FILM JUVENILE DEATH SUSPECT

Paul Kelly Held on Manslaughter Charge in Eternal Triangle

LOS ANGELES, Apr. 20 (AP)—The opening of the county grand jury hearing into the death of Ray Raymond, actor, as the result of a fist fight, was interrupted today when Dorothy Mackaye, the actor's widow declared to the district attorney that she would stand on her constitutional rights and refuse to testify.

HOLLYWOOD, Cal., Apr. 20 (AP)—Paul Kelly, film juvenile, faced a manslaughter charge today in connection with the death of Ray Raymond, musical comedy star, following the youth's admission that he had engaged in a fist fight with the actor in a quarrel over Raymond's wife Dorothy Mackaye, stage actress.

Raymond died at a hospital early yesterday morning following a bare knuckle fight with Kelly in the former's home last Saturday night.

Deputy District Attorney Ellis Eagan, after questioning Kelly, Miss MacKaye and other witnesses announced he would request the issuance of a manslaughter complaint against the screen player today. The prosecutor said Kelly would be held on the manslaughter charge pending the outcome of a coroner's inquest tomorrow.

Kelly was arrested on suspicion of murder yesterday, in a statement to police he told of the fight with Raymond and frankly professed to be in love with the actor's wife. "I love Dorothy, I always have, and I always will," he said.

Miss Mackaye, who was under a doctors care at her home yesterday admitted that it was her friendship for Kelly that caused the trouble between the youth and her husband.

"I met Paul when he was a kid actor in New York," she sobbed, "our friendship was so clean, lovely and beautiful that I didn't want to give him up."

Miss Mackaye said Kelly had talked of marriage in event of her divorce. "But it was so remote that I did not even think about it," she added.

Man Jilts Miss Dawes Ten Days Before Wedding

CHICAGO, Apr. 20 (AP) — A "regrettable incident—that is all" was the comment from the family of Miss Marian Dawes, on the sudden marriage to another woman of Gordon Butler Bilderback, 28, who was to have been wedded to Miss Dawes April 30.

"We don't know anything about the circumstances," said William R. Dawes, the young woman's father who is president of the Chicago Association of Commerce and a cousin of the vice president, "Just say, please, that we are satisfied it is so. It is a regrettable incident—that is all."

Miss Dawes was at a railway station here to welcome the bridesmaids for her approaching church wedding to Bilderback at the same hour yesterday that Bilderback was being united in marriage at Champaign to Miss Gertrude Sergeant, 27-year-old instructor in public speaking at the University of Illinois. Bilderback, an automobile salesman, and his bride left immediately on a honeymoon trip.

Friends of Bilderback and Miss Dawes expressed surprise at the Champaigns man's elopement with the university instructor.

Bilderback and his bride had known each other for some time, their friends said, but no one anticipated an elopement.

Making Plans For 1932 Celebration

SALEM, Ore., Apr. 20 (AP)—Members of the commission to act for the state of Oregon at the George Washington celebration to be held in 1932, have been announced at the executive department. The celebration will mark the 200th anniversary of the birth of the nation's first president.

The governor has appointed Edgar B. Piper, B. B. Beekman and Mrs. W. B. Ayer, all of Portland; S. M. Garland, of Lebanon; John B. Horner, of Corvallis; and B. W. Bates, of Roseburg. Members appointed by Henry L. Corbett, president of the senate, are Mrs. C. S. Jackson and Colonel Percy Willis of Portland; and W. H. Strayer, of Baker. John Corkin, speaker of the house, appointed Frank J. Lonergan, of Portland; J. R. Roberts, of Redmond; and Roy Durbin, of Klamath Falls.

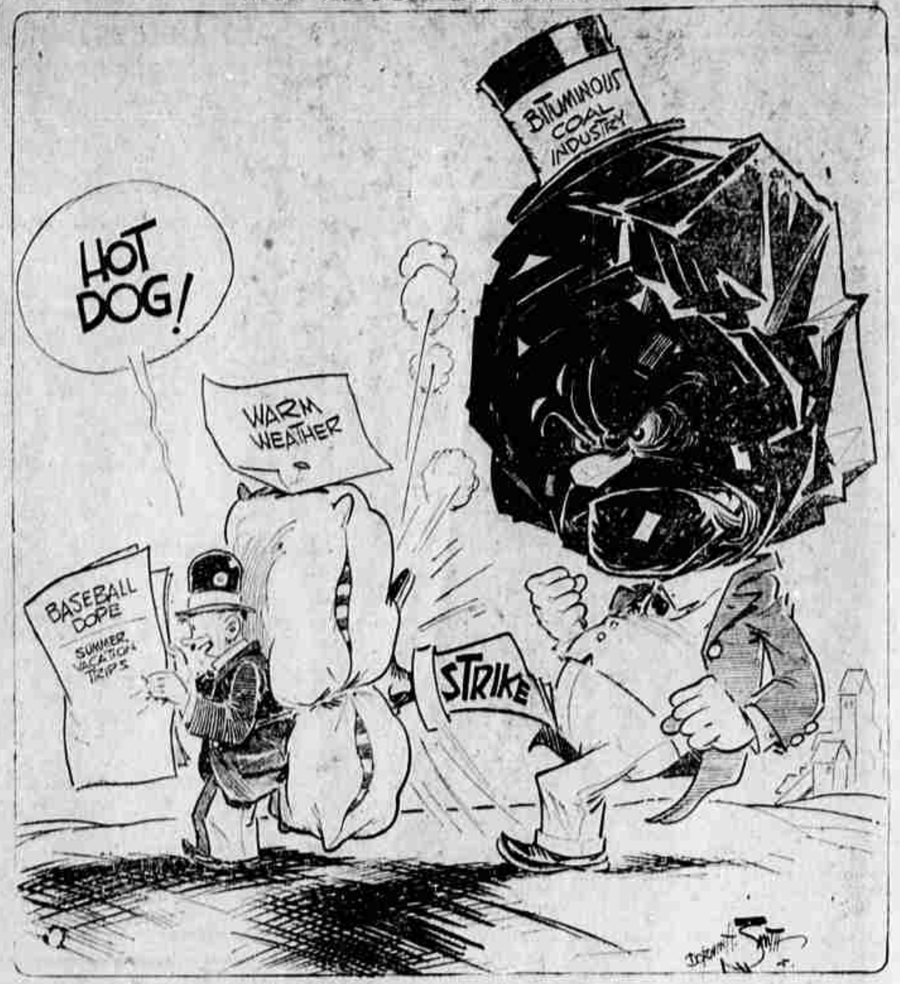
MANY PARIS ARTISTS AID ISADORA DUNCAN

PARIS—If Paris artists succeed in raising sufficient funds the former home of Isadora Duncan, American dancer, near Paris, will be dedicated as the Isadora Duncan Memorial School.

The plan is for Miss Duncan to occupy the house and carry on a dancing school there during her lifetime. Upon her death the school will become a memorial to her work, but owned by the French government.

Swine sanitation, now well known through the central west, involves keeping young pigs away from permanent hog lots which are likely to be infested with the eggs of roundworms, a serious swine parasite. Instead, the pigs are raised on pasture under worm-free conditions.

THE SHOCK ABSORBER



NON-ADVERTISER PAYS FOR THE ADVERTISING, IT IS DECLARED

By Rhey T. Snodgrass
Advertising Director, St. Paul Dispatch and Pioneer Press

The following article was delivered in the form of an address by Mr. Snodgrass, before the annual convention of the Sixth District of the International Advertising association at Milwaukee, recently.

A travelling salesman covers 40 towns within his territory and out of them gets a volume of $100,000 in a year. On this business his house makes a profit of $10,000. For the following year the house furnishes him an automobile. In this car he keeps within the same territorial limits but is able to 80 towns and obtain a volume of $150,000 within the year. On this business the house makes a profit of $17,000. Who pays for the car?

In Pittsburgh a man named Heinz had a little pickle shop. He made good pickles and a poor living. Believing that his goods were worthy of a wider market, he advertised them. In a few years he had a large trade. In a few more years he had an enormous world-wide trade. He died a millionaire and one of the country's great manufacturers. His goods were in daily competition with those of other manufacturers who did not advertise. Who paid for Heinz's advertising?

Down in North Carolina there was a town called Winston-Salem. Never heard of it. In that town was a tobacco manufacturer named R. J. Reynolds. Never heard of him either. Among his various lines was a brand of smoking tobacco which just happened to be called Prince Albert. It was good tobacco. Mr. Reynolds thought it was good enough to sell everywhere in the open market against the brands of the tobacco giants. And so he advertised and told the world about it. Prince Albert tobacco, advertised, was fully as good as the former obscure product. The price remained the same. A world-wide trade was built up. In fact, when Uncle Sam in war time called for the records of tobacco production, Prince Albert tonnage exceeded all other brands of smoking tobacco packed in tin combined. Who paid for the advertising?

Up in St. Paul a Scotchman started a little general store 25 years ago. From the very first day he advertised liberally in his local newspaper and has kept it up ever since. He now has the largest retail establishment in the Twin Cities and a very profitable business. He sells everything in sharp competition with many other concerns. Who pays for his advertising?

About 15 years ago the American Telephone & Telegraph company, which is the parent company of the Bell System, entered into a campaign of advertising which is commonly regarded as the pioneer of so-called institutional campaigns. One purpose of this campaign was to develop more traffic over the long distance lines which had always been operated at a heavy loss. In less than two years of advertising these lines were showing a substantial operating profit. There were other objects and other benefits of this campaign, which, by the way, is still running. But if the total cost of the campaign were assessed against the long distance lines without any reference to the other benefits, the enterprise would have proved more than profitable. Who paid for the advertising?

Suppose the consumer pays for the advertising. If this be true, then the price which he pays for a given value in merchandise must be higher than he would pay if that merchandise were not advertised. If the price were just the same then the unadvertised value must be greater than the advertised value. Is this the case? You remember the celebrated Ingersoll dollar watch, of which some 20 or 40 million had been sold at the time the war jostled the manufacturing cost of all of our goods. Where could you get a better watch for a dollar? Where could you get as good a watch for less than a dollar?

Going right down the line with the well known and thoroughly established brands of advertised merchandise, take Palmolive Soap, Ivory Soap, and Campbell's Soup. Do not take them together as they might not mix palatably. Where can you get better soap or soup for the price? Take Kodak. Plenty of people can make cameras. Lots of people have done so. Some other good makes are on the market. Some have been well advertised and widely sold. But who offers an unadvertised camera as good as a Kodak at the same price? You may consider as many advertised brands of goods as you will take time to consider. You might find here and there an apparent or temporary contradiction; but in almost all cases, certainly enough to thoroughly establish the rule, you will find in the advertised goods better service for the same money or the same service for less money than you will find among the non-advertisers.

Certainly, therefore, the advertising does not cost the consumer money.

Now suppose it costs the advertiser money. If this were true, then the prosperous business would be the non-advertiser—the one whose resources were saved instead of spent. And the more money a business put into advertising the poorer it would become. This, of course, is too ridiculous for serious contemplation, because it is contrary to all the history of American business whether manufacturing, wholesaling, or retailing. Since, therefore, both of these suppositions are clearly contrary to fact, then the money for advertising must have some original source other than from the pocketbook of the advertiser or the consumer.

Here are two shoe stores on the same street side by side. They are alike in size, general appearance, general character of stock, and general conduct of business. They give equal values to their customers per dollar of sales. Both are doing a fair business but neither one has been advertising. After a while, one of these shoe merchants enters upon a regular, consistent campaign of advertising in his daily newspaper. You know exactly what happens. The advertised store not only develops trade from customers who have not been patronizing either store, but also absorbs a considerable share of the volume from the non-advertised store. The one becomes a fine, growing, profitable business. The other loses ground, loses money and probably ultimately fails. Who pays for the advertising?

From these several questions, asked in reference to several commonly observed business experiences, it is clear that the real and original source from which money for advertising is derived, is not the purse of either party to the transaction of buying and selling. The money comes from volume. This is a very definite and tangible source. As long as a merchant or manufacturer can keep increasing this volume without a proportionate increase in his fixed expenses, he is not only adding profits but increasing his percentage of profit. This is common economic law.

Well, where does the increased volume come from? It may come from one or more of many sources but there are four principal ones:

1. Direct competitors. By this is meant those dealing in the same general class of merchandise. This operation quite commonly occupies a great deal of the attention of business people and is often resolved into what may be called trade. It is the commonest and most obvious manner of increasing business.

2. Other kinds of goods. Some jewelers will tell you that their trade is suffering because of the automobile. Perhaps butchers and clothiers will say the same thing. Perhaps these merchants entirely overlook the fact that this same automobile also widens the possible area of their trade and may be made the means of increasing their volume instead of lowering it. Perhaps people can be induced to buy chewing gum instead of cigarettes, or tea instead of coffee. Every dollar held by the consumer is the object of competition on the part of all classes of business. Volume in any line may be developed by diverting dollars from entirely different lines.

3. Increasing wants. Before radio arrived, the consumer had no dollars of appropriation for radio equipment. Suddenly he had many such dollars. In just this manner, though not always with such dramatic suddenness, new wants are created and volume developed for many new things. This is the story of our rapidly advancing civilization. Through advertising we are taught new desires and needs. Our process of satisfying them is the process of building volume for new manufacturers. Most goods begin their history as novelties, then become luxuries, then staples. Some pass on into the field of necessities. All of which makes the possibility of volume. This volume is very apt to flow in the direction of the advertiser.

4. From non-advertisers. This is one of the most fruitful sources of volume. It may not occur to the non-advertiser that he is paying for advertising without enjoying its benefits.

From these four sources and perhaps some others volume may be and is increased through the process of sound advertising. The advertising not only develops volume but also generally shortens the period required for such development. It has been truly said that advertising is to merchandising what the element of time is to banking. Just as interest accrues to invested capital, so profits accrue to advertised merchandise. The more powerful the advertising, the greater the profits and the shorter time required to make a small business into a large one.

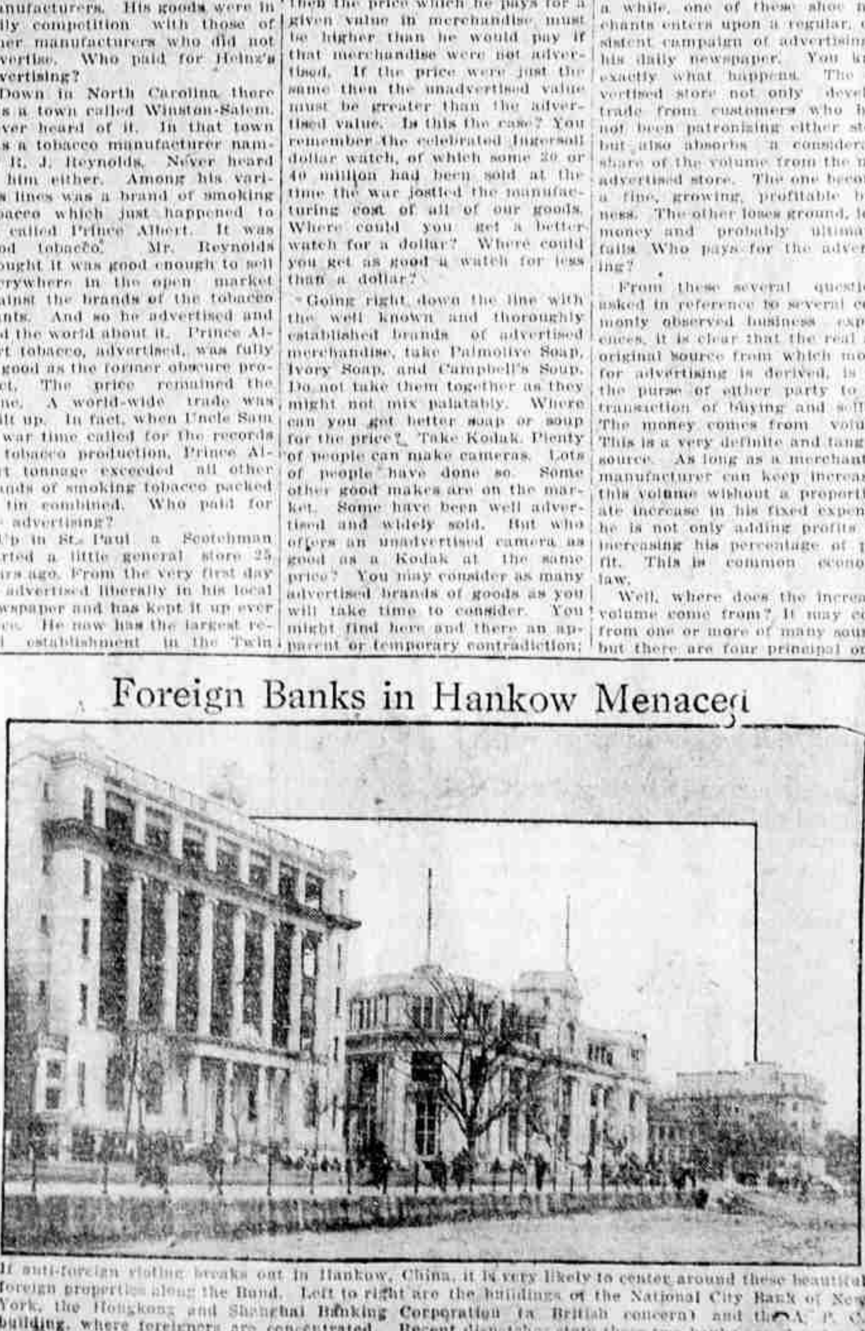
Since, therefore, the cost of advertising comes not as an extra price from the consumer nor as a tax upon the manufacturer, but as an economic return upon the development of volume, it will not do to regard advertising as an expense item. We should not use the word "appropriation." When you put a thousand dollars in the savings bank do you call it an appropriation? Advertising is an investment. It should always be so called.

Don't buy advertising—don't sell it—don't have anything to do with it unless you can regard it as an investment and a very sound investment.

If we will train ourselves to think along these lines, then the constant question will be not how little advertising we can get along with, nor how cheaply we can buy it but—how much can we wisely invest in advertising?—Reprinted from Editor & Publisher.

It's about time to discover that we're lucky to have lived the winter in such a dirty house!

Foreign Banks in Hankow Menaced



If anti-foreign rioting breaks out in Hankow, China, it is very likely to center around these beautiful foreign properties along the Bund. Left to right are the buildings of the National City Bank of New York, the Hongkong and Shanghai Banking Corporation (a British concern) and the A. P. C. building, where foreigners are concentrated. Recent dispatches state these two banks are closed and that the situation is tense.