took but four minutes.*

## Case 4

Difficulties were being experienced by customer's representatives located at opposite ends of a truck run. The schedule was frequently inconvenient to one or the other. The dispatcher conferred simultaneously with the two complainants in different cities using long-distance conference service.

*RESULT: The complaint was adjusted in 8 minutes. The telephone charges were \$7.25.*

As in the case of collections, the testimony of the organizations which are using long distance in adjusting complaints is that it enables the individual best-equipped through knowledge and experience to handle most of them as they arise without taking the time to make a personal visit to the customer. As a general rule, the circumstances can be reviewed fully over long distance. The customer has plenty of opportunity to present his side of the case. Through discussion an adjustment can be made which is just as satisfactory as though the adjuster had visited the customer in person.

Another advantage which these organizations cite is that the complaint can be handled without delay. The customer is made to feel that any inconvenience which he has experienced is a matter of immediate personal concern. This minimizes his resentment and makes the work of adjustment a little easier.

One further advantage is that the organization which handles complaints in this way has exact first-hand information regarding the causes of complaints. This information sometimes will suggest changes in products or services which minimize the number of complaints.

# Profitable experiences in coordinating production, delivery and sales through the use of long distance

## Gathering extra orders to make up full trucks or carloads

### Building sales by expediting deliveries

Many sales hinge on production schedules and on delivery dates and costs.

If a salesman can promise, "We can put this item right into production," a sale may result.

Or, if a sales department is able to say, "We have a car or truck leaving now," an extra order may be picked up.

Or, if a sales department can explain, "Your order will enable us to fill a car—we can give you the carload rate," that carload rate advantage may save an order.

Or, if a salesman is able to say, "I will call you each morning; orders you give me will be delivered that day," he may gather extra orders from customers and add new customers.

The following are experiences in the use of the long-distance telephone to effect coordination between production, deliveries and sales.

#### Case 1

Full truck loads built by long-distance telephone. This firm delivers by truck within radius of 50 miles. The delivery of partial shipments by truck is expensive and it was the practice to delay many shipments until enough orders were received from any locality to fill a truck. This caused difficulties with customers.

When the orders received are for less than a truckload, the sales department telephones other customers along the route immediately to solicit orders to fill the truck.

The appeal used is, "Truck just leaving. Can make immediate delivery of any supplies you need."

*RESULTS: 2 to 3 orders in every 10 telephone calls—full trucks—less expensive deliveries—good service—increased good-will.*

#### Case 2

Company sells its merchandise F.O.B. shipping point. To meet competition of competitors more strategically located, management wanted to give as many customers as possible the benefit of carload rates. This is accomplished by making use of the long-distance telephone in the following way:

On orders for less than a carload, the salesmen telephone the orders to headquarters. The sales department then telephones customers along the same railroad route and solicits orders to make up the balance of the carload.

*RESULTS: A great deal of additional business due to appeal of saving in shipping costs. Also, increased good-will.*

#### Case 3

This company distributes perishable products. The tendency of wholesalers and retailers is to carry minimum stocks; last-minute rush orders are common; difficult to work these orders into delivery schedules; failure to do so brought customer dissatisfaction.

Salesmen now telephone by long distance to larger customers every day before leaving home to get last-minute orders for delivery that day; salesmen then telephone office before trucks start.

*RESULTS: Permits most effective routing of trucks—gives customers best possible delivery service—helps meet competition of more-strategically located competitors.*

#### Case 4

Special new competitive product was not selling. Change had to be made quickly to meet market opportunities. To speed up change and to be sure the market requirements were met, conference was required between home office executive, branch manager, production manager and two persons conversant with characteristics of product, all located in different cities, maximum distance 2,600 miles. A long-distance telephone conference was arranged.

*RESULTS: A conference of 23 minutes at a charge of \$114 brought necessary adjustments; saved eastern executive trip to west coast; sales of improved product stepped up almost immediately.*

small orders but specials and large stock items are shipped direct from factory.

Jobbers now telephone factory representatives; representatives telephone factory full details; shipments are made immediately or put into production at once.

*RESULTS: Sales immediately increased; one representative more than doubled sales.*

### Case 6

Manufacturer of new seasonal product required close coordination between branch sales offices and factory located at a distance. Branch offices telephone orders and full delivery requirements three times a day.

*RESULTS: Gives production department full op-*

Company distributing perishable product wanted to speed up deliveries to reduce amount of stale goods being returned. This organization has agents located throughout its territories. It was the practice of these agents to estimate the requirements of dealers two days in advance of deliveries and to mail them to headquarters. Naturally there were many inaccuracies in estimates resulting in overages and shortages. The stale overages were returned and the shortages created dissatisfaction.

Agents now telephone orders daily to centrally located agents who relay them by telephone to headquarters.

*RESULTS: Next day's orders shipped each night by truck; one day saved between placing of orders and receipt of goods; reduced amount of stale goods returned.*

## Purchasing by long distance gives quick, opportune contacts

Purchasing by long-distance telephone has many advantages. It gives you immediate first-hand knowledge of supplies available. Sometimes it gives you first call on those supplies. It allows discussions of qualities, delivery dates, prices and other details. It permits immediate commitment and helps to match supply with demand. Typical instances follow.

### Case 1

This company deals in seasonable merchandise, usually talking to growers by long distance to gather information regarding quality and extent of crop expectancy and to make commitments. Opportunity for discussion makes certain that conditions of sale and delivery are understood by company and suppliers.

*RESULTS: In one month even with the use of hundreds of calls, cost of purchasing was reduced from \$21 a car to 80 cents. In one year the purchasing cost was 7% of previous year.*

### Case 2

A wholesaler distributes goods, the supply of which

fluctuates. He uses long distance to keep in constant touch with supply so as to match his purchases as nearly as possible with demand. During peak periods, he extends his telephone activities in many directions.

*RESULTS: This wholesaler has been able to match purchases with demand and to keep his customers satisfied at a low cost.*

### Case 3

This company buys and sells used machinery and new machinery of many kinds. Previous method of purchase was by personal visit entirely. Now, a great majority of purchases and sales are made by telephone.

*RESULTS: Many machines costing several thousands of dollars are bought and sold almost simultaneously at a very low cost in both buying and selling, and with complete satisfaction.*

### Case 4

This wholesaler deals in perishable product on which he has regular sources of supply. When supplies from these sources are too low, he uses long distance to get supplies from other wholesalers.

*RESULT: Sales work is seldom hampered by lack of supplies.*

# Foreign countries and ships at sea are included in

## long-distance service

Overseas telephone service began on January 7, 1927, with opening of service between New York and London, over a long wave radio telephone circuit across the Atlantic. The service now embraces practically all telephones in Western Europe; Egypt and part of South Africa; Australia; India, French Indo-China, Siam and the Netherlands Indies; practically all of Central and South America; Bermuda, Hawaii, the Philippines and Japan. You can also be connected with the Bahamas, the Dominican Republic, and Puerto Rico; with Morocco, Algeria, Palestine, Syria, the Canary Islands, Iceland, and scores of distant lands all the way from the Arctic Circle to far below the Equator. Wire lines across the borders interlace the networks of Canada and Mexico with Bell System lines, while four submarine cables across the Straits of Florida interconnect the American and Cuban systems.

A Bell System subscriber today can reach about 35 million telephones throughout the world.

Overseas service is continually being extended. Your long-distance operator can always tell you whether a specific point can be reached by telephone, and what the rate to it is.

### **Absolute privacy through an operation known as scrambling**

To insure privacy in telephone conversations across the ocean, a device in the Control Room at the Long Distance Building performs upon the voice an operation popularly known as "scrambling," from its resemblance to a famil-

iar method of preparing eggs. This is a deliberate mangling of the words in a way that produces complete gibberish.

While the similarity to scrambled eggs is marked, there is an important difference. No practicable means has been devised for unscrambling eggs, whereas this is quite easily accomplished in the case of the voice by an "unscrambler" at the distant terminal which reverses the process, producing your words in their original form. The net result of this scrambling and unscrambling is a conversation that is unintelligible in transmission but intelligible to the party to whom you are connected.

### **Ship-to-shore service**

For the convenience of ocean travelers Bell System telephone service has been extended to a score of ocean liners through stations in New Jersey, and also through the Transpacific stations at San Francisco.

The ships to which service is given are: *Caledonia*, *Transylvania* (Anchor Line); *Empress of Britain* (Canadian Pacific); *Aquitania*, *Beren-garia*, *Queen Mary* (Cunard-White Star); *Ile de France*, *Normandie* (French Line); *Monarch of Bermuda*, *Queen of Bermuda* (Furness); *Bremen*, *Columbus*, *Deutschland*, *Europa*, *Hamburg*, *Hansa*, *New York*, *Reliance* (Hamburg-American—North German Lloyd); *Conte di Savoia*, *Rex* (Italian); and *Chichibu Maru* (Nippon Yusen Kaisha); *Manhattan*, *Washington* (United States). The service is available to all Bell and Bell-connecting telephones in the United States, Canada, Cuba and Mexico.



**Teletypewriter exchange service** — Teletypewriter exchange service is furnished on substantially the same basis as telephone service except that communication is typewritten instead of oral. Teletypewriter stations are connected to central offices, similar to the one pictured here, and through these central offices communication may be established with other teletypewriter stations similarly connected in the same city or in any other city.

# The story of the Teletypewriter



**The teletypewriter reproduces messages exactly and instantaneously regardless of distance** — Any message written on this machine will be reproduced exactly by any teletypewriter with which it is connected, whether in the next office, on the floor below, or three thousand miles distant. That message may also be reproduced at many points. At each point it can be reproduced in multiple copies up to six. Replies may be received from all points in the order requested. Messages can also be reproduced on machines that are unattended. The messages are seen only by those who have access to the machine which transcribes them, which makes the teletypewriter especially valuable for transmitting confidential messages. Teletypewriter service is an economical form of fast written communication.

# The teletypewriter permits the close personal control and direction of the units and departments of a business at any distance

## **Transmits orders, instructions and information *instantaneously* in typewritten form**

The opportunities for the close personal control of a business through teletypewriter service, regardless of the distance which separates headquarters from factories, warehouses, branch offices, or customers, are similar to those offered by telephone service.

The telephone offers the personalized quality so necessary to many transactions.

The teletypewriter furnishes exact written records of any transaction.

The choice depends upon the need.

A message or an order can be written on the teletypewriter and, *simultaneously*, that message or form will be reproduced *exactly as sent* on any teletypewriter to which the original teletypewriter is connected. The other teletypewriter could be in the next room, on another floor of the same building, or three thousand miles away.

In other words, the teletypewriter is a telephone typewriter connected with other machines just as the telephone is connected with other telephones, performing exactly the same service performed by the telephone except that the teletypewriter message is a typewritten message instead of a voice message.

An additional feature of the teletypewriter is that it furnishes multiple copies up to six.

Teletypewriter service has all the privacy of the mails with the speed of the telephone.

Privacy is assured because connection is direct between sender and receiver. The message as written on one machine is reproduced only on the machines to which it is connected. Before the message is written, an answer from the machine to which the attendant has asked to be connected indicates that that teletypewriter is ready to receive the message.

Connections can be made in about a minute or less. Orders, instructions and information are transmitted rapidly. Manual operation of this machine will allow from 100 to 150 words to be transmitted in a three-minute communication, although where there is a volume of communication to be sent, a maximum speed of 180 words can be attained through the use of automatic equipment described on the next page.

In terms of cost, teletypewriter service is a most economical form of high-speed written communication.

## **Private line and exchange service**

In practical operation distinctions similar to those of telephone hook-ups apply to the use of teletypewriter service.

Exchange teletypewriter service is similar to message-telephone service in that you can communicate through teletypewriter switching centers with any exchange teletypewriter machine located on any customer's premises anywhere in the country. Private-line service is what the name signifies, in that it is a private system

usually used between the branches of one concern for its individual use. A machine on a private-line hook-up ordinarily cannot be connected to any other machine except those on the network of which it is a part.

In some instances a private line offers the most advantages. In others it is more advantageous to use teletypewriter exchange service. Which type of service is best in any instance can be determined by a careful study of communication requirements, though, in many cases, the choice is fairly obvious.

Often both private line and exchange services can be used profitably.

### **Some advantages of automatic transmission**

There is a very important time and money saving advantage in the use of automatic transmission. The average manual sending speed of an attendant is between 100 to 150 words in a three-minute connection. The sending speed of automatic transmission is 180 words.

There are times when a machine is busy at a terminal point to which an attendant at another terminal point wants to transmit messages or a number of orders. This need not delay the writing of the messages or orders. This special automatic equipment allows an attendant to type the messages or orders on a tape. At the proper time, the attachment is geared to the machine and whatever has been written on the tape is automatically transmitted to the other machine or machines as the case may be. This equipment is furnished at low cost.

### **Even when your office is closed, you can receive teletypewritten messages**

One of the advantages of teletypewriter exchange service is found in the fact that a message can be delivered to an unattended machine. For example: Case Number 2 on page 75 cites the experience of a manufacturer with a general office and factory in the east and a subsidiary on the west coast. When the day's

work is completed on the west coast, the office of headquarters in the east has been closed three hours. Yet, the day's totals from the west coast are teletyped just before five o'clock on the west coast and reproduced at headquarters in the east where they are ready for examination by the proper officials in the morning.

This same method can be used when branch offices are occupied only part of the day.

### **Exchange teletypewriter conference service**

Many business firms have need either regularly or occasionally to communicate with a number of points at one time. This may be to get information or instructions to several points quickly and accurately, to receive comments or reports from all points promptly, or to permit these points as a group to exchange ideas or views on important matters.

The teletypewriter offers this service. For example, a teletypewriter in Boston could be connected with machines in Tampa, Florida; New Orleans, Louisiana; Tulsa, Oklahoma; Duluth, Minnesota; and Seattle, Washington. Single or multiple copies of any message or form up to six could be teletypewritten in Boston and reproduced *simultaneously* in each of the five cities listed, or at any other points to which it seemed desirable to send these messages. Each teletypewriter in each of the cities could reply in the same way to any message sent and each reply could be reproduced on each of the teletypewriters in the hook-up.

### **The use of teletypewriter service on a regular schedule helps to promote efficiency**

It is the practice of many organizations to use teletypewriter service at scheduled times. Using it at about the same times each day prevents confusion, enforces orderliness and saves time. It enables attendants to organize messages so that they can be transmitted rapidly and in proper sequence. Those who have messages to send get accustomed to having them ready at

stated times, and everyone knows when messages will be received.

In addition, the service is used at any time a need arises.

### **Who can use teletypewriter service?**

On page 78 you will find the story of the teletypewriter directory. In that directory are listed approximately twelve thousand teletypewriter exchange subscribers in hundreds of towns and cities. Most of these subscribers find the teletypewriter service indispensable.

This list of subscribers includes manufacturers of every description, distributors of all kinds of merchandise: department stores, chain stores, advertising agencies, news services, newspaper publishers, contractors and builders, food packers and distributors, coal producers, oil companies, banks, brokers, financial houses, transportation companies, radio stations, detective agencies, the police and others.

There are today about twenty thousand machines in use, including both types—exchange and private line.

If you have a communication problem which you believe can be simplified through the use of the teletypewriter, a call to the local telephone business office will bring a representative to study the problem with you and to give you full details of the advantages of the use of teletypewriter service in your particular case.

### **The features of teletypewriter service**

The features of teletypewriter service are:

**Availability**—Teletypewriter service is similar to telephone service. Exchange teletypewriter subscribers can be connected at any time with any other subscriber to this service.

**Speed**—Connections are fast. Usually they are made in about one minute.

**Two-way service**—Subscribers can type back and forth on the same connection, making inquiry and reply possible.

**Accuracy**—Communications are reproduced exactly as sent.

**Acknowledgment**—The acknowledgment of the message ensures certainty that it has been received.

**Simplicity of operation**—Any competent typist can quickly learn to operate the teletypewriter.

**Privacy**—There is a direct connection between sender and receiver.

**Flexibility**—Your own forms for orders, reports and deliveries can be used. As many as six copies can be made by each teletypewriter. In the handling of multiple copies, the sides of the forms and carbon are usually perforated to ensure against slippage.

**Complete and exact records**—Each subscriber has his typed copy of the form or message for filing in convenient form.

**Low cost**—Teletypewriter communication is economical.



# Case histories which show the scope, flexibility and economy

## of teletypewriter service

These case histories are in one sense testimonials. They are based on the statements of users. These users say that the teletypewriter gives them close control over production, orders, sales, deliveries, and many other operations; that it has enabled them to give faster and better service to customers; that it has helped them to reduce inventories and to dispense with some warehouse stocks entirely; that it has reduced peak loads in many departments; that it has saved employee time by dispensing with some operations; that it has enabled them to operate their businesses smoothly at higher speed.

### Control of production, operations, sales and services

#### Case 1

District headquarters and five department stores of a chain are located in metropolitan city. District manager and staff have complete supervision over all store activities, the managers answering directly to them. Policy of company is to maintain uniform prices in all stores; to keep merchandise moving at high speed; and to maintain minimum stocks. This policy necessitates fast and accurate communication between headquarters and all stores and between each store and the others.

Teletypewriter equipment is installed at headquarters and at all the stores. This equipment is used for the following purposes:

The unit price control department at headquarters issues retail price changes to all stores simultaneously, several copies being reproduced at headquarters and at stores for information to proper people and for accounting purposes. This same department also sends inquiries to stores regarding slow-moving items for the purpose of keeping balanced inventories and speeding up the movement of the slow-moving items by price reductions when necessary.

The district buying office sends information to stores regarding special offers to determine how much stock of these items can be taken by each store.

Branch stores requisition out-of-stock items from other branches in the unit to replace depleted stocks.

District office sends branch stores important changes in sales administration policies.

Branch stores send district office daily reports of sales activities.

Multiple copies of all these reports, requests and instructions are made for various accounting and record purposes, so that the authority and responsibility are always clear.

*ADVANTAGES: This fast, accurate, systematic communication gives district headquarters complete supervision over all activities at low cost. Its automatic quality gives store managers and department managers maximum time for store supervising duties. Its speed assures uniform pricing in all stores at all times. It keeps inventories in proper balance. It provides headquarters with up-to-the-minute reports of store sales activities and merchandising costs. It provides convenient written records.*

#### Case 2

This manufacturing organization has its general office and factories in the east. Sales branches and warehouses are located in a number of large cities. The organization also has a subsidiary plant on the west coast.

Teletypewriters are located at general office, factory, branch offices and at the subsidiary. The branch offices use them to transmit all rush orders to the general office, including both warehouse stock replacements and direct shipments to customers. The general office relays orders to the factory over local private line teletypewriter. Specifications are also transmitted by branches on special jobs.

This company also uses unattended teletypewriter service. The general office in the east has been closed several hours at completion of day's work in the subsidiary on the west coast. Nevertheless, a complete report of production, sales, plant costs and miscellaneous operating information is transmitted from the subsidiary and automatically reproduced on an unattended teletypewriter at the general office for study by the executives the next morning. This is one of the exclusive features of teletypewriter service.

**ADVANTAGES:** *The high-speed transmission of orders and two-way information between branches and headquarters and between the subsidiary and headquarters keeps production even with demand and gives rapid service to customers. Specifications and figures are accurately transmitted, and the complete identical written records at each place fix the responsibility for errors. The unattended service gives headquarters complete information on previous day's business at opening of office the next day.*

### Case 3

This case illustrates the application of teletypewriter service to the control of small operations where a combination of speed, close control and record keeping are helpful from a service standpoint.

A thirty-nine story building houses the general offices of a large number of concerns on a rental basis. The building owners provide complete maintenance service, including all forms of repair work. The building superintendent's office is in the tenth floor; repair shops are in sub-basements.

In the course of the average business day, a large number of requests are made for repair service—burnt-out lights; fan, radiator and ventilating troubles; office space modifications; etc. Delays in performing these services cause dissatisfaction, annoyance and ill-will. Promptness and accuracy are necessary in getting complete information to repair shops.

One teletypewriter is installed in the superintendent's office, one in each of two repair shops. The notifications are automatically transmitted in multiple form for information regarding needed repairs, requisitions, customers' receipts and record keeping.

**ADVANTAGES:** *Communication between offices on tenth floor and repair shops in sub-basements is instantaneous and exact. Repairs are handled rapidly. Complete records in office and shops eliminate possibility of misunderstandings.*

### Case 4

A large commercial bank occupies the first five floors of a building. Its vaults are in the basement. The commercial accounts are handled by twelve tellers located on the second floor. Brokerage accounts are handled by a "broker's certify" teller also on second floor. Bookkeeping department located on fifth floor notifies tellers of requests placed for "stop-payment" of checks.

Teletypewriter equipment is located in bookkeeping department and at tellers' cages; there are six machines—each machine serving two tellers.

The teletypewriter equipment is used principally by bookkeeping department to transmit stop-payment requests to tellers. The previous method was to use a com-

bination of telephone and messenger service. Normally, however, checks are presented for payment promptly. It is important, therefore, that immediate accurate advance notice be given tellers on "stop-payment" requests to avoid "paid-in-error" cases. Only through promptness can these errors be avoided with the consequent ill-will of depositors.

Three copies are produced of each stop-payment request in the bookkeeping department. One copy goes to customer, one is an office record copy, one goes to the bookkeeper on the account. At the tellers' cages, the requests are produced on a continuous tape and placed in celluloid containers where they are visible for reference and held for at least sixty days; longer if the customer so requests.

**ADVANTAGES:** *The stop-payment request is received by tellers much more quickly than under former method. The teletypewriter method has improved efficiency of tellers because it takes less of their time. Messenger service has been eliminated. Number of checks "paid in error" has been substantially reduced.*

### Case 5

This company does a retail business and delivers to homes. Exceptionally prompt delivery is necessary in many instances to keep customers satisfied. The main office of the company is in a large eastern city. Eleven sales offices are located in suburbs and in outlying cities. Five distribution plants are situated throughout the territory served.

There are nine teletypewriters in main sales offices, one in each of the sales branches, one machine in each of the distribution plants.

Orders are transmitted from the sales branches to the main office. The main office checks all data in connection with each order and then transmits them on company forms to the proper distributing plant. All information regarding contracts and credit is kept at the main office. This necessitates considerable two-way transmission between branches and the main office.

**ADVANTAGES:** *The company reports that the teletypewriter service is fast and economical and gives maximum speed in handling orders. Errors are practically non-existent. The handling of orders is systematic and clerical service has been released for other duties. The company is building an enviable reputation for prompt deliveries.*

## Reduction of inventories or elimination of warehouse stocks with improvement in service

### Case 6

A large automobile company has parts depots through-

out the country out of which it supplies replacement parts to dealers. Parts for which there is a steady substantial demand are carried in stock by depots. Parts which are required infrequently and which are generally expensive are stocked at headquarters. These are shipped by air express direct from headquarters to the customer of the dealer. Good service requires that inquiries as to special features and changes of car equipment be answered promptly and *exactly*.

Teletypewriters are used to transmit messages between parts depots and headquarters. Parts depot transmits details of order to headquarters. Four copies are made at headquarters. Original goes to parts order division; one copy to plant superintendent's office; one copy to stock control department; one is retained for record in teletypewriter room. All orders, inquiries and reports received at headquarters are automatically re-transmitted to proper factory or department over private line teletypewriter circuit.

*ADVANTAGES: Maximum speed in filling orders; parts are often boxed and on their way within thirty minutes after the order was sent by distant depot. Orders received at headquarters in afternoon are delivered by air express in distant cities next morning. Savings are effected; large and expensive inventories need not be carried at depots; teletypewriter records enable the stock control department to balance inventory and demand both at depots and headquarters.*

### Case 7

This manufacturing company has its headquarters and mill in an eastern city; it also has a sales branch in another eastern city. It ships direct from mill. It formerly maintained a warehouse stock in the city for shipments to customers in that vicinity. The company wanted fast, accurate, systematic communication between sales office and mill so that shipments could be made direct from mill.

Teletypewriters were installed at mill and sales office. Orders are grouped for transmission on two scheduled calls daily from sales branch to mill. Goods are then shipped direct to customers from mill.

*ADVANTAGES: Fast, systematic, accurate transmission of orders to mill eliminated necessity for warehouse at sales branch and released packing and handling personnel at sales branch for other duties. Factory production now follows sales requirements more closely than formerly. Customers get better service.*

### Speed in answering inquiries, and in making quotations and deliveries

#### Case 8

A manufacturing organization has its headquarters

and plant in north-central part of the country; branches in east, midwest and west. This organization uses scheduled connections twice daily. On each connection, branches forward details of rush orders and inquiries from customers regarding shipments not received. On the same connection headquarters sends information on shipments made with dates, routing and car numbers; also tracing information in reply to earlier inquiries about shipments not received. Information and quotations on orders and price inquiries received by headquarters direct from customers are also transmitted to branches.

*ADVANTAGES: Fast answers to inquiries; price information immediately available to customers; orders coming direct to headquarters acknowledged immediately to customers. Cost is low because of grouping of messages for sending at one time. There is one other important advantage. Many of the customers of this organization have teletypewriter exchange service. This permits instantaneous written communication with them. These customers were informed by letter of the installation of the teletypewriter service.*

#### Case 9

This manufacturing organization is in a highly competitive business where fast service is just as important as quality. Headquarters and factory are in midwest. The company has branches and warehouses in several large cities with a main branch and large warehouse close to large eastern seaboard city in which the company carries complete stocks of major units and parts. Proper service to dealers requires high-speed communication between branches and headquarters. Methods formerly used were mail and an occasional telephone call.

Teletypewriters have been installed at headquarters and branches. Orders, information and customer inquiries regarding shipments are grouped and transmitted on two scheduled calls daily—which keeps costs at a minimum.

*ADVANTAGES: The high-speed accurate transmission of orders and information with complete and accurate details enables this company to give exceptional service to customers on inquiries and shipments. These features are provided at low cost.*

#### Case 10

An auto trucking firm has terminals in several cities. This firm has installed teletypewriter service at all terminals to improve the quality and extent of its service to shippers. In addition to carrying merchandise for its customers, it makes purchases for them at terminal points, and brings this merchandise back on return trips. When a truck is ready to leave, a connection is established with the terminal for which truck is headed. The messages include name of shipper and consignee; description of



goods; list of purchases to be made for customers; customers' inquiries as to possibility of picking up particular shipments and catching scheduled trucks so that customers will know when they will get shipments before placing orders.

*ADVANTAGES: The improved control of operations through instantaneous direct communication has raised the service of this firm to a high level. Customers can have full information at any time regarding status of shipments. Last-minute changes can be made through assurance of receipt of instructions. The shopping service provided by the two-way exact communication has been especially helpful in building business. The combination of these services has increased customer good-will.*

#### Case I I

A large manufacturing company making products on which thirty-five per cent of all orders are rush has its main office in city ten miles from its plant. The previous method of handling orders was to send all that were typed by noontime each day by messenger to the plant. This resulted in a morning peak in the sales office and an afternoon peak in the shipping department; also in delays on orders typed in the afternoon.

One teletypewriter has been installed at main office; another in shipping room at factory. Orders are typed at the office in multiple form and automatically reproduced in shipping room in multiple form. These multiple forms serve as shipping labels, packing slips, invoices, and accounting records.

*ADVANTAGES: Practically all orders are shipped on day received, one day being saved on many orders. Because of the even flow of work at office and factory, fewer people are needed, two billing machine operators at sales office and two stock and shipping clerks at factory having been released for other work. Sales office can answer customers' inquiries without reference to factory.*

### Control of distant operations

#### Case I 2

The perishable quality of food products necessitates a careful adjustment of supply to demand. Instantaneous and exact information regarding condition of markets and quality and quantity of merchandise in transit is essential to this adjustment.

The eastern agents of southern and western fruit associations use teletypewriter service to transmit the information necessary to this adjustment and control. Many food packers also use teletypewriter service for this same purpose.

Teletypewriter service is used by the agents of the fruit

associations for the following purposes: Agents report by teletypewriter to association headquarters the cars sold and the prices obtained. They also send by same rapid means all available market information. The association headquarters in turn notifies agents of daily shipments and car diversions, including exact specifications of kind of fruit and grade in each car. This information is relayed daily.

*ADVANTAGES: Two-way instantaneous transmission of messages gives complete understanding daily of conditions of supply and demand. Both headquarters and agents have written identical record so that responsibility for errors in car numbers, prices and quantities is fixed.*

### The instantaneous exact transmission of information

#### Case I 3

A firm of income tax consultants has its headquarters in a large eastern city and a branch in another city. The clients of this firm want quick answers to many important tax questions. Each answer must interpret decisions and opinions accurately. Messages are transmitted by means of teletypewriters at headquarters and at the branch.

*ADVANTAGES: Service is rapid and accurate. Both branch and headquarters have identical teletypewritten records of all transactions. There is complete privacy on matters which are strictly confidential.*

#### Case I 4

An advertising agency with branch in distant city uses teletypewriters for the transmission of copy and copy instructions. Accuracy is absolutely essential and two-way questions and answers are necessary to clarify many points.

*ADVANTAGES: Rewrites and last-minute changes can be made with no delay. The teletypewritten record eliminates errors and misunderstandings. The service is instantaneous and economical.*

#### Case I 5

A credit rating agency has headquarters in a large eastern city and branches throughout the United States. Its clients are industrial organizations and banks. The work of this agency is divided between (1) general credit reports on business firms—financial statements, personnel, history and credit rating; and (2) a special reporting service for one large industry.

The previous methods used were mail, message or telephone call. Very fast service was essential, however, with complete accuracy to prevent delays in shipments following favorable credit reports. Teletypewriters were installed at headquarters and branches so that branches now have two-way instantaneous communication with general credit department and special service department at headquarters.

ADVANTAGES: *The rapid service and accuracy on clients' rush requests for information has built tremendous customer good-will for this agency. The agency considers that cost of service is low in relation to the advantages gained.*

### Case 16

A large life insurance company has all its general departments in the same building, the various departments being located on separate floors. Like all insurance companies, the transaction of its business involves the recording and the transmission of a great deal of information. Branch offices throughout the country are constantly forwarding applications and medical reports for approval and for the issuance of policies; also many inquiries regarding premium changes, loans, surrender values and other matters on outstanding policies. It is important to the insurance company and to its policyholders that this work be handled at the highest possible speed.

Teletypewriter service has been substituted on this work for internal telephone calls and messenger service.

Twenty-six teletypewriters have been installed in the various departments and connected by direct circuit. Through this system, information required by one department from any other department can be transmitted instantaneously. The information transmitted includes examination data, dividend and premium data, surrender values, records of present and past loans. It is transmitted in such form that one writing provides copies for records, copies for use by branches and for other purposes.

ADVANTAGES: *The work of examiners and reviewers is speeded up. The teletypewriter method is much more economical than previous methods, fewer people being required to handle and transmit information. Records are convenient and complete. The number of errors has been reduced and responsibility is placed for those that do occur.*

### Case 17

Electric light and power companies make a wide and diversified use of teletypewriter service. Some of these uses are: (1) to transmit service and repair orders from street department to district offices; (2) to transmit engineering advice on construction work from engineering department to district offices; (3) to transmit duplicate bills and details of charges from central accounting department to district offices; (4) to transmit requisitions from warehouses to purchasing department; (5) to transmit shipment releases from warehouses to purchasing departments.

ADVANTAGES: *The testimony of these organizations is as follows: There is a reduction in costs over methods previously used; a more efficient use of clerical help and of billing machinery; filing procedure is simplified; a great deal of time is saved; service is speeded and errors are reduced, with a consequent step-up in customer good-will; peak loads in service departments and inventories have been reduced and a closer supervision of accounting and bookkeeping work by main offices has been attained.*

If you want further information regarding any of the long-distance telephone usages described in this book, or if you have any specific situation involving communication on which you feel you would like the help of men experienced in the handling and organization of communication by telephone, a call to the local business office of this company will receive immediate attention.

NEW ENGLAND TELEPHONE AND TELEGRAPH COMPANY

