

—THE DEALER—

IN BUILDING MATERIALS

Efficient Arrangement of Wheeling Yard

Advantage Taken of the Lay of the Land to Cut Cost of Doing Business—Dealer Advertises Materials Handled by Using Them in His Own Buildings

WHEELING, W. Va.—“The growth of a flourishing and profitable building supply business never just ‘happens.’ It can always be traced back to certain wise policies and methods,” declared Harold W. Becker, president of the Wheeling Building Material Co.

In the case of the Wheeling Building Material Co., Wheeling, W. Va., some of the reasons for success are: A yard location permitting the most economical handling of incoming shipments and local deliveries; consistent advertising of its telephone number and prompt service, bringing a large volume of telephone business; a credit policy that encourages prompt payment but gives reasonable leeway; a graduated charge for deliveries based upon division of territory into zones.

Location Permits Handling by Gravity

The Wheeling district is a series of hills and valleys and the railroads enter largely on elevated tracks. Taking advantage of this, the yard was located on ground considerably lower than the railroad tracks serving the yards, permitting practically all materials to be handled by gravity, either into outdoor bins, warehouse or wagons. Sacked materials are chuted from cars into the second story of a warehouse which permits the later loading of wagons by gravity through trap doors in the storage floor. Chutes deliver material either to platforms on the ground floor or direct to trucks or wagons. Bulk materials like sand, stone and brick are stored on the railroad embankment, through special arrangement with the railroad, and are chuted through gates or doors from stock piles to wagons or trucks. A driveway under the warehouse is paved with concrete and the outer yard is macadamized so that bad weather does not hinder hauling. This arrangement has reduced the cost of handling materials and consequently the cost of doing business.

In choosing its site the company considered carefully the length of haul to all possible points of delivery and its atten-

By M. A. Berns

tion-attracting possibilities. “Many of Wheeling’s big business men,” said Mr. Becker, president, “live in the country along the National Pike or in small villages through which it runs. Since our



This chute delivers sacked materials from the cars on elevated tracks to the storage room on the second floor of the warehouse. From here materials are chuted thru trap doors to a loading platform on the ground floor, as shown in the illustration on the next page

yard is within a stone’s throw of the Pike and an interurban railroad, autoists and commuters cannot fail to see our signs and other advertising about the yard. We find, too, that the best class of building is in these small villages and our location close to the Pike gives us 1½ hours’ ad-

vantage over other dealers, yet we are not handicapped for deliveries in town as we are near the heart of the city.”

Zone System of Costs

Building material dealers of Wheeling have divided the territory into nine delivery zones, the city proper being the first zone. Charges for delivery in each zone are based both upon the distance from Wheeling and the kind of road. A farmer served by a poor road pays a higher delivery charge than another farmer on a good road. This is only fair to the dealer, as muddy roads limit the size of the load and the daily capacity of a team or truck.

Advertising Products by Using Them

“Our advertising makes capital of our location,” continued Mr. Becker. “Our barn, facing the car line and the National Pike, carries our name and two slogans, ‘Build to Last’ and ‘Both Phones 41,’ with the figure ‘41’ so large that it cannot be missed by a passerby. To prove our faith in several of the lines we handle we built our office with cement stucco on tile, with a roof of fireproof shingles. One side of this building carries a sign, ‘Cement Coating—Build to Last.’ A garage now under construction also will advertise a brand of fireproof shingles which we are pushing. We find it easier to convince customers to build with lasting materials when we ourselves use them in and around our yard. That is evidence that we believe in the products we handle and make a strong impression upon prospective customers.

Consistent Advertising Builds Business

“Our newspaper ads as well as our signs, blotters and other forms of advertising feature fireproof building material and our telephone slogan, ‘Both Phones 41.’ We use 12-inch, 4-column ads several times a week and in every Sunday edition of the best Wheeling papers. Featuring our telephone number has encouraged telephone orders until this is a large proportion of our business. We have found that it permits operation with a smaller force and therefore cuts the cost of doing business.”



With only a slight amount of shoveling, bulk materials are loaded from stock piles to wagons.

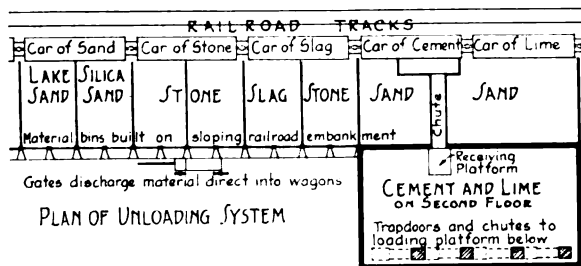
Courtesy at Telephone

“Keep the wires hot” is the office slogan and the volume of phoned orders is a result not only of the consistent advertising of that service but of the courtesy of the president and secretary in handling telephone orders. During the interview on which this story is based, a man phoned about delivery on several joints of sewer pipe and was told, “We will make delivery about one o’clock unless you need the material sooner. We will be glad to make a special delivery if the pipe is needed to keep the job going.” Such service makes the company popular with builders and encourages a greater use of the telephone.

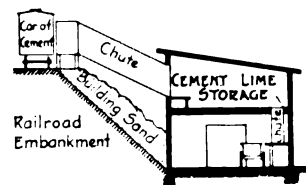
A plan is under way now to paint all trucks and wagons of the Wheeling Building Material Co. in uniform, striking colors. The body color will be a bright green, lettering a light chrome yellow and trimming a flaring red. Signs will fill alternate spaces between spokes on all four wheels and all signs on any one wheel will mention different products. The wagon bodies will feature the company name and “Both Phones 41.”

All stationery, including letterheads, envelopes, invoices, statements and requisitions is gray and the style and printing are uniform so that customers recognize at a glance correspondence from the Wheeling Building Material Co.

Wheeling dealers have made a thorough analysis of their costs and know the average cost of handling the various materials. As mentioned before, they base



Location of Wheeling Building Material Co.’s yard at foot of railroad embankment, permitting handling of materials to and from stock piles and warehouse by gravity



prices quoted are f. o. b. the job. Mr. Becker said, “Our costs run below the average due to the large percentage of business handled by telephone and to the low cost of unloading and loading by our gravity system.”

quotations for building materials f. o. b. the dealer’s warehouse plus the charge for delivery according to zone. While quotations are based f. o. b. warehouse, the

Pike brings an immense volume of farm trade into Wheeling which passes our main entrance. Our rural business is heavy and a large part is hauled by the farmers. We have found that farmers are willing to pay cash for our supplies for they have been accustomed to paying cash for automobiles and goods from out-of-town merchants. The modern farmer has a bank account.

Trade Acceptances

“To reliable contractors we extend credit terms of 30 days and encourage prompt payment by offering a discount on car-load lot sales for payment within 10 days after date of invoice. When accounts are not settled promptly, we take ‘trade acceptances’ under the new Federal Reserve Act and discount them at the bank. These methods keep our outstanding accounts down to a minimum and enable us to do a large business on a comparatively small capital.”

Mr. Becker is particular to explain the credit basis of his company carefully to all prospective customers. He tells them frankly the various angles of the situation, stating, “If you pay your bills promptly and meet your obligations regularly we will have no hesitancy in selling you on time. Do your business conservatively, take care of your bills when due and we



Cement and lime are stored on the second floor and chuted through any one of four trap doors to a loading platform on the ground floor. Materials are also chuted from cars to warehouse, as shown in the diagram above, thus using gravity to reduce the cost of handling materials

will be glad to extend 30-day credit terms to you." This is along the lines practiced by up-to-date credit managers who desire to give customers an occasional business suggestion and to make good business men of them. They figure that it is better to help along an honest prospective customer who may temporarily be short of funds than to take business only from what is known as A No. 1 customers. With the information obtainable locally, this is an easy matter to decide.

Signal System Used

To cut down delays around the yard, the yard manager uses a whistle to signal different yard men and teamsters. For instance, when a driver is ready to take out a load, one blast of the whistle calls the yard man from his other duties and enables him to give immediate attention to the filling of orders while a different blast (two short whistles or a long and short) enables the yard manager to call any teamster to the office without having to look for him.

"We encounter no trouble with the sack question," said Mr. Becker, "as we use the same policy as that of the manufacturer in that we pay on for good or repairable sacks. When a quantity of sacks is delivered, the warehouse man immediately attaches a tag to the bundle showing from whom the sacks were received and then later at his convenience, counts and separates the sacks and sends a credit memorandum to the office."

Stirs Up Michigan Dealers

SECRETARY J. C. Kushell, of the Michigan Association of Builders' Supply Dealers, has issued the following gingery letter to the membership:

Now is the time for every member of this association, or any other association for that matter, to do their utmost along the line of closer co-operation.

The building material dealers of this association are all alive, wide-awake business men, and I am sure that they are aware of the conditions that seem to exist that are hampering the building material business at the present time, and are also aware that something must be done to remedy these conditions, and I am almost certain that everyone of you know how this ought to be done, but instead of putting your shoulder to the wheel, many of you are depending on the other fellow and allowing him to do it all.

Now, gentlemen, the time has come when you cannot be satisfied with yourselves and existing conditions and rest easy, taking for granted that everything will come out all right in the end. The question is, are you going to make some united effort to bring about such a change as well as make it easier and more comfortable and pleasant to do business, or are you going to hold back? This question you must answer for yourselves, and I am pretty sure that you will answer correctly, knowing that in order to obtain the proper co-operation everyone must do his bit.

The time has long gone by when any dealer, merchant or manufacturer can go on indefinitely without once taking into consideration the men with whom he is doing business.

You have probably wondered why some of these men are failures, but if you will sift the thing down to the bottom you will find that in nearly every case it was lack of co-operation.

We are all parts of each other and no one part can get along without the other, so in order to get along and attain success, all your efforts must be united. THIS IS CO-OPERATION.

Therefore, every member of this association ought to feel that it is his duty to make this association a success. Do not be content

that you are a member and pay your annual dues and occasionally attend a meeting, and feel perfectly satisfied that you have received some particular benefit and let it go at that.

Not so, brother, it should be your duty to see that each and every member in your community is co-operating with you. If he is not a member it should be your business to see that he becomes one. You will be doing him a service and by his co-operation you will be benefited yourself.

This association has under consideration many important matters that will mean bigger and better business, and naturally more dividends on the proper side of the ledger for every member.

So let the big word at this time be PULL TOGETHER. Go out into the highways and byways and round up everyone eligible to become a member with us, and I am sure that when we hold our state convention some time in October, that we can all see the wonderful results that have been accomplished by united efforts.

Meaty Paragraphs for Dealers

EXECUTIVE Secretary F. R. Carty of the Wisconsin Builders' Supply Association has issued a bulletin to the membership of the association which contains some mighty good things that are worth passing along to the dealers of other states who are readers of ROCK PRODUCTS AND BUILDING MATERIALS. Following are some of the meaty paragraphs from Secretary Carty's bulletin:

"Have you bought a Liberty Bond? Surely no man desires a more solid guarantee than the United States Government with its wealth of more than \$225,000,000,000. BUY NOW. ASK ANY BANK.

"Padded contracts never helped any dealer's business—why not eliminate them? There are many such contracts now alive—some of them are known to the association—and as soon as proper evidence is in hand the companies will be asked to cancel.

"Do you subscribe to any of the trade journals? Reading these papers will give you some new ideas which will help in business getting and will give many 'short cuts' in business methods.

"The dealer should strongly advocate the idea of home building in his locality. Owning a home creates interest in the community and is good business on the part of the retail dealer.

"Quite a little is being said in reference to the dealer making a direct charge on invoice for delivery—that is, let the customer see by his statement just what charge is being made for cartage. When this is done cartage is not charged in your percentage of cost when figuring selling price.

"When sending statements or correspondence to customers why not enclose some little circular advertising some other commodity which you handle. It might help to increase business.

"Put your coal business on a strictly cash basis and stick to it. It may be a radical step for you to make your business strictly cash—but do you watch the credit worth of your customer as closely as the jobbers and manufacturers watch you? Is it not just as good business for you as for the others to be careful?

"Another example of poor business came to the attention of the association last week. A dealer explained to the secretary that in marking his goods he simply multi-

plied the mill price plus freight by twenty-five and added the two together. Would this man be termed a successful merchant by the Federal Government? The merchant stated he does not have time to attend the association meetings.

"It is impossible to handle a barrel of cement at a lower cost than 31c per barrel. Every estimate proves business cannot be conducted at less than from 15 per cent to 20 per cent and surely no merchant desires less than 10 per cent net profit. According to experts the only correct method of figuring the selling price is to deduct the sum of your net profit and overhead from 100 and divide the remainder into the mill price plus the freight and cost of handling."

They Can't Afford to Miss It

THIS is the way Secretary Frank Day Smith, of the Detroit Builders' Supply Association, gets his membership together:

Gentlemen:—I herewith hand you a corrected credit memorandum for \$5,500. This amount will be your loss, should you fail to hear President Cormack, Tuesday evening, June 12, 8:30 o'clock at the Cadillac Hotel.

Believing that you cannot afford to miss this intellectual treat, I do not hesitate to give you the above mentioned credit but will be obliged, however, to recharge should you fail to present yourself at this meeting.—Frank Day Smith, Detroit Builders' Supply Association.

Safety First at Cleveland

CLEVELAND, June 11—Charles T. Harris, director of the Building Tile Bureau of the S-A-F-E, reports that covering the first three months' operations in Cleveland:

"The Building Tile Bureau succeeded in influencing something over 100 houses to slow-burning construction in tile with either stucco or brick facing. This covers work actually begun and does not include other good prospects.

Wisconsin Meets July 25

OSHKOSH, Wis.—The next meeting of the Wisconsin Builders' Supply Association will be held at Fond du Lac, July 25. Secretary Frank R. Carty has been covering ground like a giant with seven league boots since he got the flivver purchased for him by the association after the Green Bay convention. As a result of his good work the Wisconsin association is making wonderful headway in establishing better trade practices and better understanding between competing retailers, as well as more cordial relations between retailers and producers.

The Cuts Were Mixed

IN the make-up of the June 6 issue of ROCK PRODUCTS AND BUILDING MATERIALS the cuts of the White Hill quarry of the Charles Stone Co., Marion, Ill., and the Superior Stone Co.'s plant at LaGrange, Ill., were transposed so that the White Hill quarry picture appeared with the story of the LaGrange plant.