

Eastern Clackamas News

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HOW I ESTABLISHED A \$25,000 BUSINESS ON \$600.

From an Address Before the East Clackamas Community Club by H. W. Morgan of Sellwood, Jan. 30, 1920, Estacada, Ore.

Choosing a Location.

We came to Sellwood in October, 1914, five years ago absolute strangers. After looking over the business field in Sellwood Mrs. Morgan and myself both agreed it was the location we wanted. Sellwood is a little city of its own, all built up by wage earners, many of them owning their own homes. It is supplied with the best of schools, churches, community house. One of the finest parks in Portland, is located in Sellwood and has all the advantages of the city. So says I to my better half: "Samanthy, this is where we settle," and she agreed and her judgment is always good. Just a word about the nature of my business before I go back again to 1914.

My store is small, only about 22x45, therefore it was necessary for me to confine myself to only one line of staple dry goods, notions, hosiery, piece goods, gingham, some dress goods and a few silks. No doubt many stores here carry a much more extensive line. I do not even handle men's goods or footwear that run into money. I mention this because when I give you my annual sales I want you to know we took it from a small stock of staple dry goods with all the accessories left off. We do not handle ladies' suits, waists or coats.

Small Capital to Start With.

Now we are back again in 1914, when all Europe was mad and the great World War was grinding in its terrible destruction. So it was that I undertook to establish a \$25,000 business on \$600, for this was the truth all I had was \$600 and an insurance policy on which I borrowed \$600 more. This gave me \$1200 to work on and right here I want to say Mrs. Morgan made up for the rest of my capital. She made caps, aprons, house dresses, table scarfs, table mats. In fact she made any thing that would bring us an income, and I can safely say that without her help we could not have made the success we have. The first two years were trying ones. We had not established a credit, neither had we a reputation for business, but we pushed along doing our bit, little by little and day by day.

Getting Publicity.

My idea was to get myself before the public and to do this I must advertise. So I planned various ways of advertising. In a small community such as mine the local newspaper affords the best medium of publicity, and in the five years I have been in Sellwood, I have never been without an ad. in the local newspaper, and only once have I missed a change of copy each week, and that was when I was out of town. This constant hitting at the wall, is what brings results. Never put any thing in the paper that you can't back up. Be truthful in your statements and do just what you say you will do, and you will soon realize the benefits of such a campaign.

Personality of Store an Advertisement.

The personality of your store, your reputation as a business man, these are all advertisements of the best kind. For instance, see that your personality is strong enough when a woman comes into your store with a scowl and feeling out with the world in general, use your own personality and don't let that woman go until you get a smile out of her. Never mind about making a sale—that smile is worth ten sales in time to come.

We have many box customers and fashion plate callers which are represented by their small children. We take particular pains with the children, giving them the same attention if not more so, than the grown-ups. The result is the mother knows when she sends her boy or girl to do her shopping, they will receive the same careful treatment as if she came herself. This is the personality of a store and is one feature of advertising.

Looking for Merchandise.

In looking for merchandise we first study the wants of our customers; we learn their tastes, we know approximately what they want, and in selecting merchandise, we always look for quality as well as price. Neat, dainty styles of some reliable brand of gingham, Devonshire or percales are as important as a piece of silk, never deciding on an article unless we feel morally certain we can recommend it without a come back. The same is true in hosiery, for as a rule—a satisfied hosiery customer is always a satisfied customer the year around. These are business builders for your reputation as a store and are a big asset as an advertising feature.

Limited Capital and Increasing Cost.

Referring again to the first two or three years of our business activities, imagine if you can my position with a very limited capital and prices of merchandise steadily getting higher and higher. This you can see was working a serious hardship on my capital stock. My money would not reach as far as it did once, and at times I almost gave up hope of being able to supply enough goods for a growing business. We could see the results of our labors. We had made friends. We never lost an opportunity to do a service for Sellwood if it was in our power to do so. We took an interest in all things and perhaps we took the view that we were at least a citizen of Sellwood, the place we selected to make our home. About this time the U. S. took a hand in the great war. Our boys were marching to the front ready to do their duty. Our country—our own dear United States—was actually at war. Our boys were being shot down and our girls went overseas to do their bit and when we heard of the wonderful victory on that 11th day of November, 1918, we positively had forgotten any troubles we ever had in a business way. And so we pushed along—business getting better each day, month, and year with prices steadily advancing and merchandise becoming more scarce. Yet the demand still continues, the year 1919 being the banner year for a small business such as I have described to you. Our total sales very nearly reached \$25,000 but considering the size of our stock about \$7,000, we consider it a fair showing.

Future Prospect.

What about the future? This is the question no one can decide. Prices steadily advancing until they have reached the highest point of any period during the great war. All Europe is clamoring for our merchandise, and we are not able to produce enough for our house production. The great temptation is to buy ahead in larger quantities and stock up even at these excessive prices. The consumer has the same idea. He is buying ahead. I believe this to be a grave mistake. We should all stop buying and give the manufacturer time to catch up.

Where Will Prices End?

Again this week wholesale prices of staple commodities have undergone further revisions upward. Enough time has elapsed since the first of the year to determine the attitude of the buying public, and apparently the buyers have started in determined to buy up everything in

CASH AND CARRY

10 per cent reduction in the high cost of living

All in one fell swoop!

We don't know what "fell swoop" means, but it sounds good.

We have always wanted to try the Cash and Carry plan, but have never been in a position to do so until now.

We believe that those who pay cash or meet their bills promptly at the end of 30 days, should not be made to pay for bad debts or interest on long time accounts; therefore we are making the 10 per cent discount to get that class of trade.

To make the above discount, it is necessary for us to cut out delivering, as the costs of delivering in the past have been more than the profits on the goods delivered.

EGGS TAKEN SAME AS CASH.

Remember, 10 per cent off at the

East Clackamas Supply Co.

Your Satisfaction is Our Success

Light Lunches and Confectionery

Made to Measure Clothes For Men

Pipes and Tobacco

R. G. MARCHBANK
Estacada, Oregon

Popcorn and Peanuts

Cigars and Cigarettes

Phonographs and Records

sight. As a result prices are edged up another notch, and another week goes by making a record for the highest points reached and advances of as much as 10c a yard on staple cotton fabrics.

The indications for increased production are not altogether favorable. The factories of this country are taxed to their limit. They can do no more. Yet we the public demand high class merchandise. It is a well known fact that according to a great American banker the people of the United States are selling their liberty bonds at the rate of twelve to thirteen millions per day, in order to supply their wants and satisfy their wishes.

Is it not time for the general public to curtail their expenses and would not this policy do more to lower the high cost of living?

Mail Order House Problem.

There is no doubt this subject has been cussed and discussed more by the average small merchant than any other and rightly so. For this style of a business hits the merchant harder than any other form of com-

petition. But there are several views I wish to present along this line. It is my opinion the average housewife would prefer to trade at home providing she could find what she wants. She can take her catalog and look up anything she wants. She knows she can find it there and she is not sure of her local merchant. The merchant without thinking says to Mrs. Customer, "No we haven't that article today," and lets her go without making the effort to get it for her, if it is possible. If Mr. Merchant will show the same interest to the customer that this mail order catalog does to its readers, he would make many sales which are now lost and the mail order problem would not be such a severe puzzle after all. A little publicity along this line would be of great value. Take a page from a mail order house—make a corresponding copy of the same articles and quote prices. Even if you are 10 per cent higher it is still to the advantage of the customer to trade at home for she can examine the goods in question. If the buying

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