

ADVERTISEMENT

talks on marketing by Hoyt's

DECEMBER 30th, 1921

Building a Business by Synthesis

A PUTTING together of certain things builds an ordinary business. The addition of certain other factors builds a big business.

All manufacturing businesses require a skill in manufacturing. Mercantile businesses require a skill in buying. In both, the ability to manufacture or buy to advantage, so that an adequate production at a proper cost is available, is necessary.

To know how to finance is important. Financial skill is needed to develop either manufacturing or a mercantile business.

The building of a well-knit organization, working under properly-conceived system with the duties properly delegated, is of importance.

There must be developed a sufficient demand for the product on the part of those who use or consume it. If distributors are needed who pass the product on to the consumer, they will be obtained easily if the demand is insistent.

Ordinary Business vs Real Business

AND then we come to the finer factors, the rarer elements, the things which tend to differentiate between the plain, ordinary businesses and real businesses.

In the candy business there are those who are just candy manufacturers, and there are also a few candy merchants. There are numerous soap manufacturers and a few soap merchants. Hundreds of firms make toys, and a few among them are merchandisers of toys.

The difference starts with a more complete method of identification by the consumer. This means proper trademarks, brand names and packaging. In the United States there are two kinds of Glue—Le Page's and all the others.

The next part, omitted by the majority of ordinary businesses, is what we call "Constructive Imagination." It is hard to define. Yet it is easily recognizable when it is a part of a business. Alfred Gilbert could have been an ordinary toy manufacturer or electrical manufacturer; but he added "Constructive Imagination" and evolved "Erector" and the "Polar Cub Fan."

Frank E. Davis could have been a plain Gloucester fish merchant; but he added something; and his products are known and bought from coast to coast. George D. Hoffman could have been an ordinary manufacturer of steam valves; but, instead, he is a merchant selling "Hoffman Valves." W. R. Buxton could have been an ordinary manufacturer of leather novelties; but, instead, he has merchandised over two million "Keytainers."

Adding "Constructive Imagination"

WHEN we build a Plan we attempt, with the cooperation of our customer, to put together all the usual components, and then to add something unusual which may be called "Constructive Imagination." One of us would be pleased to explain our methods of synthetic business building.

During the next ten or twenty years the business which will grow into leadership must be that which possesses the added, unusual elements that distinguish between the prosaic manufacturer or ordinary merchant and the merchandising manufacturer or real merchant.

Big Rome Bank, With Branches Here, Suspends Banca Italiana di Sconto, Headed by Marconi and Nitti, Closes; Moratorium Is Announced Too Late

Ship Financing Blamed

Two N. Y. Subsidiaries Shut Doors; Reserves Called as Thousands Gather

Rome, Dec. 29.—The Banca Italiana di Sconto, one of the largest in Italy, suspended payment to-day and closed its doors, shortly after a moratorium had been announced by the government designed to rescue the financial institution from its difficulties. The bank's embarrassment is attributed largely to the burden of financing the Ansaldo Shipbuilding Corporation.

The reopening of the bank within four days, however, was predicted to-day by a treasury official in a statement declaring that a mistake, resulting in a delay of a day in the announcement of the moratorium decided on by the Italian Cabinet yesterday, was responsible for the institution's closing.

Treasury Statement The statement was as follows: "Under the auspices of the government the burden hitherto borne by the Banca Italiana di Sconto, which during the war financed the Ansaldo Shipbuilding Corporation, recently was divided among the Banca Italia and several other leading banks which formed a consortium for this purpose. This measure saved the Ansaldo company, at the same time benefiting the Sconto bank, which was further protected by a moratorium decided on at yesterday's Cabinet council. Due to a mistake which resulted in the late announcement of the moratorium not being published yesterday, the Sconto bank was compelled temporarily to suspend payment, as otherwise it would have benefited from the moratorium. Within four days the Sconto bank will be able to resume operations."

Causes Stir in Italy ROME, Dec. 29. (By The Associated Press).—The closing of the Banca Italiana di Sconto has created considerable stir in Italian financial circles. The bank includes in its holdings shares in the Ansaldo and Iva groups, which among the great Italian industrial concerns. The suspension of payment did not cause any runs on other institutions.

The Stefan agency says that the Italian government has taken steps to guarantee the creditors of the bank against losses and eventually to place the bank in a more favorable position. No efforts were made until the eleventh hour to save the institution from closing its doors by a consortium of other banks. The sum required was \$20,000,000, but not all the banks which met the need for aid and the Banca Italiana di Sconto closed its doors.

LONDON, Dec. 29.—A dispatch to the Central News from Rome says a syndicate of banks there has collected 180,000,000 lire to restore the Banca Italiana di Sconto. The dispatch adds that "Eti Epoca" announced that an agreement has been reached with the current creditors of the bank.

WASHINGTON, Dec. 29. (By The Associated Press).—The failure of the Banca Italiana di Sconto has a political connection, it was stated in Italian official circles here, since it was started and controlled by ex-Premier Signor Nitti and his friends, especially Senator Marconi, the wireless expert, and Marquis Medici, a former Deputy of Rome. The affairs of the bank may also affect the existence of newspapers subsidized by it, prominent Italians said, but will not have serious consequences on the standing of the other Italian banks.

News of a financial crisis in Rome and the closing of the Banca Italiana di Sconto caused excitement in Italian quarters when it reached New York yesterday. A large crowd of Italians gathered about offices of the Italian Discount and Trust Company, at 299 Broadway and 224 E. 4th Avenue. Notices posted on windows of each branch of the Banca Italiana di Sconto notified depositors that the New York State Superintendent of Banks had taken charge.

It was later announced that George V. McLoughlin, State Superintendent of Banks, had been requested by the branch managers to assume control. It was said the doors would remain closed pending investigation of the situation involving the parent institution.

Police Reserves Called Police reserves were sent to the corner of Broadway and Walker Street, where several thousands of the bank's customers congregated, demanding to know the meaning of its suspension. The crowd was constantly augmented on rumors that other financial institutions were involved and difficulty was experienced in dispersing the gathering. Announcement was made later by patrolmen from the Beach Street station, who were posted at the doors of the Broadway branch, that it would reopen to-day.

The Harlem branch is situated in the heart of a district known as "Little Italy." Here practically the entire population gathered in excited discussion of the situation. The effect in the money market was immediate. Italian exchange, already weakest of Allied remittances for the local field, dropped 10 points, to 4.23, when the news was received. Other European exchanges reacted in sympathy.

Anti-Saloon League Opens War On Chicago Council's Wet Plan

CHICAGO, Dec. 29.—Chicago became the chief battle ground of the wets and drys to-day, following the adoption by the City Council yesterday of a resolution favoring the return of beer and wines, with the two factions hurling charges and statistics at each other.

The Anti-Saloon League delivered a broadside against the City Council for its action, calling the resolution a joke, born of pretended reasons that are "brazen, shameless and flimsy falsehoods." Meanwhile, the annual report of the municipal courts was made public by Clerk James A. Kearns. It showed that 51,300 persons were arraigned for intoxication in 1921, as against 32,305 in 1920.

The principal blow of the drys was struck by O. G. Christgau, editor of "The American Issue," official organ of the Anti-Saloon League, who issued a lengthy attack on the City Council for adopting the resolution asking Congress and the state Legislature to amend the prohibition laws, and on Alderman Cermak, author of the resolution. Mr. Christgau asserted that in every test of public opinion since the

charge pending investigation of the Italian situation. Giovanni Guardian, vice-president of the New York council, said last night there had been a three-hour run on the bank following bad news from Italy and its closing was merely a precautionary measure. He added: "Our situation is strong. We have unofficial advice that the Italian government will protect all foreign creditors. We have capital of \$1,000,000 and a reserve of \$750,000. Our gross deposits are about \$12,000,000."

Suspension of payments by the Banca Italiana di Sconto was regarded by international bankers as an isolated incident rather than the forerunner of extensive financial failures in Italy. Bankers emphasized that the action taken constituted merely the declaration of a moratorium and that heavy losses would not necessarily follow. The opinion was general that a reorganization plan might be worked out that would save the bank.

Garment Workers Win In Chicago Settlement

Weekly Wage System Is Resumed on 44-Hour-a-Week Basis

Chicago, the second big city outside of New York to settle its differences with the women's garment makers, came to an agreement with Benjamin Schlesinger, president of the union, yesterday. The industry in Chicago will resume the weekly wage system of work, and a forty-four hour week. The agreement provides also for a labor board, consisting of one union man, one manufacturer and an impartial chairman, for the settlement of complaints of under-production.

The Chicago Cloak and Suit Manufacturers' Association Committee, consisting of A. J. Pfau, counsel; Harry J. Weinstock, Harry Elisberg, E. M. Glick, I. Rubovitz and A. Cohen, were in conference with Schlesinger yesterday in Chicago, the union announced at its headquarters here. The new agreement is practically the same as the one that expired on December 1, and which the manufacturers proposed to supersede with piece-work, although it will not run, it is said, for longer than five months.

Dry Agents Raid Chicago Black Belt on Eve of Haynes's Visit

CHICAGO, Dec. 29.—Eight squads of agents from the office of C. H. Gregory, State Prohibition Director, raided nine places in the South Side negro quarter to-day, arrested sixteen men and seized 3,200 gallons of liquors. As the agents were returning with the truck loads of the liquors they were stopped by police and forced to show credentials before being permitted to proceed. The raids precede the expected visit here to the city of Prohibition Commissioner Haynes.

Clothing Corporation Fined For Misleading Coat "Ad"

Magistrate Moses R. Rytenberg, in the Essex Market Court, yesterday fined the J. B. Orkin Corporation, dealers in women's apparel at 25 West Thirty-fourth Street, \$150 for inserting a misleading advertisement in newspapers. The company had advertised a coat for \$44 and said that it was of Marvella cloth. The manufacturers of this cloth saw the "ad" and made the complaint.

English Ulsters AT \$50.00 Heretofore priced at \$75. Raglans & Winter Weight Top Coats AT \$35.00 Heretofore priced at \$45 to \$60.

They are Offering as an Incidental Yet a Tremendously Important and Most Appropriate Christmas Feature to the Following Important Announcement:

The directors of Fleming, Ltd., of London, have decided to discontinue the sale of "ready-for-service" sack suits, and in future will concentrate on Custom-Made Suits and ready to wear Sport Clothes and Overcoats.

To bring this about as quickly as possible, we offer for immediate sale our entire stock of Sack Suits, including Irish and Scotch Home-spuns and Donegals—

ALL \$50 TO \$75 SUITS REDUCED TO \$35 ALL \$40 TO \$50 SUITS REDUCED TO \$30

The name Fleming, Ltd., is not usually associated with the word "sale"—and we suggest that it will be to your decided advantage not to overlook this event. (Signed) D. M. FLEMING, Managing Director. FLEMING, LTD. 2 John St., N. Y. 10 E. 44th St., N. Y. (Third Floor) (Third Floor) The Only Exclusive English Clothes Shops in America

20 Million Month's Loot Of Rum Ring

(Continued from page one)

agents to the collar, to the amusement of the enforcement men, who were not planning to arrest him. Green Miller, acting chief Federal prohibition enforcement agent for New Jersey, surrendered yesterday to answer an indictment charging him with atrocious assault with intent to kill in connection with the shooting of James McFarland and William E. Stanton in a liquor raid in East Orange December 18. He was arraigned before Judge Edwin C. Coffey in the Court of Common Pleas, in Newark, and released in \$5,000 bail. He pleaded not guilty as regards McFarland, but was not allowed to plead on the charge involving Stanton, who is not yet out of danger.

Emil E. Puchs, of New York, counsel for Miller, announced his intention of making application before a United States District Court judge to have the case transferred from the jurisdiction of the county court to a Federal tribunal. The two men arrested yesterday were taken before United States Commissioner S. M. Hitchcock, by Assistant United States District Attorney Victor House and held in \$2,500 bail each for pleading.

Four men chiefly interested, it was learned last night, have retained J. Robert Rubin, former Assistant District Attorney; Colonel Thomas B. Felder, who voluntarily and without pay defended Jeremiah O'Leary, the Irish agitator, in the early part of the war, and Millard Ellison to represent them in the bootlegging prosecutions which, it is understood, will begin next week in the Federal Court in this city. The impression prevails at the Federal Building that about twenty indictments will be made public early next week. Mr. Rubin served as a Deputy Police Commissioner under Commissioner Arthur Woods, having charge of the detective bureau. Colonel Thomas Felder, when he came to New York from Atlanta a few years ago, had the reputation here in the last criminal lawyer in Georgia. Mr. Ellison has had long experience in the practice of criminal law.

Poisoned Rum Kills 3, One a Woman; Five Ill

Feminine Victim, Who Is Found Unconscious in Street, Dies in Ambulance; Boy Stricken

Three more deaths as a result of alcoholic poisoning and five new cases in which recovery is possible were reported yesterday. The dead are George L. Henry, a traveling salesman from Brookline, Mass., who arrived at the Hotel Cumberland Tuesday; Charles Williams, a negro, of 17 Minetta Street, and Mrs. Carrie Valch, fifty-five, of 246 East Thirty-fifth Street. A notebook, one entry in which included an abbreviated name, a telephone number and the word "whisky" was found beside Henry's bed. This

is expected to furnish the clue to the bootlegger from whom he obtained the liquor which is believed to have caused his death. An empty bottle marked gin and another three-quarters full of whisky, supposed to have been harmless, also were found in the room. Mrs. Valch while being taken in an ambulance to Bellevue Hospital after she had been found unconscious in front of 13 East Thirty-fifth Street by Patrolman Osmond, of the East Thirty-fifth Street station. She had been missing from her home several days.

The new cases in the hospitals are those of Mrs. Jane Prose, of 623 Taylor Avenue, wife of a mechanic and mother of a five-year-old boy; Louis Rosen, thirty-five, of 104 Suffolk Street, who was found in front of 41 Orchard Street; John Dooley, fourteen, of 326 West Sixty-eighth Street; William McElroy, a sailor, of 465 West Twenty-third Street, and an unidentified man found in Park Row. Martin Ryan, nineteen, of 501 West Fifty-second Street, is said by the police to have confessed selling the alcohol which caused the death of Frank and John Tiffany to John Horan, of 326 West Sixty-eighth Street, who is under arrest on suspicion of homicide. Detectives say they expect to connect these two with all four of Tuesday's deaths.

Ryan is said to have declared that he got the alcohol from a German sailor on the pier where he works as a longshoreman. He was taken to Pier 86, where, he asserts, the purchase was made, but was unable to identify any of the accused men before him as the one from whom he obtained the poison. Ryan is understood to have obtained the alcohol for \$4 and to have sold for \$12. Horan in turn is alleged to have sold liquor to the Tiffanys.

Another blow aimed at the bootlegging business was delivered by the Kings County Grand Jury yesterday when it decided to return indictments charging crimes far more serious than violation of the Mullan-Gaze law in all cases where chemical analyses showed the presence of poison in the liquor sold. Regardless of any disastrous effects, the beverage may or may not have had upon the health of the purchaser, the grand jury intends to know its ingredients and will act with vigor upon the advice of scientists.

First the Federal judges here decided that the time for fines for prohibition offenses had passed, and announced fourteen days imprisonment as the minimum penalty, even on a plea of guilty. Then the United States attorneys began obtaining injunctions against confessed or convicted violators of the Volstead act, depriving them of the right to jury trial by making them liable for contempt of court. But inasmuch as Prohibition Director Day announces that there is no such thing as non-poisonous "bootleg stuff," and as 70 per cent of the \$10,000,000 worth of liquor confiscated here in the last three years is to be destroyed as unfit for human consumption, the action in Brooklyn yesterday may prove the hardest blow of all.

It is thought that the example of the Kings County jurors may be followed in all state and Federal courts. Commenting upon the decision, District Attorney Harry Lewis said that the distribution of poison as a palatable beverage is a crime, even though the stuff may not have been imbibed by the purchaser.

Dominican Agent Says U. S. Admiral Held Him Prisoner

Knowles, Former U. S. Minister, Tells of Threats, Surveillance and His Escape From Island During Night

Horace G. Knowles, United States Minister to Santo Domingo under President Taft and officially recognized counsel of the deposed Dominican government, was held a virtual prisoner three days for no apparent cause, he said here yesterday, by Rear Admiral Samuel S. Robison, military governor of the occupied territory. The detention occurred after Mr. Knowles had been ordered to appear before the admiral when, he says, he was informed that no consideration would be shown him by the military authorities.

Mr. Knowles escaped from the island on a small steamer before daybreak with the aid of Dominican officials. In discussing the incident, Mr. Knowles said: "I went to Santo Domingo City with Senator McCormick's committee of investigation. The committee decided to leave the island three days before their scheduled time. Senator McCormick told me of this decision and asked me to stay behind and complete a list of witnesses for the committee before returning to Washington.

"As soon as the committee had left the island, I was publicly insulted by Admiral Robison at the docks, and later I was ordered to appear before him in the military palace. While there he threatened me with all kinds of dire things. "Following this I was kept under surveillance and did not leave my hotel. The authorities of the deposed Dominican government were fearful of my safety, and advised that I leave the island at the first opportunity. On my behalf they announced that I intended to leave Santo Domingo City on board the regular steamship sailing to the United States, but as a matter of fact they secretly arranged a passage on another boat. On December 19 I received the following letter from Francisco J. Peynado, the deposed Secretary of State and former Dominican minister to this country.

"As the Cuban steamer Guantanamo is leaving for Porto Rico to-day, and within a few hours after you received the above mentioned letter (from Senator McCormick), I consider it impossible for you to carry out its instructions. For reasons I stated to you I consider it best for you not to remain here at all beyond the first chance you have to leave."

"I went down to the dock during the night, and the boat sailed one hour before daybreak. It took me to San Juan, Porto Rico, where I caught the regular steamer to this city."

Mr. Knowles has announced his intention of going to Washington to prefer charges against Admiral Robison. The preliminary report of Senator McCormick's committee, he declares, is an unjustified "whitewash" of the military regime in Hayti.

Stock Indictment Upheld Drexel and Others Accused of Over Issuing Securities

The indictment against Anthony J. Drexel Jr., Harry Bolinski and Elliot Norton, charged with over-issuing the stock of Film Industries, Inc., of which Louis B. Jennings, also under indictment, is president, was upheld by Judge Mulqueen in General Sessions yesterday.

William Rand Jr. made a motion for dismissal of the indictment, on behalf of all four defendants, asserting that the evidence produced before the grand jury was illegal and insufficient. The four men are charged in the indictment with having over-issued 300 shares of the capital stock of the company and selling it through solicitors to Italian and negroes. Floyd Wilnot, counsel for the State Industrial Commission, made the complaint.

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