A SUMMARY OF THE

Power Use Conference

Held at the
Edgewater Beach Hotel,
Chicago, Ill.

MARCH 11, 1954

RURAL ELECTRIFICATION ADMINISTRATION • U. S. DEPARTMENT OF AGRICULTURE

A WORD OF INTRODUCTION

On March 11, 1954, the Rural Electrification Administration sponsored a power use conference in Chicago, Illinois. The purpose of this conference was to explore the potentials of the rural market for electric equipment and appliances, and to start in motion a program for exploiting that market.

The conference was attended by representatives from REA, the electrical manufacturing industry, the rural electric cooperatives and their associations, the commercial electric companies, and the interested press. These representatives heard and saw the case for putting special emphasis and effort into the development of the rural market.

In answer to a number of requests, this summary of the power use conference has been prepared. It is composed mainly of excerpts from the several presentations that were given during the morning and afternoon sessions. I hope that it will serve as a reminder to those of you who attended the conference. And I hope that it will present a thorough picture of the rural market to those of you who did not attend. To all of us it can serve as the basis for concrete plans to move ahead in bringing the benefits of electric living and electric farming to rural America. Such a program will also benefit all of us who are engaged selling electricity or the items that utilize it.

Archer Nelsen

Archer Nelsen
Administrator
Rural Electrification Administration

A SUMMARY OF THE POWER USE CONFERENCE

CONTENTS

"A LOOK AT THE RURAL ELECTRIFICATION PROGRAM"

Fred H. Strong, Deputy Administrator
Rural Electrification Administration

The purpose of our meeting here today is to evolve a program of cooperative action that will lead to the increased and beneficial use of electricity in rural America. We hope to:

1. Increase load on rural electric lines by a campaign of selling more items of electric utilization.

2. Encourage all interested groups in cooperating in a coordinated program - as well as increasing separate and competitive rural sales programs.

3. To supply a background of information upon which a realistic appraisal of the rural market potential can be based.

The several groups represented on the stage, as well as the several other groups who are in the audience are all concerned with this problem.

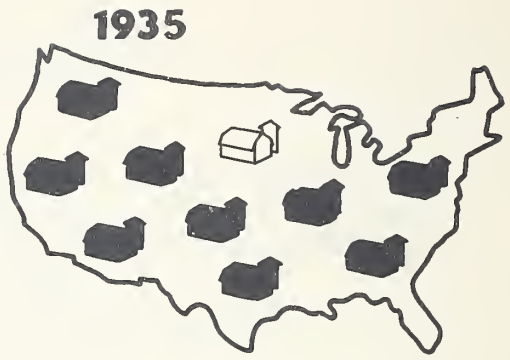
Those of you who are in the business of selling electricity and those of us wanting it sold realize that every kilowatt hour sold or used depends upon machinery of some sort that is powered electrically. So today's program is directed principally at interesting those of you who are in the business of making, distributing and selling electrical appliances and equipment. If you can go to work on this market the way we think you can, you'll benefit and so will the rest of us.

. . . .

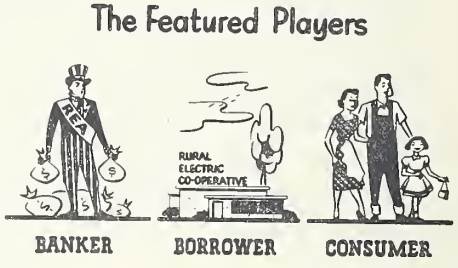
For the purposes of my talk, I shall not attempt to cover the entire rural electrification picture but simply that part of it which we in REA are most concerned about.

. . . .

At the outset, let us try to visualize farm conditions of the mid-'30s, electrically speaking. It is difficult today, to realize the extensive, almost complete lack of electric service in rural areas less than 20 years ago. A visit to the country then took you back into the dark ages, insofar as good lighting and modern conveniences were concerned. To say that in 1935 only one farm out of every ten had central station electricity is itself misleading. This statistic conceals the fact that for the single county where half the farms enjoyed central station electric service, there were many counties where only a handful of farms - those nearest a city - had electric service. Only four states in 1935 could boast that half or more of all its farms had central station service. Today, every state, with three exceptions, can claim that four out of every five farms are receiving central station service. In Mississippi less than one percent of the farms had the helping hand of electric power in 1935. Today, more than 70 percent of the farms in Mississippi are electrified.



To appreciate the real drama of rural electrification - past, present and future - let us concentrate our attention on three principal characters - banker, borrower and consumer. These are familiar roles in any business drama.

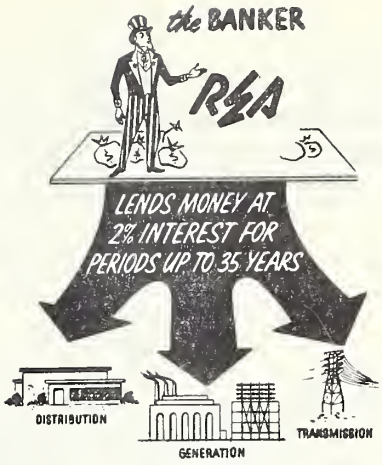


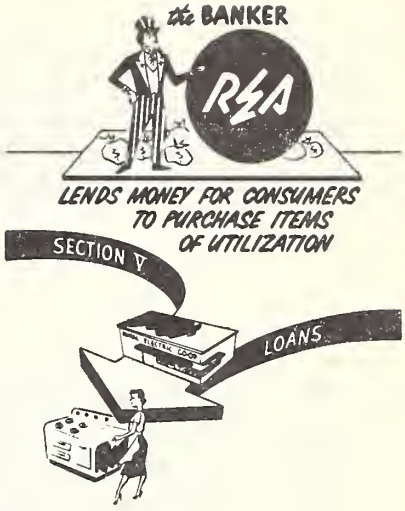
• • • •

FIRST CHARACTER

The banker came into the picture back in 1935, when the Rural Electrification Administration was created as an agency of the federal government.

"INITIATE, FORMULATE, ADMINISTER, AND SUPERVISE A PROGRAM OF APPROVED PROJECTS WITH RESPECT TO THE GENERATION, TRANSMISSION, AND DISTRIBUTION OF ELECTRICAL ENERGY IN RURAL AREAS."





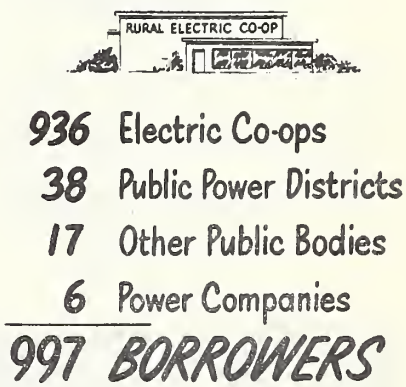
. . . .

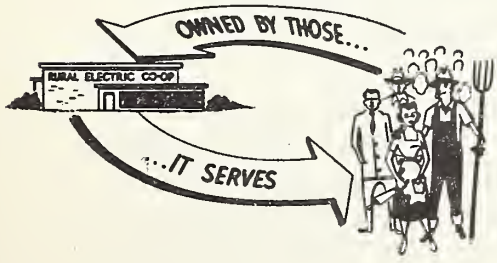
SECOND CHARACTER

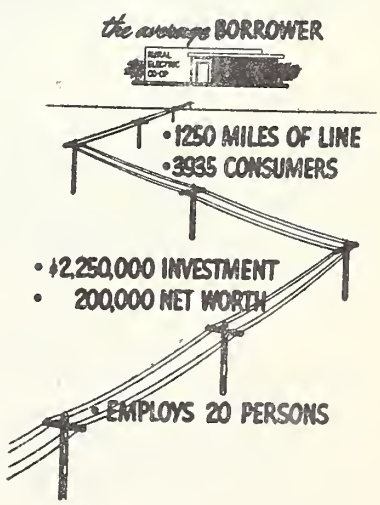
Now we are ready to introduce our second character.

. . . .

An REA cooperative is an incorporated, locally-owned private nonprofit enterprise, organized by rural people to bring power to themselves at the lowest possible cost. The co-ops' banker does not own or operate the REA co-op any more than your banker - I trust - operates your business. The people who use its services own and control it, through the power of the vote at annual meetings. The owners hire a manager responsible to them and he in turn hires the remainder of the staff.







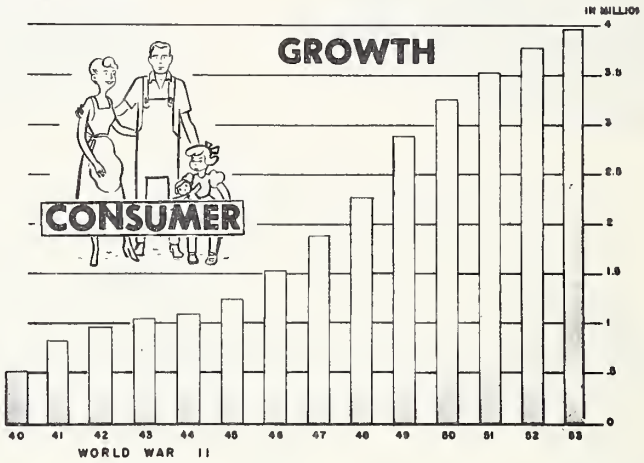
• • • •

Let's back up and do another take on the relationship between REA as the banker and the REA-financed local cooperative as the borrower. REA has one principal concern before a loan is made - that the loan is feasible and will be repaid within the time agreed.

• • • •

THIRD CHARACTER

And now for the third character - the consumer. We are interested in him because he has been the real sparkplug in the spectacular growth of rural electrification. Let us look at his accomplishments in the last 18½ years.

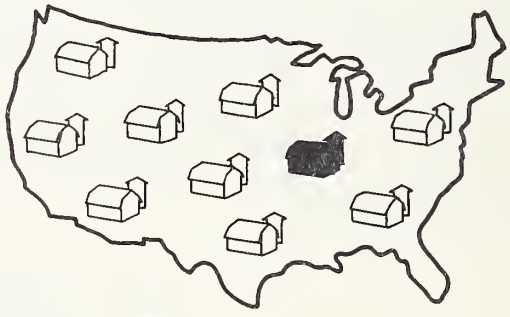


OVER ⅔ OF ALL REA CONSUMERS HAVE COME ON THE LINES SINCE JUNE 1945!

1. Back in 1935 only about one farm in ten had central station electric service. Today - over nine farms in ten have it.

THE MARKET IS YOUNG

• • • •



1954

FARM USE OF ELECTRICITY GROWING

These figures may suggest that the rural consumer has reached full maturity as a user of electricity. Actually, most farmers are still in their tender teens in the application of electricity to farm operations and home conveniences.

• • • •

OVER 2/3 OF ALL REA CONSUMERS HAVE COME ON THE LINES SINCE JUNE 1945/

THE MARKET IS YOUNG

The farmer is not an impulse buyer of electrical equipment, but he will buy what he needs and use what he buys. Thus, the addition of 2,700,000 consumers to REA lines since June 1945 represents a tremendous market for equipment and for kilowatts - a market that has been barely scratched, as you will be shown later.

The increased use of electricity is more than a matter of connecting new consumers to REA lines. Each consumer uses more electricity because he finds that it can do another farm job with less effort, at less cost and much better than it was done before. Five years ago, REA listed more than 400 uses for electricity on the farm and in the farm home. Today's list would be even more impressive.

SUPPORTING CAST

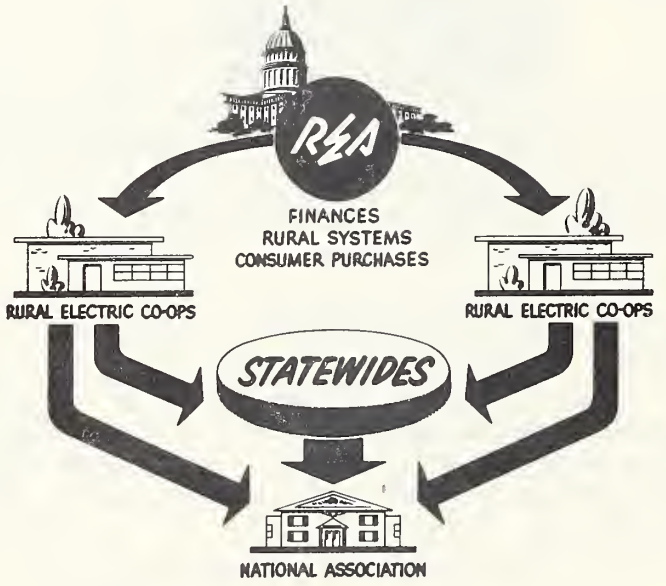
Up to this point, our spotlight has picked out only three characters: banker, borrower and consumer. To complete our cast, we need strong supporting performers, and the REA program has them. Included are all the groups represented here and many more -- the co-op associations, the power suppliers, the equipment industry, the trade and farm publications and so on. I want to say a word of introduction at this time about those that have come into being with the REA program and which have a vital interest in promoting the greater use of electricity.

In most states the REA borrowers have statewide associations. These organizations represent their member systems in several ways. They are coordinating agencies: collecting, preparing and distributing ideas and procedures for their members. They operate in areas where the unified action of their members will accomplish more than individual actions.

Among the effective tools the statewide associations have devised which help advance load building are statewide newspapers or magazines -- now a family of 26. Together with the very fine general farm magazines and papers and trade publications, they make up a marvelous avenue to the consumer -- the farmer.

• • • •

In addition to the statewides, the borrowers have their National Rural Electric Cooperative Association. A representative of this organization will tell you about his group when he appears on the program.



• • • •

In REA we recognize the value of these cooperative associations. They have played and are playing a tremendous part in the program of rural electrification. We recognize, too, the importance of groups outside the immediate framework of the REA borrowers. Every group here is concerned with rural electricity from one angle or another. Every group can contribute tremendously to further the end of our common aim. And we hope before this conference is over that together we can develop concrete plans for action.

WHAT A POWER USE PROGRAM MEANS TO ALL OF US HERE

Ancher Nelsen, REA Administrator

As Administrator of REA and perhaps even more as a farmer, I feel privileged to meet with this group today. The electrical manufacturing industry and the distributors of electric power have done a magnificent job of lessening the burden of the American farmer. Electricity in use has helped him produce more efficiently and with greater profit. And electricity has raised his standard of living, given him more leisure and more comforts.

But I am sure that we all recognize that there is still much to be done in this field. We have barely scratched the surface in putting electricity to work raising food and fibre. Many farm homes today are still without running water and the appliances that make household chores easier.

That is why we in REA have called this meeting. We feel that with your help we can work out ways to develop this rural electric market.

We feel that a program of cooperative action can result in significant benefits to farmers and to our organizations, as well. Our interests in this market are parallel, our direction similar.

The Rural Electrification Administration has loaned almost three billion dollars to rural electric systems, and those systems are anxious to repay that money. To the extent that our borrowers sell electricity they do two things. They help their consumers live better and they improve their own financial position. With a better financial position, they are better able to repay their debts to the government.

It is natural then that REA is interested in helping along a program of selling equipment and appliances that in turn will build the load on the rural lines. I would like to add that as the loan repayment schedules are reaching their peaks, this program becomes increasingly urgent.

For those of you in the electrical manufacturing business such a program has obvious values. Today we hope to show you that these rural areas constitute a very fine market for your products, a market that is ready-made because it is new and vigorous. The people who make up this market want to use electricity. They organized their electric systems in the first place to get power. Consequently these rural electric systems are ready to help you sell your products, because they want to sell electricity. And your efforts in this market now will help insure its existence as a market in the future.

To those of you from rural electric systems and to your representatives, this program also has real meaning. Raising revenues to meet your growing obligations is a big problem. No one wants to raise rates. Perhaps the best way, then, is to sell more kilowatt hours, enough to insure operating in the black, to keep a clean slate with REA, and to be able to continue supplying quality service to your members.

I would like at this time to welcome the representatives from the power companies. I feel that we can learn much from your experiences in this field. I feel, too, that your industry can gain if the program we are launching here is successful. Our borrowers purchased over 54 million dollars worth of electricity from power companies last year. That was 52% of all the energy they bought. That's big business, business which will get even bigger with increased use of electricity on our farms. I believe that the problems we confront, you also confront along your rural lines. And I think that together we can work them out.

Yes, all of us here have something to gain from stimulating this market. The question is one of procedure. What are the best ways to do it? Later on you will hear several people who have given this thought and practice. But they too, have only partially found the answers. Your ideas and experiences are needed to fill in the gaps. We need to know what machinery should be set up to handle the job, and we hope that all of you will set it up. We need to know how much push and promotion should go into it and how to do it. We need a method of getting information to farmers telling them what electrical equipment can do for them and how it does it. We need ideas on how to assure servicing of this equipment in rural areas. We feel that many dealers are losing sales because they are inadequately stocked. So this, too, is a problem. In the final analysis, what really counts is how well plans are made for selling to this market, because it is the selling that is going to pay off as it always has in lifting the American standard of living.

Lately, I've heard people say that our country is in a recession. They point out that farm income is declining, that the rural market has dwindled. I think that these people are dead wrong. Later on you will get the facts on this. The facts show that the outlook in agriculture is good. The readjustment of our economy from wartime to peacetime is bound to bring about its share of problems. Of course there will be some declines in income and employment. But these are temporary problems and they are being worked out. Our nation is strong and it is growing. As a farmer I know the scale of the job ahead for agriculture. It is a very big job. Every year there are millions more mouths to feed. Gentlemen, these farmers need our help.

There is a limit to what we in REA can do. But there is no limit to what all of us together can do. We look to you people to carry the ball. You are the ones who will gain most directly. But remember that we in REA are ready to lend a hand in any way that we can. Just tell us what you need. And let me wish you good luck and success in your efforts.

WHAT REA CAN DO TO PARTICIPATE IN THIS PROGRAM

Richard A. Dell, Head Electric Farming Staff,
Rural Electrification Administration

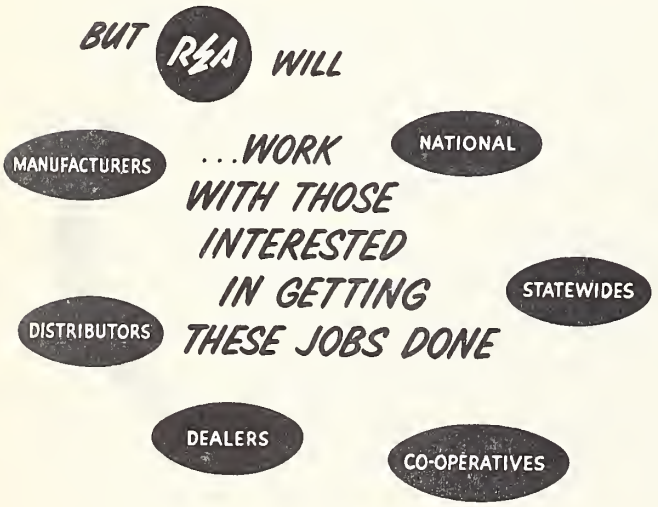
It is a pleasure to be here and discuss with this group some of the possibilities of agressive sales promotion programs which REA-financed cooperatives can help carry on.

• • • •

We are tremendously interested in having each REA-financed rural electric system undertake a well-planned program of effective power use. Only through the sale of kilowatt hours can a cooperative repay its loan to the government.

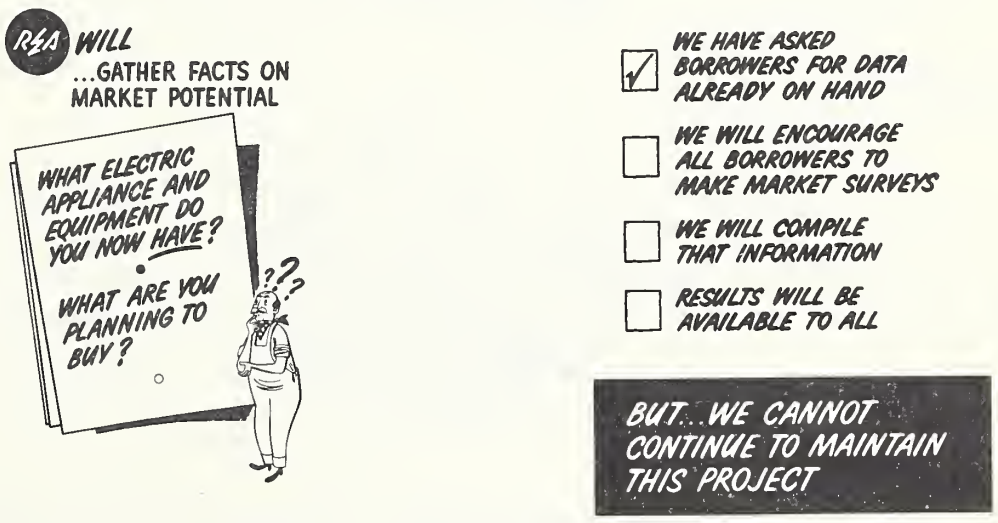
While we want to be helpful to our borrowers in planning and executing sound load-building programs, there are some things that REA cannot do. Possibly some of the outstanding sales executives in this group will be critical of me for saying what we cannot do in the very beginning of this talk. It seems to me, however, that it is well for all of us to understand what REA cannot do, as well as what REA can do.

First of all, REA is a government agency and by its very make-up cannot do certain things. We do not operate any electric lines or any electric systems.



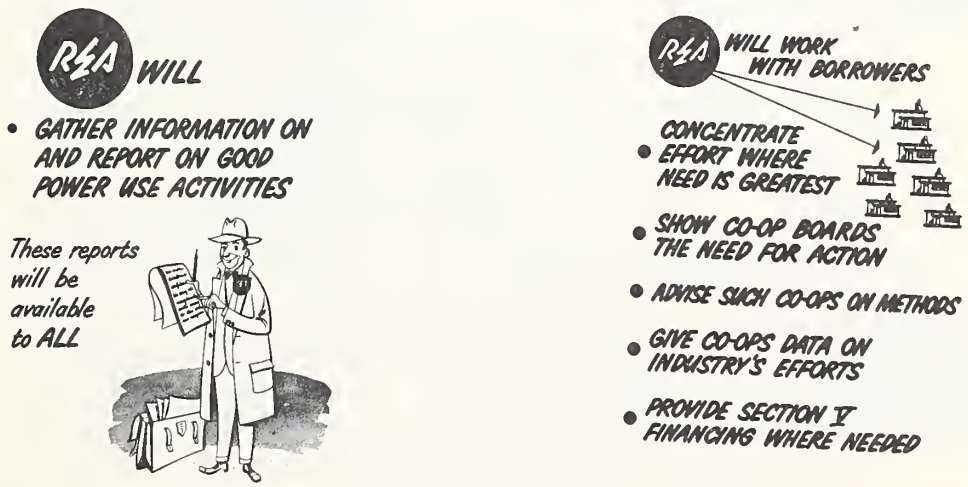
• • • •

Every time I discuss the load building program with a manufacturer's representative or a distributor's salesman, I inquire what they think we might do to help in the development of the rural market. These men invariably ask me what information we have on the market potential. We know that out of over 1,000 borrowers, about 200 have on hand some market data. Part of this has been kept current; some of it is not up to date. We have asked all of our borrowers to furnish us with any market data they now have, and we are encouraging all of them to make market surveys. When we receive this data, we will compile the results and make them available to any and all of the manufacturers and their supply outlets.



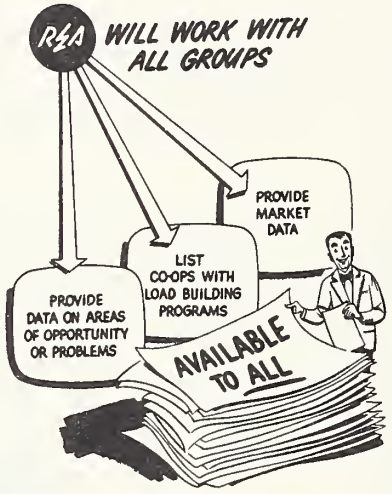
• • • •

Certain borrowers are showing definite signs of loan security problems. We in REA feel that our services to a large extent must be devoted to the borrowers who need them most. With this thought in mind, we are concentrating our manpower in areas and with individual borrowers where the need to stimulate sales promotion is the greatest.



• • • •

REA, under the Rural Electrification Act, has authority to lend money to finance wiring installations, home appliances, farm equipment, plumbing installations, and irrigation equipment. We have furnished this type of financing to a large number of our borrowers, who have in turn made loans to individual members. But, we do not want to provide it where it is not needed - - where local financing or some other type of financing is available. We believe, however, that any sound sales promotion program requires a sound financing plan.

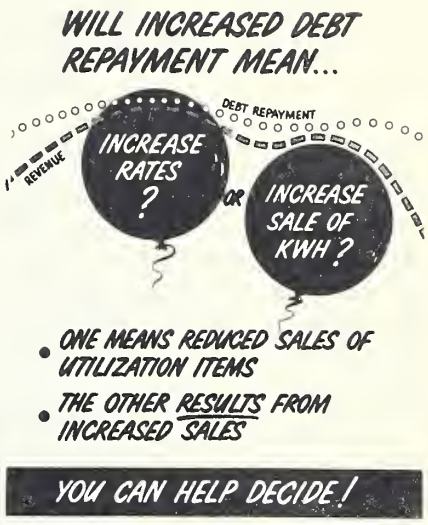


• • • •

We feel that the statewide organizations should be the leaders in getting the job done in their particular states. We hope they will take the lead in collecting the data wanted and needed by manufacturers. We will work with the statewides on specific loan security problems in their areas, recommending tested approaches to solving the particular problem. We will work with the statewide associations in loan announcements and in furnishing information to dealers on new connections.

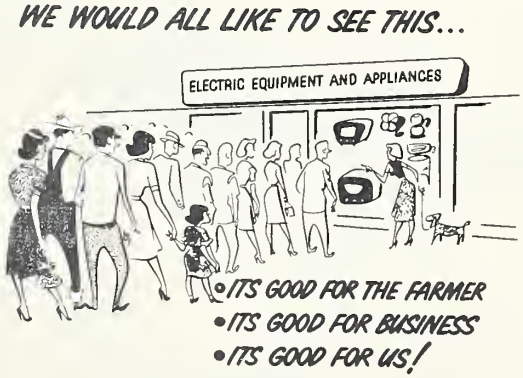
• • • •

In conclusion, let me stress one or two points that have been made before. Many REA borrowers are approaching the period when they will have to make heavier payments to REA than in years past. The most practical way in which they can meet these obligations is by increasing their revenue. As this maximum debt-revenue period arrives, many rural electric systems will find that they have to do this in one of two ways: They must raise their rates, or they must sell more kilowatt hours.



Raising rates provides no incentive for greater use of electrical equipment. On the contrary, a rate increase usually puts a damper on the sale of such equipment. That's what I'd call a vicious circle. We in REA, and those who manage the REA-financed electric systems, want to see revenue increased through the sale of more kilowatt hours. If this happens, you in the manufacturing field will sell more of the appliances and equipment that use electricity. That, I'm sure you'll agree, is turning a vicious circle into an upward spiral!

So let's work together and take positive action to get this job done. Everybody - - the manufacturers, local dealers, the rural electric systems, and the government -- will reap the benefits of this cooperation.

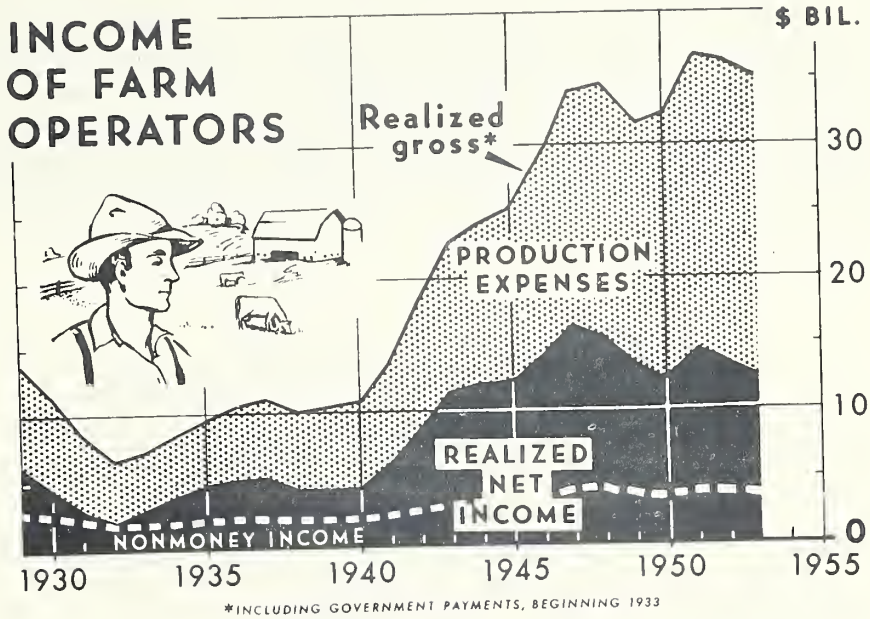


A LOOK AT THE FARM MARKET

Nathan M. Koffsky, Associate Chief,
Statistical and Historical Research Branch,
Agricultural Marketing Service

This is a period of transition not only for agriculture but also for the economy in general. Our productive capacity in agriculture and in industry has been greatly enlarged to meet defense needs. As defense requirements are reduced, we must look toward peacetime needs to take up the slack. This year-1954, and probably for some years ahead our economy promises to be more competitive than it has been in recent years. Under such conditions it is important to appraise market outlets as accurately and as soberly as we can. This is particularly important for you who are concerned with the farm market for your many products, especially in view of drops in farm prices and farm incomes in recent years.

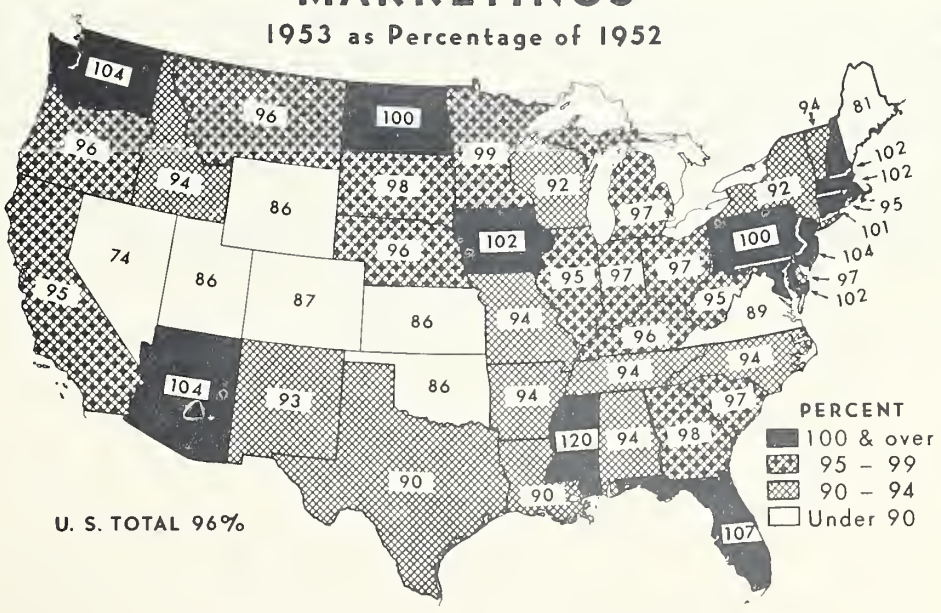
It is true that agricultural prices and incomes are at lower levels now than a few years back. In the past three years prices received by farmers have declined some 17 percent and the net income of farm operators from farming has been reduced by almost 2 billion dollars, or 12 percent. If you are faint-hearted you may stop there, write off the farm market and look to other places to sell your products. But let's put the farmers' income position in its proper perspective. In 1953, farmers' realized 35 billion dollars of gross income from the farm. This was less than 2 billions, or 5 percent below 1951 when it was an all-time high. It was still some 3 billion dollars higher than in 1950, and 3-1/2 times larger than before World War II. Out of this income, the farm operator spent 22 billions for production expenses in 1953--and expense to the farmer is income to the people who sell to him. These production expenses were about the same as in 1951, 3-1/2 billions more than in 1950 and close to 4 times as large as before World War II. With high relatively inflexible production costs, the net income of farm operators from agriculture was reduced to a little less than 13 billions in 1953, almost 2 billions less than 1951 but still a half billion higher than in 1950. This was still 3 times as big as before the war. For 1954, we see no real reason why farm income should not hold at about the 1953 level. Prices of farm products have firmed up in recent months and farm cash receipts have been running quite close to those of a year ago.



One should also pay some attention to geographical differences. While the United States average farm income is down some, one-fourth of the States had the same or larger incomes in 1953 than in 1952. Among these States were Iowa, Pennsylvania, Washington, Florida, New Jersey and a few others. There were a few cases where incomes were cut substantially such as in Maine because of low potato prices or in Oklahoma where drought and low cattle prices were factors.

CASH RECEIPTS FROM FARM MARKETINGS

1953 as Percentage of 1952



So far we have been concerned only with the income from farming. But a very substantial amount of income is received by farm people from nonfarm sources. In 1953, this amounted to about 6 billion dollars as compared with almost 13 billions net received from farming. Altogether farm operator families last year had about 19 billion dollars available for family living or investment over and above farm production expenses. For 1951, the comparable estimate is 20 billions, so that over the last 2 years, the total decline in income available to farm families for living expenditures and investment was one billion dollars, or 5 percent.

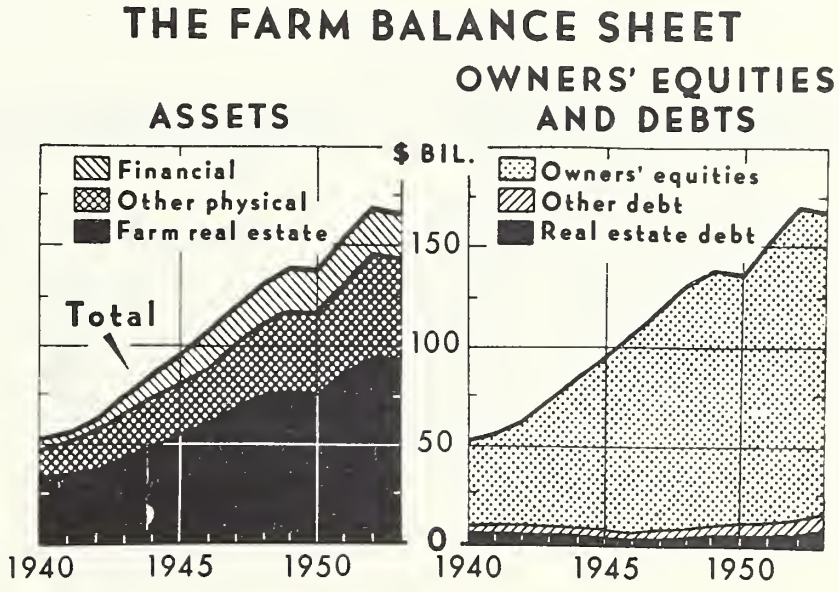
CASH INCOME OF FARM OPERATOR FAMILIES, 1949

ECONOMIC CLASS OF FARM	NUMBER OF FARM FAMILIES	AVERAGE NET INCOME FROM FARM	AVERAGE OFF-FARM INCOME	TOTAL FAMILY INCOME
	THOUSAND	DOLLARS	DOLLARS	DOLLARS
All Farms.	5,378	1,575	1,075	2,650
Commercial farms				
Value of farm products sold				
Over $10,000	486	5,560	960	6,520
5000 - 10,000	753	3,030	670	3,700
2500 - 5,000	908	1,750	750	2,500
1200 - 2,500	920	980	920	1,900
250 - 1,200	726	550	425	975
Other farms				
Part-time.	623	440	1,960	2,400
Residential.	962	350	1,825	2,175

SOURCE: Farms and Farm People, Bureau of Census and United States Department of Agriculture, 1953.

It is also important that the off-farm income of farm people is widely distributed and not concentrated in a relatively few hands. The 1950 Census of Agriculture showed that even for the commercial farms--farms that produce an appreciable amount of products for sale and where the major source of income is farming--a fourth of the total family income is from nonfarm sources. Moreover, it is important regardless of the size of the farm operation.

The farm financial situation over-all is also fairly strong. As of January 1, 1954, agriculture's assets totaled 156 billion dollars. In 1940, total assets were 54 billions. Their financial assets--bank deposits, savings bonds, etc.--totaled 22 billions at the beginning of this year versus 5 billions in 1940. The value of machinery, motor vehicles, household furnishings and equipment and crop and livestock inventory rose from 15 billions in 1940 to 48 billions this year. The value of their real estate rose from 34 billions to 86 billions.



The total debt owed by farmers on January 1, 1954 was 15 billions, about 10 percent of the total value of assets. Moreover, the financial assets alone were some 7 billions more than real estate debt and other debts combined. In 1940, debt was 18 percent of total assets and almost double the financial assets. This does not mean that all farmers are in a good financial position. Undoubtedly a considerable number, especially of those who began farming after the war, are in a relatively tight financial position. But this does mean that there has been a marked improvement in the last decade or so and that farmers are in a position to maintain or expand their purchases even with somewhat lower incomes.

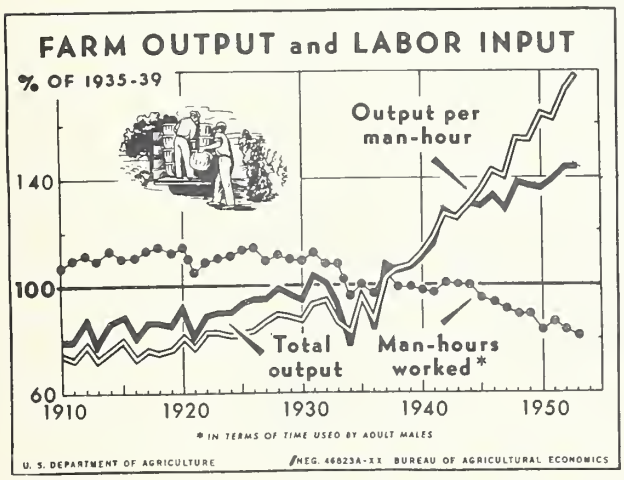
The distribution of financial or liquid assets of farm operators in 1953 was somewhat better than for all families in the Nation taken as a group. Twenty-four percent of farm operators had over $2,000 of liquid assets as compared with 21 percent for all families, and 49 percent had more than $500 as compared with 43 percent for the entire population.

(1953)
LIQUID ASSET HOLDINGS

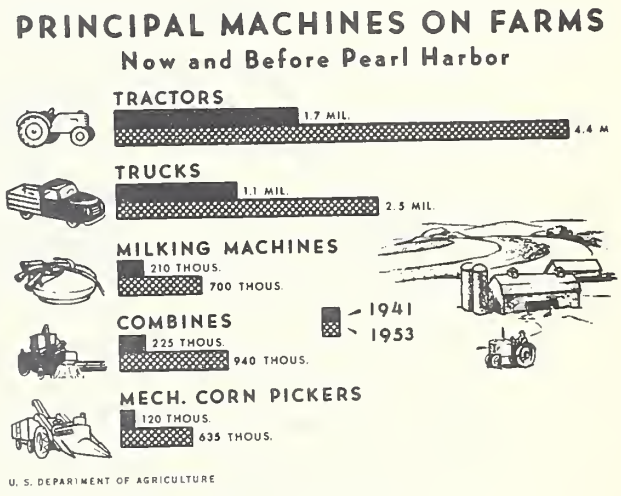
SIZE OF HOLDING	ALL U.S. FAMILIES	FARM OPERATOR FAMILIES
0 — $500	57%	51%
$500 — $2,000	22%	25%
$2,000 — $5,000	11%	14%
$5,000 — OVER	10%	10%
	100%	100%

During 1953, lower prices, drought and uncertainty as to the future resulted in some reduction in farm purchases of equipment. But farmers continued to build up their financial reserves. This is shown by a continued uptrend in time deposits in rural areas and also heavy purchases of savings bonds. With prospects for fairly stable prices and incomes this year, farmers may well be in a better mood to make financial commitments for new equipment.

In addition to the big changes that have occurred in farmers' incomes and financial status in the last 10 to 15 years, there has been a tremendous change in farming itself. We are now producing some 44 percent more farm products than before the war. This big increase in production has been accomplished on about the same amount of cropland as before the war. We are producing 44 percent more products with one-fifth fewer man-hours of work. Thus, the output per man hour in agriculture has risen by over three-fourths in the last 15 years. This was possible only because of the revolution in farm technology--mechanization, fertilizers, and other improved farming practices.



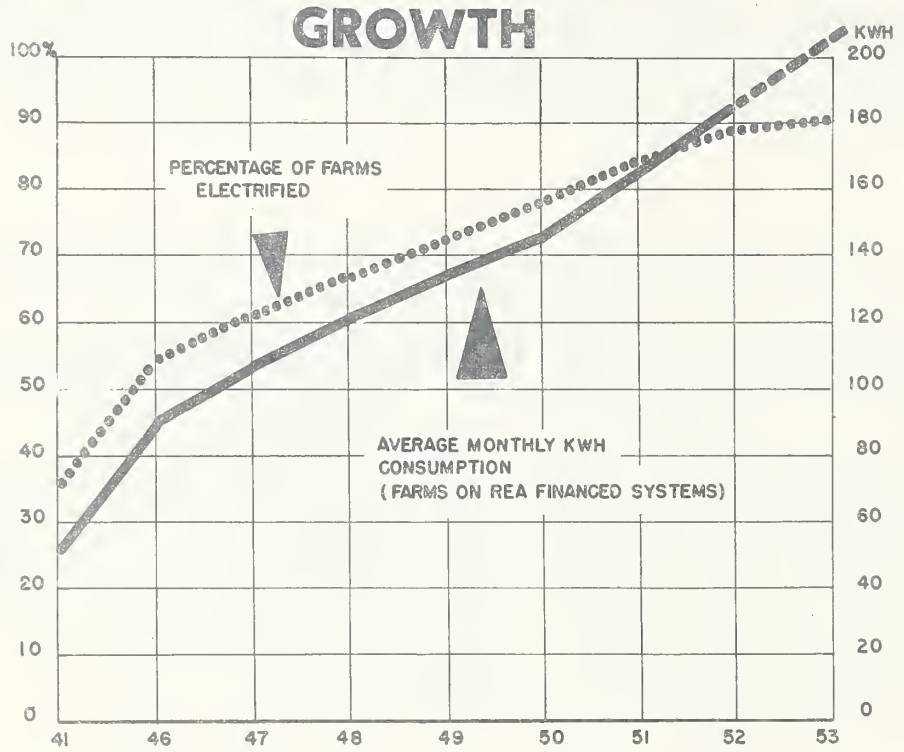
Total farm output, man-hours of farm work, and output per man-hour, United States, 1910-53
Index numbers (1935-39 = 100)



Specified machines on farms, United States, January 1, 1941-53 1/

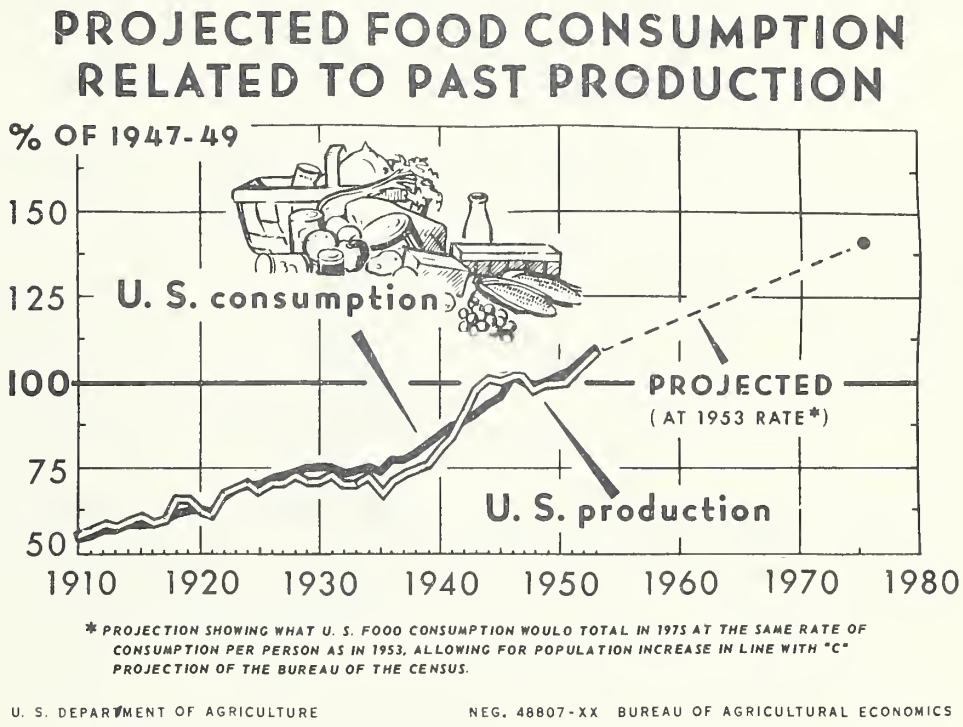
In 1940, there were 1.7 million tractors on farms. There were 1.1 million trucks, 210 thousand milking machines, 225 thousand combines and 120 thousand mechanical corn pickers. By 1953, the number of tractors had increased 2-1/2 times as had the number of trucks on farms. There was more than a three-fold increase in milking machines, more than 4 times as many combines and more than 5 times as many corn pickers.

The rapid gain in productivity was due also to rapid growth in electrification and in the use of electricity. The number of farms electrified has increased 2-1/2 times since 1940 and now 90 percent of farms are electrified. The average use of electrical energy on REA system farms has increased almost ten fold during that period.



Even though our farms are now producing at a rate in excess of current domestic and foreign demands, the technological revolution in agriculture must go on if we are to meet the requirements of our rapidly growing population some years hence. In the last 15 years we have added some 30 million people. We are currently increasing at the rate of 2-1/2 million a year. That is equivalent to a new Chicago every 18 months. In the next 20 years or so, we could well add 40 or 50 million people. Even if we eat no better in the 1970's than we do now, we would need to increase food production by a fourth just to meet population growth alone. But this is based on 1953 per capita consumption rates and is likely to be a conservative estimate of future food requirements. We are now consuming 10 or 11 percent more food per person than before the war. If we maintain a high level economy, we can look forward to further gains in food consumption per person as well as in the numbers to be fed.

And remember also that the press of population on food resources in the rest of the world is likely to be even greater than in our own case. If we are to attain needed levels of farm output in the future, mechanization and productivity on farms must continue to increase and farmers' incomes must be such as to enable farm families to have the opportunity to improve their standards of living along with the rest of the Nation.



Certainly, there is a real opportunity for the electrical equipment industry to help improve rural living standards. Information from the 1950 Census of Agriculture shows that farm people own relatively few of many household equipment items that we associate with the modern standard of living. In 1950, only 39 percent of farms had an electric water pump, only 17 percent an electric water heater, only a little over half had an electric washing machine, only one out of 8 had a home freezer, and one-third were still without mechanical refrigeration. Almost half of all farms in 1950 still used coal or wood for cooking fuel and only 18 percent used electricity for that purpose. Less than half of the farms had piped running water and only one-third had a bathtub or shower. There is even room for improvement among the highest income farm families--those who sell over $10,000 worth of farm products a year. One-fourth of these have no electric water pump, less than half have an electric water heater, and only one-third a home freezer. While one-third of the best income farmers use electricity for cooking, one-fifth still use coal or wood. And there is even room for piping water into one out of every 5 of these families and for installing bathing facilities in 3 out of 10.

SATURATION OF FARM HOUSEHOLD EQUIPMENT, 1950

(PERCENT OF FARM FAMILIES HAVING SPECIFIED ITEMS)

ITEM	ALL FARM FAMILIES	FAMILIES WITH OVER $10,000 SALES
	PERCENT	PERCENT
Electricity	78	93
Electric water pump	39	74
Electric water heater	17	44
Electric washing machine	59	83
Home freezer	12	35
Mechanical refrigeration	66	96
Cooking fuel		
Electricity	18	33
Coal or wood	49	21
Piped running water	43	80
Bathtub or shower	33	70

SOURCE: Farms and Farm People, Bureau of Census and United States Department of Agriculture, 1953

PERCENT OF ELECTRIFIED FARMS

USING SPECIFIED APPLIANCES AND EQUIPMENT 2/

APPLIANCE	PERCENT	APPLIANCE	PERCENT
1. Lights	100	16. Percolator	20
2. Iron	93	17. Freezer Cabinet	19
3. Radio	91	18. Tool Grinder	18
4. Refrigerator	79	19. Household Water Heater	18
5. Washing Machine	79	20. Drill Press	17
6. Toaster	56	21. Livestock Watering	16
7. Clock	46	22. Sewing Machine	16
8. Pressure Water System	42	23. Brooder Hover	13
9. Vaeuum Cleaner	42	24. Milking Machine	12
10. Food Mixer	35	25. Space Heater	12
11. Waffle Iron	33	26. Power Saw	11
12. Hot Plate	27	27. Soldering Iron	10
13. Household Fan	24	28. Cream Separator	10
14. Heating Pad	22	29. Milk Cooler	7
15. Range	22	30. Television	5

2/ Composite results of field appraisals of 44 REA Borrowers made between May 1951 and July 1953 and scattered throughout the U. S.

Since 1950, when the information above was collected, other information has been obtained for REA system farms. Even allowing for the fact that these figures are a year or so behind the times, the potential of the farm market for electrical appliances and equipment among these families is impressive.

• • • •

Over the long-pull, the future of the farm market is an optimistic one. Farmers' incomes and finances are still generally good. While standards of living on farms have risen appreciably in the last decade, they still lag behind the rest of the Nation. There is still some catching up to accomplish. Farmers are in a position to buy and will likely do so when the product is what they want at the prices they can afford.

THE ROLE OF NRECA IN THIS PROGRAM

Clyde T. Ellis, Executive Manager
National Rural Electric Cooperative Association

. . . .

Together with you electrical manufacturers, we face a real opportunity for working closely, here and in the years to come, in developing a great new market for electrical energy and appliances.

No industrial group in my opinion has contributed more to our American standard of living -- the highest in the world -- than the electrical manufacturers. There is visible evidence in almost every home in our land, every factory, every store and along our streets and highways, of what your industry has accomplished through imagination, initiative and research.

At the same time, I think we all recognize that none of the groups assembled here could have prospered without the others.

Now, the rural electrification program is entering a new phase which can be of great importance to the electric manufacturing industry. The major construction job of connecting the farm and rural home with distribution lines has been accomplished. But we have only built the cowpaths, and now we are ready to widen and pave the roads. A million miles of electric lines financed by REA have been constructed by local rural electric systems, and 13½-million people are served along those lines. Over $2-billion in REA loans has been invested in these lines, but for you a more important fact is that REA studies have shown that the individual farm family invests $4 in wiring and appliances for their home for every dollar that was spent to build the lines to them. That means the rural electrification program has created an entirely new $10-billion market for other enterprises. And it is constant, permanent and a growing market.

The Farmer and You

Farmers are not going to give up their electric service with this kind of investment already made. But we can't assume that they will continue to buy more unless we can show them why there is an advantage to them in the use of more electricity. And I want to add right here that I don't believe that the temporary disturbances in this market, such as drought, farm price fluctuations and population shifts need be any deterrent to a long-range program of power utilization. Rather, to the extent that they affect our actions at all, they should be added incentives to all of us here.

. . . .

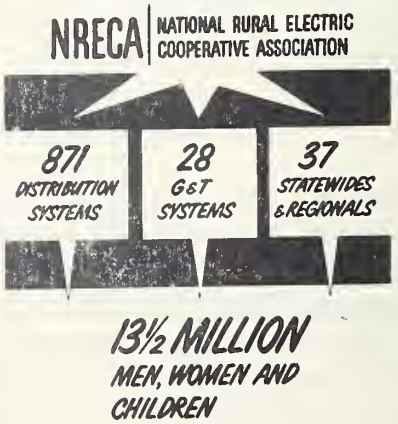
At the same time, our rural electric systems themselves are faced with their biggest REA debt service requirements within the next four years. In addition to that, on the average, their wholesale power costs absorb 32% of all their total revenues. More use lowers the unit cost of other facilities and service. Therefore, it is to our advantage, as well as yours, to undertake more power utilization activities, particularly when there is an opportunity for improving load factors on rural systems as well as obtaining increased power sales -- to meet debt service, wholesale power and other costs of system operation. On your side, we hope that you can develop programs for local dealers which will both profit the dealer and help rural electric cooperatives and power districts meet their financial responsibilities.

Certainly no group represented here has a greater stake in the utilization of electric power than the people who use it themselves. As the independent national organization of 3½-million rural families served by REA-financed systems, the National Rural Electric Cooperative Association is ready and eager to assist in undertaking any sound, practical programs for helping those families achieve the greatest practical use of electricity at the lowest possible cost. We know electricity is the finest and cheapest farm servant, but we believe its fullest beneficial use is still little known.

NRECA and You

Perhaps a brief word about the organization and functions of NRECA will help you understand and work with these people most effectively. You are aware of the consumer members of our rural electric systems as the men, women and children who may buy the various electrical products you manufacture. We are aware of them as the people for whom and through whom the National Rural Electric Cooperative Association exists.

The objective of the farmers' electric co-ops and power districts is to adequately serve all their members already served, and all the unserved in their areas who desire electric service, at the lowest possible cost. The single objective of their state and national associations is to render them all possible assistance. The 936 NRECA local member systems created, control and support NRECA.



. . . .

These members of NRECA each operate from the grass roots, where your dealers operate. They are locally owned -- except for loans to REA -- and locally controlled.

• • • •

These two primary interests are very specific -- mandates which we must carry out. But if we are to carry them out, with maximum efficiency, I think it must be done in complete cooperation with REA and you and your dealers. There is a third responsibility to the farmer members of our systems, the real owners to whom we must ultimately answer for our activities in this or any other program.

AND A THIRD...

... RESPONSIBILITY TO OUR FARMER-MEMBERS TO SEE THAT ANY UTILIZATION PROGRAM IS BASED ON :

1. QUALITY OF PRODUCT
2. GOOD SERVICING
3. COMPETITIVE PRICES
4. EFFICIENCY OF USE

• • • •

What Our Members Are Saying

At NRECA's annual meeting in Miami, one of the Association's committees that is represented here today, the Public Relations and Member Education Committee, made a series of recommendations to the NRECA Board of Directors. One of those recommendations asked for a "concerted effort to assist member systems by working with manufacturers and REA personnel and other organizations to develop competitive appliance and equipment sources....in order to hold and increase kilowatt hour power use." In very simple terms, they want more of your dealers with more of your products sold and serviced in rural areas. That recommendation particularly stresses the "invasion of LP gas" as a threat to continued increase in electric power utilization.

• • • •

Still another recommendation of that Committee urged NRECA to give added emphasis to all available methods to obtain "Articles and information that will assist member systems to increase revenues through development of industries within their service areas," and to "Make available pamphlets, articles and text books as to the use and application of electricity and the rural electrification program for use in libraries and schools."

A resolution through which the 5,600 representatives of the local private enterprises which form NRECA expressed themselves, asked for "development of a program of improved management practices," following a resolution a year before stressing the need for NRECA management advisory services, particularly in the field of financial security. And another resolution asked REA to "aid its borrowers in developing effective power use programs, and that Section 5 loan programs be made readily available." We will have more to say on that later also.

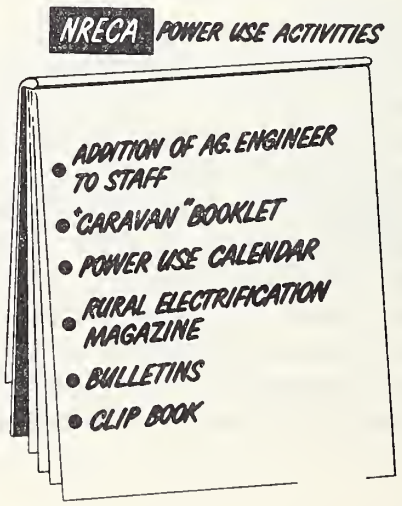
These resolutions originated in our other committee that is represented here, the Management Advisory Committee.

What I am trying to make clear right now is that NRECA's entire responsibilities and policies are directed from the grass roots level where your local dealers are trying -- or should be trying -- to take advantage of the vast, relatively new market for electrical appliances and equipment created by the financing of REA and by the local organizations and efforts of our member systems. Furthermore, the officials of the local rural electric systems clearly want an effective, practical program to be worked out with you.

This is therefore an unusual opportunity, indeed. I want to stress, that we all must, and I believe we can, tackle electric power utilization programs with no conflict of interests between any of us.

Some NRECA Power Use Activities

We then come to our foremost mutual problem here, that of setting up some effective procedures for tying together all of these interests we hold in common. On NRECA's side, to carry out the responsibilities and mandates of our members which I have described, we are engaging in certain activities that we want you to be aware of.



. . . .

Another example of how effective our working relations can be between REA, the National Electrical Manufacturers Association, individual manufacturers and their distributors and dealers and the rural electric systems, we believe, exists in the possibilities of a calendar for promoting power utilization each month throughout the year, both in the home and on the farm. With the help and leadership of NEMA's Farm Electrification Bureau, the calendar exists as a working schedule we can all use.

• • • •

More Opportunities for Cooperation

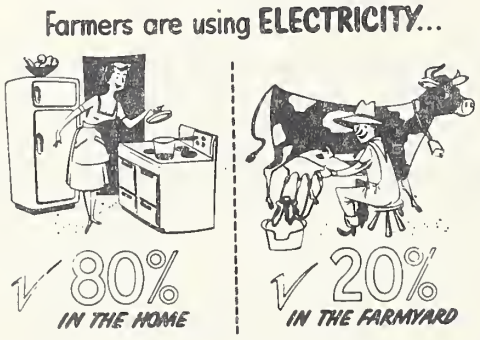
I see no reason why this kind of cooperation could not be expanded even further. If we are able to bring NEMA, REA and NRECA, including our state groups, together to agree on a coordinated program for promoting utilization of various appliances and equipment month by month, there would seem to be no reason why individual manufacturers, the Edison Electric Institute for the commercial power industry and other organizations and industry groups could not add their influence and efforts to this and other power use promotion projects. It is only an example and a beginning for greater opportunities to cooperate.

Almost all of us publish monthly house organs or bulletins, through which we could get behind such projects. Many of you have institutional symbols, such as NRECA's "Willie Wiredhand," which you can put to work on the rural power use promotion job.

NRECA publishes "clip books" designed almost entirely for power use promotion work carried on by state and local members of NRECA. Through this program, Willie Wiredhand has grown to be a recognized, valued symbol of what electricity will do almost anywhere our systems are serving. In that way, he works for you, too, just as your advertising and promotion helps us.

• • • •

You can read the tremendous sales opportunity of rural America in REA's figures on the comparative use of electricity on the farm, with only 20% of it used outside of the farm home at the present time. Much of the electric equipment that the farmer uses in his production chores is makeshift, or scientifically untested, adaptation from home or industry use. The dairy farmer was the first to make extensive use of electric power for his chores. But even he is just beginning to realize its full potential.



Almost all of the farm chore equipment now available is manufactured by an undetermined number of small industries -- possibly 2,000 or more scattered throughout the United States -- often with only local or regional distribution facilities. Because of their limitations, most of these small industries lack the funds necessary for carrying on effective promotion programs independently. Individually they are totally unable to match the resources for this job that home appliance manufacturers, for instance, possess. Yet many appliance manufacturers produce the component parts for that equipment. That, we believe is another example of where we can and should work together cooperatively to tackle the challenging, difficult aspect of power utilization on the farm.

Research Can Open New Markets

Furthermore, we believe that greatly needed new basic research in this field of electrical farm chore equipment is long overdue. The National Rural Electric Cooperative Association has led the fight for several years to persuade Congress to increase the research funds for the farm electrification division of the Agricultural Research Administration at Beltsville, Md., and with its associated institutions, principally the land-grant colleges.

Many valuable contributions to electric farming have already stemmed from the work carried on through these combined facilities. Some of the outstanding accomplishments can be seen in the crop-drying and hay-curing processes using electricity, in soil heating and sterilization, in seed germination, in tobacco curing, in electric brooding of poultry, pigs and lambs, and more recently in brooders using infra-red rays.

Many more improved farming techniques will undoubtedly develop from the research now under way. Milk pasteurization by electricity, use of ultrasonic energy in seed treatment and in milk sterilization, insect control by electric traps (using ultraviolet radiation as a lure) and by high frequency electric treatment, conditioning of farm commodities by use of dielectric heaters and heat pumps -- these are now undergoing research and investigation to the best of the facilities available to determine their potential contribution to farming methods.

But work on existing projects could be strengthened and carried on more satisfactorily, projects could be fully developed more rapidly, and many other worth-while investigations could be initiated, if sufficient funds were available.

• • • •

NRECA Services to Help You

Among NRECA's regular continuing activities more and more attention and effort are being devoted to the subject of power utilization and to more effective, widespread promotion materials furnished to our members. In Rural Electrification magazine, NRECA provides an effective medium for communication with rural electric management all over the nation. In the magazine, news and promotional ideas are conveyed to all our managers, electrification advisers and directors of all systems, even those few which are not members. Through monthly material designed for republication in local newsletters or statewide monthly papers, direct point of sale promotion reaches NRECA members and their families. Advertising mats promoting electrical cooking, refrigeration, dairy and feed grinding poultry equipment, brooders, and farm shop equipment are made

available for members to use in local newspapers or their own house organs. These are examples of how NRECA is helping you, as well as our own members, promote use of electricity.

• • • •

(Samples of this material can be obtained by sending requests to NRECA, 1303 New Hampshire Avenue, N.W., Washington, D.C.)

Some Suggestions for Working Together

Power utilization has been discussed hundreds of times here and at our meetings. Some of these discussions have involved controversy, criticism--and constructive suggestions. In the spirit of constructive suggestion I would like to take note of a few of the discussions.

Within our cooperative organizations the term power use has generally been preferred to the more commercial term, load building. The cooperative organization is owned and controlled by the individual members, who may be inclined to be suspicious of the latter term.

- *TELL WHAT APPLIANCES AND EQUIPMENT WILL DO*
- *HOW THEY ARE USED*
- *PROVIDE GOOD SERVICING*

But he is anxious to learn more about what appliances and equipment will do for him, how they will add to the comfort of his family or put more dollars in his pocket. While it may be all right to talk load building here, your dealers will make more friends and achieve greater results if they concentrate on factual informative presentation of how to use appliances and equipment and what they will do for the individual consumer.

Better Servicing Needed

One of the great obstacles to sales at the local level -- and one which in many instances can be remedied at the local level -- has been the lack of servicing for electric appliances and equipment. The farmer five miles out of town has just as much need -- and, he believes, just as much right -- to service on his washing machine or dishwasher as the people in town. Provision of adequate service and repair facilities by the local dealer is of much greater importance in the rural areas than in the urban, because the rural areas have attracted far fewer independent concerns whose business is the servicing and repair of electrical equipment. Poor service facilities, in the long run, retards increased utilization of the products you manufacture. Our members firmly believe that your dealers have a responsibility for servicing the appliances they sell, and sometimes our systems have reluctantly undertaken merchandising and servicing themselves when dealers have failed to exercise what they consider the necessary initiative, facilities and service. Farm people will continue to seek proper service, even if it means getting into the appliance business, through their rural electrics.

Too Much Gas

Numerous instances can be cited of another problem which is retarding increased utilization of electric products. It relates to the LP gas problem which I mentioned earlier. Dealers handling LP gas appliances right along with electric appliances are not, we believe, going to carry through any power utilization programs developed at this or any other meeting -- not like those dealers whose bread and butter come from sales of electric appliances only. If somehow we could convince the farmers that, since they are going to keep their electric lines anyway, and have to pay the charges for this in the higher rate brackets, it is cheaper than bottled gas for them to go beyond this and use electricity in the lower rate brackets, most of our troubles in that area would be over. Some of our systems are studying retail rate revisions with that in mind right now. At least one system is trying such a program.

• • • •

Yet when a farmer is sold on what electricity will do for him at an economical cost, you have instances like that of the Texas cotton farmer I read about recently. This cotton farmer converted his farm from LP gas to electricity, and immediately purchased $2,242 worth of electric appliances.

• • • •

Our Parallel Relationships

To do this, we believe that there are three essential meeting grounds where we must all work together to make any power utilization program effective. The first is on the national level. There we believe that the manufacturer, NEMA, REA, NRECA and other nationally representative organizations have facilities which can be used in common to solve their common problems and achieve their common goals. We believe that distributors and statewides, on a second level, must work together and provide the bridge between the manufacturer and the dealer, and national rural electric organizations and local rural electric systems. But it is at the local level, where the electrical dealer is selling and NRECA's members and other power distributors are working, that the impact of any power utilization program must be directed.

As the National organization of the nation's rural electric power distributors, we believe that such a cooperative effort is both timely and opportune. We believe that the transition between our own peak of construction of rural lines and the effort to increase our loads can be seized upon as the signal for a joint effort to realize these opportunities if we here develop practical ideas and the determination to cooperate. We have faith in the rural market, and we know of the determination of rural people to continue the successful operation of their rural electric systems. We are proud to be able to work with you in moving ahead into this new era and area of opportunity.

SPECIAL POWER USE PROMOTIONS

J. K. Smith, Executive Manager
Kentucky Association of Rural Electric Cooperatives

° ° ° °

The job ahead is to encourage and show the farmer-members of these rural electric cooperatives how they can apply electricity in their farming operations. It is in this part of the program where we need the help of electrical equipment manufacturers, distributors and their dealer families. This job can be accomplished with the combined efforts of the power supplying agencies and the electrical equipment group.

° ° ° °

In this discussion on promotions, I am going to draw upon our experiences in Kentucky over the past several years, with the belief that, generally speaking, most promotions that work in Kentucky, if the same fundamentals are applied, should work in most of the other sections of the country.

The rural market potential is unlimited. Let me cite you some figures on saturation of equipment from a 1953 survey we made of rural electric users in Kentucky. These saturation figures are:

Refrigerators -	91.5%	
Home Freezers	18.2%	
Washing machines	80.9%	(Conventional)
" "	3.5%	(Automatic)
Electric Ranges	43.1%	
Water Heaters	20.9%	
Water systems	22.2%	
Television	21.2%	
Room coolers	1.4%	

Farm Production Equipment:

Electric Brooders	23.5%
Milking machines	7.8%
Milk coolers	5%

Applying these figures to consumers served, it is evident that we have a great potential market.

HOW ARE WE GOING TO REACH THIS MARKET?

We need to combine forces and resources, promoting together in a coordinated way to accomplish this job.

° ° ° °

We have developed in Kentucky a program that we think embodies this principle - it is known as "The Kentucky Plan". It is a two-year program. The Plan is as follows:

It is a systemized program which calls for the coordinated efforts of manufacturers, distributors, dealers, the rural electric cooperatives, State Association and Rural Electrification Administration. The Plan is designed to sell electrical equipment to the members of rural electric cooperatives in terms of their individual needs. Each participant accepts certain responsibilities in the execution of the plan. If each group carries forward its responsibilities, the plan will be tremendously successful.

Let's look at some of the activities each group is performing under the plan:

REA:

1. Assists with training of electrification advisory personnel for the co-ops.

2. Provides technical assistance in Load Building.

3. Assists with research.

4. Assists co-op managers with system improvements - we must give good service to build load.

5. Assists with coordinated promotions of the Plan.

State Association:

1. Makes surveys; analyzes surveys; disseminates information and publicizes the Plan.

2. Acts as clearing center and coordinator of The Plan.

3. Establishes equipment quotas by counties for distributors and dealers.

4. Provides technical assistance.

5. Coordinates efforts with manufacturers, distributors and dealers.

6. Develops marketing data on potential market in the areas served.

7. Ties the program in with allied groups.

Rural Electric Cooperatives:

1. Provides member lists to dealers and distributors.

2. Assists in providing good financing plan for merchandise.

3. Works with dealers in promotions and equipment quotas.

4. Schedules meetings of members for demonstration purposes.

5. Provides ample personnel to work with dealers

Manufacturers, Distributors and Dealers:

1. Provides complete dealer coverage and contacts each member-user at least once during period of the Plan.

2. Follows coordinated advertising program.

3. Provides home economists and specialists to conduct and hold demonstrations.

4. Participates in electric farm show caravan.

5. Establishes sales promotion campaigns within structure of the Plan.

These are just a few of the responsibilities included in the Plan. There are many others set forth in the Plan through which techniques of the Plan will be carried out.

Now, to assist the Plan, we have what is known as a "Marketing Analysis" guide. It is a county by county breakdown of marketing potential for electrical equipment. This marketing analysis supplies each manufacturer, distributor and dealer the information needed to determine what promotions, and where needed. It contains complete agricultural data on each county, the purchasing power of the family; number of electric meters in each county; type of farming; rural living index;..... everything a merchandising promotion man needs to do a selling job. For example, in 1953 it was estimated through this marketing analysis that members of rural electric cooperatives in Kentucky would purchase approximately 25 million dollars worth of electrical equipment. The plan has been in effect almost a year .. results so far have been good.

The following figures represent sales between August '52 and August '53 according to our best surveys:

	Ky. Plan quota	Sales Against quota
Refrigerators	15,500	9,989
Home freezers	6,600	6,773
Washers	11,200	5,875
Ranges	13,000	16,871
Water Heaters	3,710	2,562
Water systems	4,310	4,606
Television	6,500	10,578
Electric brooders	1,400	9,489
Electric milkers	385	1,426

The Kentucky Plan is our blue print - however, we have many promotion campaigns going from time to time, such as:

1. Each cooperative, by reason of their structure, must hold an annual meeting of their members once each year for the purpose of electing directors, and transacting such other items of business delegated to the members. These meetings present a golden opportunity for electrical equipment groups to exhibit and demonstrate their merchandise.

These meetings are held outside in tents; each meeting is a one-night, one-day affair. The pattern is somewhat like the old time country picnic and/or county fair idea with a holiday atmosphere prevailing.

Attendance is made up of users of electric service of the cooperatives and surrounding town-folks. Average attendance at these meetings is approximately 8,000. All prospective buyers, all electric users are exposed to exhibits of electrical equipment in the space of one day and one night. Concentration at its best!

The program at these meetings consists of demonstrations, entertainment, contests, prize drawings and co-op business. Cost of participation is small, the benefits great. These meetings start early in the summer and run continuously with two and sometimes three meetings per week. They are designed in such a way to permit greatest utilization of personnel at the least expense by those who travel with the shows as exhibitors, etc. The following states now have electric farm show caravans each summer:

Kentucky, Illinois, Texas, South Carolina, Arkansas, Missouri.

Other states are in the development states of such an activity.

. . . .

Other promotions which have proven beneficial are:

a. Range Campaigns: The cooperatives have combined their efforts with dealers and distributors in a 60 and 90 day range campaign promotion - the cooperative provides free range installations for dealers in the co-op area. These campaigns have proved very good.

(3) Demonstrations of Bottled Gas vs. Electric Cooking, emphasizing speed and economy of electric cooking over bottled gas.

(4) Electrification Advisory personnel is available for working with dealers on Home Service calls, demonstrating and providing year-round electrical living promotion services.

(5) The cooperatives have available for dealers, new member lists, complete member lists, minimum billing user lists for the purpose of direct mail promotions.

(6) Water System promotions: Realistically, electric power is not being used to the best advantage as a production tool to increase profits on the farm. The average KWH consumption per farm consumer is relatively low. About 90% of the power used on the farm is used in the home. It is estimated that homes with running water use 3½ to 4 times more power per month than homes without water systems which means, therefore, that water systems open the door to many sales outlets. Water system installations present many problems, particularly in the rural areas. We believe we have found the answer to promoting water systems - we have just started - but it is catching on fast.

The plan is this - the cooperative initiates the plan by calling a meeting of water system dealers and plumbers in the area. At this meeting, the market potential on water systems and plumbing is discussed.

It is suggested, in areas where we do not have a prevailing code, that minimum standards for water systems and plumbing installations be adopted and complied with by dealers of water systems and plumbing in the co-op area.

° ° ° °

The enthusiasm by the dealers of this plan has been exceptionally good.

Yes, we feel promotions pay off for many reasons:

1. Kentucky's rural electric cooperatives had an increase of 17.6% in use of power in 1953 over 1952.

2. Activity is the life of any program. In promotion you have people working together, creating additional incentive.

3. Promotions create pride, good will and publicity to the participants.

4. Promotions create closer working relationships, better understanding, builds confidence.

5. TO SELL 'EM, WE HAVE TO TELL 'EM.

We want to think of ourselves as part of a team on which manufacturers, distributors and dealers are also members. It will take teamwork to have a really successful program of load building.

"COMING TOGETHER IS A BEGINNING, KEEPING TOGETHER IS PROGRESS: WORKING TOGETHER IS SUCCESS".

—

(This address was not scheduled. It was delivered extemporaneously at the request of REA. We hope that it has been properly transcribed.)

THE COMMERCIAL POWER COMPANY

Mr. R. W. McClure, Vice President
The Kansas Power and Light Company
Lawrence, Kansas

I appreciate the courtesy of your chairman and the Administrator in giving me an opportunity to speak to you about the way the industry is represented and the way that those who are present at this meeting feel about the load building program. Mr. Strong, in his initial remarks, commented on the self-interest, or selfish interest, of the various groups represented. Speaking for the commercial utility companies I will say that we certainly do have a self and selfish interest in this type of program. It is the same type of interest that you gentlemen in the rural electric cooperatives have. As a matter of fact, as I sat in the rear of the room and listened to those intensely interesting talks this morning, ... it sounded like . . . . . a meeting of commercial utility people.

As the talks went on I could see a close parallel between problems of the electric cooperatives and problems of the commercial companies. We all have chips in the same game as far as this rural electrification development is concerned. I was impressed also with Mr. Nelsen's statement about the high percentage of energy sold by rural cooperatives which is furnished them by the commercial companies. Rural cooperatives are, I am sure, among the largest customers of commercial companies. Why shouldn't we be interested in seeing them building up? We have an interest in serving customers direct. We have been going through the same kind of program as you gentlemen in constructing new facilities. The percentage of saturation has increased very sizeably. We are now going from the construction phase of rural electrification, as I see it, into the load building phase. We have channels in this industry as you know -- construction and then loading. As Mr. Nelsen stated, we want to get more revenue so that loans can be repaid -- commercial companies have them just as well as rural cooperatives. You repay your loans to REA; we repay our loans to our bankers. It is a similar situation -- just a question of magnitude.

I was next impressed by the last speaker's comments on two difficulties which remain with the rural electrification program -- increasing rates or increasing kwh sales. Commercial companies have that problem. We do not like to increase rates. We would far rather get into a dynamic program of load building such as that being discussed here today. We subscribe to the objectives as stated in the opening remarks of Mr. Strong to provide rural America with more electric power. Mr. Strong, I feel that the commercial companies would not be intelligent if they did not subscribe to that kind of program. It means money to us. It insures a more successful operation of our properties and why should we not subscribe to it.

The last speaker made some comments that also impressed me greatly. He showed the low percentage of saturation of certain appliances on the farms and certain farm uses and pointed out the vast potential that exists in that kind of load. Mr. Nelsen stated that the farm load offered the greatest possibility for increased load in the electric industry.

In looking at the chart showing this percentage, the speaker pointed out there will be certain drudgery eliminated and labors, previously performed manually, performed by electricity. While selling kwh, and while we want revenue, at the same time we must keep in back of our minds that the big objective is that of raising the standard of living on America's farms and saving drudgery and manual toil. (See below)

We think it is fine to approach this on a national basis. In Kansas we have been trying to work very closely with the electric cooperative people. We sit im meetings with them, across the table and side by side, and at nearly all the meetings this matter of load building comes into the picture. We agree it is one of our major problems. Work it out on a state basis and a local cooperative basis. . . . It has to start at the grass roots.

We hope to go along hand in hand to accomplish this big objective as so ably stated by Mr. Nelsen and Mr. Strong.

PERCENT OF ELECTRIFIED FARMS USING SPECIFIED APPLIANCES AND EQUIPMENT 2/

APPLIANCE	PERCENT	APPLIANCE	PERCENT
1. Lights	100	16. Percolator	20
2. Iron	93	17. Freezer Cabinet	19
3. Radio	91	18. Tool Grinder	18
4. Refrigerator	79	19. Household Water Heater	18
5. Washing Machine	79	20. Drill Press	17
6. Toaster	56	21. Livestock Watering	16
7. Clock	46	22. Sewing Machine	16
8. Pressure Water System	42	23. Brooder Hover	13
9. Vacuum Cleaner	42	24. Milking Machine	12
10. Food Mixer	35	25. Space Heater	12
11. Waffle Iron	33	26. Power Saw	11
12. Hot Plate	27	27. Soldering Iron	10
13. Household Fan	24	28. Cream Separator	10
14. Heating Pad	22	29. Milk Cooler	7
15. Range	22	30. Television	5

2/ Composite results of field appraisals of 44 REA Borrowers made between May 1951 and July 1953 and scattered throughout the U. S.

U. S. Department of Agriculture — Rural Electrification Administration

A LOOK AT THE ROLE OF STATEWIDE ASSOCIATIONS

William T. Crisp
Executive Manager & General Counsel
Tarheel Electric Membership Ass'n.
(North Carolina)

The role of an electric cooperative statewide association is, with respect to power use promotion, primarily the same as with respect to its other service functions: It performs for its member cooperatives those services which they, acting alone, either cannot perform at all or cannot perform as effectively.

. . . .

I. The statewide association plays a vital educational role. It is a medium for power use education of cooperative consumers and for power use promotional education for cooperative management and directors.

For over three decades the two major groups in the electric industry - the retail power suppliers and the equipment manufacturers - have approached the common objective of promoting power usage firmly convinced of two propositions: First, that what they have to sell is lastingly and competitively worthwhile. And second, that the American people, both urban and rural, will make application of our electrical technology in direct proportion to their education in its tremendous values.

Statewide associations and their member systems unhesitatingly subscribe to both these propositions. In support of them they publish, monthly, consumer tabloids and magazines, dedicated primarily to the task of informing cooperative consumers - in ways that are both credible and enjoyable - about the multi-varied uses of electricity on the farm and in the home. These publications carry enough general farm material to prevent their being steriotyped in the mind of the reader as the basic house organ which they of course are.

Let me emphasize four advantages that are unique to these periodicals:

First, though competing with other farm publications for reader interest, they represent the only periodicals circulated solely to these particular electric consumers - who represent the best remaining market for electrical equipment in America.

Second, in their respective states these publications represent the only periodicals dedicated almost exclusively to power use education.

Third, the editorial matter contained in these publications is correlated month by month with the direct, on-the-scenes power use activities of the local cooperatives themselves, thus implementing a concentrated effort.

And fourth, the consumers receiving these publications not only own them; they know that they own them.

* * * *

These unique advantages should not be overlooked by manufacturers, distributors and dealers. For, up and above the advertising value which they represent, they constitute a continuing guide by which to determine the local, direct sales programs of dealers themselves.

In North Carolina, in order to enable our distributors and dealers to gear their sales programs more effectively with our publication, the CAROLINA FARMER, we are making available on request a preview of power use articles at least thirty days in advance of their publication.

The statewide association is also an important medium for educating cooperative management and directors in power use promotional ideas. The various meetings and conferences held by our associations throughout each year invariably feature demonstrations of new methods and new techniques whereby the business of promoting power use is advanced.

* * * *

The knowledge gained by our people through such programs inevitably is evidenced in their local programs and in the ultimate kilowatt-hour increases realized on their systems.

II. The statewide association plays a vital informational role. It is an instrument for both getting information from, and distributing information to, its own members and electrical manufacturers, distributors and dealers. Let me point out the difference between this role and the preceding one of education. In the former, facts are associated to indicate new ways of doing things. But in its informational role the statewide performs a vastly underestimated function by first procuring and then dispensing simply facts alone.

An example of this is the recent electrical distributors conference which we in North Carolina held on February 3 of this year. We called it our "1954 Rural Electric Sales Conference". For this one-day meeting we assembled, from our own member systems and from other related sources, a considerable body of information relative to the nature, extent and potentiality of the rural electric consumer market in North Carolina. We also presented first-hand accounts by people who had successfully employed certain techniques in fathoming that market and predicting its buying habits and needs.

This information was both demonstrated to the conference and distributed to those present in written form. We have since mailed out over sixty packages of this material to inquiring distributors and cooperative managers.

* * * *

We plan to hold a similar sales conference and follow-up program every year. We also plan a similar but more comprehensive market analysis every year. Our role as a "getter" and distributor of information has become truly important.

. . . .

A statewide association is a sounding stage whereon both good management practices and wise corporate policies are continually published. Let us, of course, avoid making the sophisticated error of assuming that this is true because each association is guided by a few ingenious leaders. Gifted leaders there may be - and should be - in any organization. But by and large the psychological values of an association are derived from as well as received by every single person involved.

During Tarheel Electric's first rural sales conference over two-thirds of our cooperative managers and not a few directors were present. I say with impugnity and without equivocation that this conference stimulated their thinking and subsequent action just as much, if not more, than that of the electrical distributors for whom the conference was held. I have already observed startling proof of this in several instances. Managers are conducting surveys in North Carolina right now who, though they had considered such surveys in the past, were never impelled to inaugurate them until their unquestionable importance, as proved by other cooperatives at this conference, spurred them into action.

. . . .

The scope of activities whereby a statewide association can enhance its members' power use efforts is literally unlimited. I have touched only a few. I hope, however, that these, together with others emphasized here today, will serve at least as a basis for more effectively coordinated manufacturer-cooperative programs in the future.

WHAT IS THE COOPERATIVES ROLE

Virgil H. Herriott, Manager
Sioux Valley Empire Electric Association
Colman, South Dakota

Thus far on the program today you have heard of REA's interest in a "power use and load building program". You have also heard of the role of NRECA and of the Statewide Association's participation. As a manager of a distribution cooperative, I will try to give you some of my ideas concerning the role of the distribution cooperative in this all important power use program.

* * *

Our cooperatives are private enterprise, being locally owned, cooperative corporations seeking to render to their member owners a service at cost that had not been previously available.

The cooperatives, in their structure, have a board of directors, democratically elected by the member-owners of the cooperative. These boards of directors, acting on behalf of the rest of the members or stockholders, have borrowed money from the Rural Electrification Administration for the purpose of building the facilities necessary to carry out the job for which they were created.

The cooperatives then assumed three major responsibilities. The first, is a responsibility to the Rural Electrification Administration for repaying their loans on schedule, together with interest. The second, a responsibility to the member-owners and REA, is to see that the system is operated in a manner consistent with sound business principles as time goes on. The third responsibility assumed by the cooperatives was that of assisting its member-owners in making the most advantageous and practical use of the electric service now available to them.

* * *

A large percentage of the farms electrified by the borrowers of REA have received their service within the last five years. The farm people have not had the opportunity to learn the types of equipment or the applications of electricity that are most beneficial to them, except perhaps, those uses that were common in the urban home. We must now begin to concentrate, in my opinion, on the productive uses of electricity in Agriculture as well as continuing to promote its other uses. That is a part of the job I hope to accomplish in the power use program of the cooperative where I am employed.

* * *

To me, a cooperative's power use program embraces three major parts. The first is a member education, the second is public and member relations and the third is controlled load building.

Member education is necessary in order that we can instill in our members the pride of ownership and the feeling of responsibility that accompanies their ownership. It is a long range program similar to that carried out by most corporations who wish to build an informed and interested group of owners who will contribute to the success of the cooperative. It will tend to make the members think electrically, and we hope, to live electrically, insofar as is practial. In order to accomplish this objective, we use our newsletter, statewide papers, annual membership meetings and any other meetings and contacts where we have an opportunity.

I am sure all of you people understand and appreciate the necessity for a successful business concern to maintain good public relations not only with its customers but with the general public. We make ourselves available for participation in meetings of existing organizations such as the local Future Farmers of America groups, 4-H groups, rural youth groups, organized farm groups, and other meetings of farm, urban or civic people. Most cooperatives make available the meeting rooms and other facilities in connection with their headquarters for these groups when requested. News stories, advertising and other tools of similar nature are used in the public relations program. We know that the good will of our consumers is necessary in order to increase our sales.

The third part of the cooperatives' power program is the one I call "controlled load building". The adjective controlled is important because we must recognize the types of agriculture peculiar to our area and promote those uses that will most benefit our members in their operations. Electric stock tank heaters, which have been very successfully promoted in our area, would not have much appeal in southern Florida. We must recognize the needs and abilities of our consumers in order that their net incomes can be maintained or increased in the face of lower gross income such as have been experienced in the recent past.

* * *

A program as broad as the one I have just outlined is of such importance that it should be a separate department in the organizational structure of the cooperative. All employees must necessarily have this program in mind as they carry out their respective activities, but a power use department can develop, organize, promote and, in the main, carry out such a program. Most cooperatives call the head of this department an "Electrification Advisor". He is responsible for the activities of the power use program and the coordination of his department with the other departments of the organization.

. . .

It is the job of our power use people to create a desire for certain equipment in the minds of our members and to set the stage for a sale as well as to advise in the installation, operation and use of electric farm and home equipment. It is rather unusual, I believe, for people to go out selling something without being able to accept orders, yet that is what our power use people do every day. We have, thus far, stayed out of the merchandising field but sometimes, I wonder if we aren't making a mistake in that we do not give them an order book so that they can sell the appliances or equipment that our consumers wish to buy. This might go a long ways toward financing our power use activities. We have merely tried to sell the ideas and to create the desire and the interest so that the prospective customer and the dealer can get together so the dealer can close the sale.

In this whole program, I believe that the dealer is the one all-important person involved. Assuming that the manufacturer and distributor can supply good merchandise at reasonable prices and with the research, service and sales assistance to the extent of their responsibility and, further, assuming that the power suppliers involved have fulfilled their responsibility in delivering adequate quantities of power at the lowest possible cost to the consumer, then it is up to the dealer to sell, deliver, install and service the equipment. If the dealer fails, then the efforts of the rest of us will have been pretty much in vain. We are very dependent on him and for that reason, I believe that our efforts should be coordinated with him to the fullest possible extent. We must tell him of our program and do all we can to encourage his participation.

. . .

In order that we can work effectively with our dealers, we must get to know them and to give them the opportunity to better know us and to understand our program. We can cooperate with the dealer in several ways. The first is a market survey. It is possible for us to obtain a survey of our members that will show the types of equipment that they presently own and will indicate the equipment that they are interested in purchasing within the next year or some such period. In this manner, we can determine the types of equipment with which the customer is most familiar or in which he is most interested and, if his earning capacity will permit, he is a good sales potential. This information in the hands of the cooperative and of the dealer furnishes a good starting point for both.

Most cooperatives have a mailing list of their consumers set up on an addressograph and it would be possible to send mailing pieces and other promotional literature to them for the purpose of increasing their interest. Displays by the dealers in cooperative offices, at annual meetings and other cooperative activities, in addition to the dealers' normal displays, build interest in the prospect's mind.

In the promotions such as have been organized with the Generation & Transmission cooperative, a program has been established for special promotional activities to stimulate sales during a given period. Our latest activity was a clothes dryer promotion carried on during the months of October, November and December. It was decided by all of the member cooperatives of the G. & T. that they would offer free to any member who would purchase and have installed an electric clothes dryer during the period of promotion, 50 kwh per month for the next 6 months at the average rate of $2\frac{1}{2}¢$ per kwh. In other words, a sales incentive of $7.50 savings in electric bill was given by the cooperative. About one out of every forty members of the cooperatives covered by the publication purchased and installed a clothes dryer during the promotional period. Some cooperatives called on each of the dealers at least three times during the promotion and encouraged their participation. I am sure that the manufacturers, distributors and dealers who furnished the 1300 electric clothes dryers were satisfied with the promotion. I know that our cooperative was glad to have had 225 electric dryers added to its system. It is coordinated activities of this kind that are worthwhile to all concerned.

The distribution cooperatives have each assumed the responsibility for the advertising in the local paper within their service area. In some cases, the G. & T. has hired professional ad people to do the basic ad work on the promotions and thus, savings in the costs of promotions have been effected while, at the same time, top quality advertising has been done.

Last summer, during a promotion on electric ranges, a series of about 40 cooking schools were arranged. Distributor home economists did most of the demonstrations, but we did not have enough home economists to go around. My cooperative hired a home economist on a part time basis and we conducted our own demonstrations. Two different distributors furnished new electric ranges as door prizes and encouraged their dealers to participate. With tie-in advertising and other joint activities, the demonstrations were a successful venture.

In our cooperative, we place a great deal of emphasis on the personal contact method of accomplishing a power use program, in the addition to the use of mass media. Our two service consultants spend nearly all of their time contacting consumers, dealers and wiring contractors. We firmly believe that a good wiring system is the foundation for building increased power consumption, and we inspect all additional wiring, after the first installation, free of charge. We encourage and conduct, free of charge, re-inspections of old wiring whenever possible.

Whenever a service complaint is received, we dispatch one of our service consultants to call on the consumer and to determine the cause, regardless of whose fault it may be. We are seeking a legitimate excuse to call on the consumer in order that we can sell the idea of "going all electric". The opportunity to inspect wiring, take care of service complaints or any other similiar request from the consumer sets the stage so that our service consultants can call on the consumer at his request and, first, perform the job for which he was called and second, can visit with the consumer in order to promote all three of the broad parts of the power use program. We have found that this not only maintains our present electrical load, but we have many, many instances of where consumers have purchased new equipment as a result of our visit with them. Providing consulting and planning services for the consumers with regards to their electrical or water systems or with regards to their selection and use of equipment provides a service that is most beneficial to them.

Several cooperatives have arranged an educational presentation that can be used at G-I Farm Classes, FFA classes, 4-H groups or other similar groups dealing with the citizens and leaders of tomorrow in order to better prepare them for rural living in the electrical age.

. . .

We, in South Dakota, have made another effort to better coordinate the promotional activities of the entire electrical industry. We have organized what we call a South Dakota Electrical Council. It is an industry wide organization with the objective of promoting the sale and the beneficial use by the public, generally, of all kinds of electrical devices, appliances, and equipment and of all residential, farm industrial and commercial equipment of all kinds which are operated, controlled or powered by electrical means and devices.

The board of directors of the organization is made up, at the present time, of representatives from the wholesalers, manufacturers, dealers, rural electric cooperatives, commercial utilities, municipally owned electric utilities and the electronics industry. These directors, representing their individual segments of the industry, meet periodically to make plans for those industry wide activities that are beneficial to all.

. . .

In closing, I will enumerate some of the things that I have tried to previously cover in the role of the cooperative in the power use program, in order that its members can make more and better use of electricity for the benefit of themselves and the cooperative. The cooperative has the facilities of its newsletter, state-wide publications and other similar publications with which to tell the story of

electric farming and electric living. It has many opportunities at meetings, fairs, exhibits and shows to contact a large number of people with its story. The cooperative in cooperation with dealers, distributors, manufacturers and other power distributors can participate in joint promotional activities that will reach the maximum number of people at one time with the lowest possible cost per contact. The cooperative, with all its personnel, and especially, with its power use personnel can make many personal contacts with the idea of stimulating interest and telling their story on a personal basis.

In my opinion, the cooperatives have a big job to do in order to carry out the responsibilities they assumed when they were created, and they should be glad to have the opportunity to work closely with the rest of the industry for the mutual benefit of all.

THE ROLE OF THE MANUFACTURER & THE DISTRIBUTOR

R. W. Lewis
Manager, Dealer Division
Fairbanks, Morse & Co.

As manufacturers we are often surprised to learn too late of some excellent Co-op programs. Co-op Managers tell us: "A great fault at hand is the fact that manufacturers have failed to keep REA informed". We need a common medium for the constant exchange of information. Perhaps a management level publication, or a section in an existing publication, is needed for listing dates, events, and materials or services available. Available slides, films and literature should be reviewed, classified and released to members.

There have been some excellent Co-op promotions planned which suffered from a lack of understanding of industries' problems.

A Northern Co-op worked out a well detailed program for the sale of water systems. The big gimmick was a $2,000 prize contest to be financed by Manufacturers in proportion to the number of dealers in the seven towns in the area. The object of this contest was to help develop prospects on the Co-op line. Suppose this program were universally adopted. It would mean a $2,042,000. assessment for the water system industry. This is more money than the National advertising budget of the entire industry, which already has paid a high price in State and federal taxes for the privilege of doing business in a free market.

Some may argue that the dealer should contribute in expectation of increased volume. Bear in mind that such a payment would not guarantee a single sale to a dealer; he would still have to go out, climb fences to locate and dicker with each individual farmer. He would still have the same sales expense and the same limitations of manpower.

Here is the dealer's profit story. According to figures released by NRFEA the net operating profit (become income tax) of the equipment dealer was 5.54% in 1949; 4.95% in 1950; 4.64% in 1951; 3.9% in 1952 and estimated less than that for 1953. The dealer cannot afford to pay a premium for the privilege of working with utilities. If the dealer is to give full value and service he is entitled to his normal profit.

Rather utilities have found it good practice to make concessions such as eliminating wiring charges, or giving allowances, on the installation of heaters, dryers or ranges. The sale of these products does not require the technical knowledge and training needed by the water system dealer to recommend the proper water supply and disposal system. Why not accept the technical training of the dealer, as his contribution to the promotion, and enroll him in your educational program. Line members are holding back from buying because of the lack of the very information he could impart.

A Southern State organization held a State-wide meeting for distributors, yet criticized manufacturers for not being represented at a meeting, where they were not invited to attend. Many manufacturers do not have distributors. Some have few. Some have many - perhaps even two in one town. Few if any distributors hold state wide franchises. The distributor approach is not a short-cut to selling the dealer, but an intermediate step.

Actually the key man to the success of any sales program is the local selling-and servicing dealer. The manufacturer and the distributor are both valueless unless they have an active local outlet.

The logical man to enroll the dealer in local Co-op promotions would be the field man to whom we understand there are about 500 now employed. The first selling job to be done is to create the confidence of the dealer. He is a bit suspicious of the name "Co-op", "Co-op" to him represents a competitor in the feed, oil and even the appliance and implement business. He is not sure that all Co-ops are not members of one central organization and that there is a friendly segment. He must be assured that the REA Co-op is definitely not interested in direct selling and therefore, not a future potential competitor.

But I wonder what help or training is being made available to these field men. There is much information they must need. Manufacturers would be willing to put on training schools for these men, but only if they are asked to do so. Such schools should be impartial product-use studies. May I again refer to the management papers. Shouldn't such an important part of the Co-op operation be accorded recognition? A page or even a column devoted to the field man's problems -- and they are numerous - would help to coordinate their activities.

For example such articles could set up future programs of the NRECA Power Use Calendar so that necessary advance planning could be made. This in turn would set an editorial tie-in for the State Co-op papers. Merely scheduling a program is not sufficient. Deciding that March- for example- is to be National Electric Widget month would not sell a widget in itself. But if enough dealers displayed widgets and advertised widgets, if enough publications publicized widgets, the combined mass impact would make the public want widgets.

The NRECA power-use calendar has no impact behind it. Few if any State papers recognize it. In fact, the calendar itself is too bloated to be effective. Scheduling 24 product items might be political expediency but is wholly impractical. Better the organization should learn how to handle 3 or 4 campaigns a year. Or should I say learn how to really put over the first campaign. First things should come first. Adequate wiring is a first. Water systems, because they pave the way for so much later equipment is the first category. A highly successful water system campaign would make it possible to sell water heaters, dairy heaters, automatic dishwashers, automatic clothes washers, dryers, and other plumbing and watering using devices.

Incidentally, the water system industry for the past 6 years has conducted a highly successful campaign to establish a National Water System month in May. Last year farm and home periodicals carried a total of 51 pages of editorial comment and publicity. The program is picking up momentum and could profitably be used as a Nation-wide REA Co-op project.

Several States successfully tied-in with it last year, holding series educational meetings conducted by manufacturers or their dealers who were assigned certain area meetings. Displays were given office floor space. Field men helped prospects locate dealers. Several State papers sponsored such State-wide programs. Most did little or nothing.

The answer to our common problem is the need of more man-power. Men not afraid to get mud and manure on their boots. Men who can show the farmer how to live better electrically. The farmer of today produces 40% more than he did 15 years ago with 20% less labor. But the story is only half told and the farmer is eager to learn more. Perhaps if your publications gave more headline space to subscribers' personal problems and less space to political problems more electricity could be sold. All the educational work and all the selling must be done at the dealer-farmer level. Remember the REA has the greatest gimmick of them all, a finance plan. Many Co-ops fail to use it. A finance plan is a must in selling today. A finance plan fitted to farm income is a dream come true.

Only where Co-op field men are available can the manufacturer look for any assurance of an organized program. Utilities prosper only as they develop a strong sales organization. The same is true of industry.

The manafacturer should marshall his distributors or dealers to assist in these programs, but neither should be asked to finance the organization work. They should support the program with advertising only if the publications are supporting the same program editorially. There is still need for an over-all clearing house publication and planning board to co-ordinate individual activities.

THE ELECTRIC COMPANIES' PROGRAM FOR SELLING THE FARM MARKET

Harold H. Beaty
Rural Service Manager
Edison Electric Institute

The opportunity to appear on the REA Power Use Conference program to discuss the steps electric companies are taking to sell electrical equipment and appliances to over 2,000,000 farm customers, is both an honor and a privilege. We are honored that we have been asked to participate in this meeting. It is a privilege to join the Rural Electric Cooperatives in inviting you as manufacturers to accept the challenge to strive for more sales in the farm market.

° ° °

Electrical Equipment is Being Sold the Farm Market

° ° °

In 1952 the Alabama Power Company was awarded first prize in the electric operating company participation for the Frank Watts Award. This award, sponsored by Farm Journal magazine, is coveted by electric companies. It represents exceptional efforts in promoting farm electrification as a productive force for better farming and better living.

Table 1

Please note the 22,190 farm sales representing 66 different farm equipment items were sold to farmers in the company's territory. The fact that this equipment will result in an increased sale of an estimated 16,000,000 kwh annually is of course of interest to the Alabama Power Company.

To a number of the 84,018 farmers in the company territory it means better living, reduced labor requirements, and increased income. To the dealers who sold the equipment it means sales profits. . . . .

Table 2

Let's turn for a moment to another section of the country, eastern Pennsylvania, where the Pennsylvania Power & Light Company is located. Here we see that in 1952 this company's six supervisors, and 32 farm representatives, under the direction of the Farm Sales Manager, and in cooperation with local dealers, succeeded in selling over 40,000 farm equipment items to some 35,142 farmers in their company territory. In addition, the residential staff of the company reported a sale of over 9,000 major items by electrical dealers to the farm homemakers.

These sales resulted in an increase of 475 kwh per farm per year in the company territory.

Table 3

Now let's turn to the midwest, the bread basket of our land, and see what still another company is doing.

Again in 1952 the Ohio Power Company's Farm Department sponsored a series of 17 meetings. They called them "Mow Chow" meetings. The name must have appealed to farm people, for some 1646 men and women turned out for the 17 meetings.

The program must have been good since local dealers sold 9 hay dryers, 6 electric ranges, 4 clothes dryers, 4 water systems, 4 barn ventilators, and 1 poultry ventilator on the spot to persons attending the meetings.

But better yet, 664 prospects for 26 different types of electrical equipment were secured as a result of the meetings.

. . . Let me hasten to add that 1953 sales reports will prove just as interesting as those I have quoted for 1952.

What About Sales in 1954?

. . .

Agriculture is our largest industry. It is in a business revolution. It needs electrical products to help increase its production efficiency. It is in a cost of production squeeze. Labor is short, wages are high, prices for farm goods are down, equipment costs are high, net profits are down. The farmer is interested in methods and techniques that will help him produce products at a lower unit cost so he can realize a better return. Increased sales of electrical equipment can be made by the manufacturer, the distributor and dealer who understand the farmer's problems and offer him products that will help him solve them.

Edison Electric Institute

I am supposed to tell you something about the Edison Electric Institute, often referred to as EEI. EEI is a trade association of privately financed electrical companies. Its 185 members use the Institute as a medium of exchanging information about commercial sales, accounting, engineering, and general activities of the member companies. The general programs include activities such as accident prevention, area development, atomic power, codes and standards, etc.

The Institute as such conducts no national sales or promotional programs but gathers information and prepares materials for its members. The work itself is done by committees from the various companies. The work of the Institute is naturally conducted for the benefit of its own members, but the reports of these committees are available to any interested person.

The Commercial Division of EEI

The coordinated sales activities of EEI are conducted through the Commercial Division. Within this division the work is broken down into five sections. These are the Commercial Sales Section, the Farm Section, the Industrial Power and Heating Section, the Residential Section, and the Special Services Section. Some three hundred committee members from companies located in all sections of the nation serve on the various Commercial Division Committees.

The activities of the Residential and the Farm Sections should be of interest to this audience. In a general way the responsibilities of the EEI Residential and Farm Sections are divided between farm home and farm activities. The Residential Section of EEI is charged with the responsibility of promotional and educational activities related to electrical equipment used in the home. The Farm Section is concerned with equipment used in productive and labor saving activities outside the home.

EEI Residential Section

The Residential Section is made up of a number of committees such as Dealer Coordination, Home Service, Market Research, and Promotional Committees.

Each of these groups is of course making an important contribution to the combined sales efforts of the electric companies and their cooperating dealers in both the urban and farm market.

In order to conserve time and avoid too much detail, I would like to illustrate the promotional activities of the Residential Section by calling your attention to one of the activities it is sponsoring on a national level in cooperation with NEMA - The National Electrical Manufacturers Association.

Table 4

A new sales slogan "BE MODERN...LIVE ELECTRICALLY" and the Coordinated Campaign Calendar for Electrical Appliances at the retail level has been developed and its use by all segments of the electrical industry is being urged. The acceptance of this program by electric companies is significant.

As of March 3, 1954 replies to a survey to determine utility company tie-in with the NEMA-EEI Spring coordinated campaigns on Ranges and Water Heaters indicated that 107 electric light and power companies, representing over 27,000,000 total meters are tying in with this national activity. This represents over one-half of the total meters in the country.

In addition to the campaigns being conducted by these utilities, the manufacturers, through their national and regional advertising, are placing promotional emphasis on these two appliances. Both utilities and manufacturers are featuring the new slogan "BE MODERN...LIVE ELECTRICALLY" or an adaptation such as "BE MODERN...COOK ELECTRICALLY."

Additional special campaigns for Summer and Fall use will feature the freezer, range, and clothes dryer.

. . .

Other activities of the Residential Committee are: Dealer Coordination Workshops for company personnel to exchange ideas on the most successful methods of working with local dealers; the Market Research Committee assists in determining market potentials for various appliances and disseminates information regarding market studies carried on by electric companies and other groups; the Home Service Committee serves as a medium for exchange of information, develops materials to assist users of appliances. A good example of the Home Service Committee's activities is the New Cook's Cook Book published in the Fall of 1953. Over 130,000 copies of this book have already been purchased by the industry.

Farm Section

The Farm Section of EEI is charged with the responsibility of keeping electric companies informed of new developments in the field of farm electrification and related activities that will contribute to improved economic and living conditions in the field of agriculture. These are broad objectives based on the fundamental theory that those who serve agriculture prosper only to the extent that their agricultural customers prosper.

Specifically, the Farm Section organization consists of four separate committees. These are the Agricultural Development Committee, the Rural Youth Committee, the Farm Utilization Committee, and the Farm Sales Promotion Committee.

The activities of the EEI Farm Section cover a wide field of agricultural activities. All of these activities are directed toward improvement of agriculture.

Agricultural Development

Electric companies devote some of their efforts to agricultural development activities such as pasture and dairy herd and poultry improvement, etc. . . .

. . .

. . . There are many instances in which electric companies have cooperated with local organizations that have resulted in measurably improved agricultural economy.

The Agricultural Development Committee has prepared a report entitled "What Electric Companies Are Doing in Farm Betterment Programs." In order to conserve time and be objective in my talk I would like to

encourage you to secure a copy of this report which briefly outlines 434 activities of 54 representative electric companies located in all parts of the nation. A copy may be secured by addressing your inquiry to the Edison Electric Institute, 420 Lexington Avenue, New York 17, New York. The price is $1.00 per copy.

Youth Activities

Electric companies are fully aware that the farm youth of today will be their farm customers of tomorrow. It is also becoming increasingly clear that today's youth expects to have fully as modern a home as his city cousin; further, that he is interested in learning more about electrical equipment that will help him reduce the drudgery of farm chores, and help him grow and process farm products efficiently and economically.

° ° °

You as manufacturers can make a real contribution to the farm youth by producing movies, speaker's slide kits, and making available to teachers and leaders descriptive literature of your products. A word of caution - materials of this type must be as non-commercial as possible. They should stress the why and how of methods and applications and illustrate results. Teachers and leaders cannot use materials designed to sell a specific manufacturer's product in preference to that of a competing manufacturer.

Our Rural Youth Committee has recently prepared a set of 27 "Electrical Projects for Farm Youth." Again, samples of these plans are available from EEI. The price is $1.50 for member companies of EEI, and $2.50 to non-member companies.

The Committee is currently studying the problem of preparing materials that will help vo-ag teachers and other youth leaders do a more effective job of teaching farm electrification.

Utilization Committee

The Utilization Committee is one of the largest and busiest committees in the Farm Section. As the name of the committee implies, it is interested in the practical utilization of farm electrical equipment. Its members report on new developments and applications. The committee originated and compiled a Farm Electrification Manual consisting of some 17 separate sections covering such topics as The Rural Representative and His Job, the Development of Farm Electrification, Lighting for the Farm, Barn Curing of Hay, Electric Brooding, etc.

A new section entitled Supplemental Irrigation is ready for printing and the committee is revising some of the older sections. This book serves as a practical and technical reference manual and training guide for new farm personnel.

This committee is also responsible for the production of a popular book entitled Farm Electrical Equipment Handbook which contains brief and practical information on 100 different farm applications of electrical equipment.

There are a number of other tools this committee has sponsored which include a speaker's slide kit for rural service men and others, illustrating Electricity's Part in Dairy Farming, Poultry Farming, Crop Processing and Handling, and General Farming Equipment. These slides are no longer available from EEI but most rural service departments of electric companies have sets available for local use.

This committee has also produced an "Electrical Safety and Maintenance Slide Kit" consisting of 57 Kodachrome slides and speakers' script that can be used to illustrate the importance of safety in electrical wiring and the need for keeping electrical equipment such as motors, electrical fence controllers, and lighting fixtures in good operating condition. These slides and script are available at $12.00 per set.

Farm Sales Promotion Committee

Surprising as it may seem to many of you, the newest of our four Farm Section Committees is our Farm Sales Promotion Committee. This committee was organized last Summer.

It has been assigned a four point program: first, the collection and dissemination of information about successful farm and farm home sales promotion by electric companies; second, the determination of potential sales volume and replacement market for farm electrification equipment; third, the production of promotional material and other sales tools to aid in the sale of farm electrification equipment and fourth, attempting to correlate the timing of industry-wide promotional effort to secure the greatest total sales effectiveness.

The Farm Sales Promotion Committee will study the various types of farm electrification applications that seem to warrant the mass type of promotional activity. At the present time the committee is of the opinion that stepped up promotion of electric lighting for seeing, for production, for safety, and for health, offers an opportunity for an industry-wide coordinated sales promotion activity. A survey is currently being made to see if there is sufficient interest to justify the preparation of an industry-wide promotion in the lighting field.

° ° °

The sales results that I referred to earlier in my talk were the results of coordinated sales efforts of electric company personnel and local dealer cooperation. There is no need for me to tell you how to sell your product. You know more about your product and how to sell it than I will ever know. However, judging from the statements of our rural service managers and farm market surveys by the

nation's farm magazines, there seem to be plenty of reasons to urge you to put more effort in selling the farm market and to do it now.

Your competitors in the LP gas field are not idle. The 1950 Census of Housing indicated that LP gas was used as a fuel in 16% of the rural farm dwellings as compared to electric cookery for 16.2% of the homes. A report by one of the nation's leading farm magazines lists the following ways LP gas may be used in domestic and farm installations:

1. Cooking
2. House heating
3. Water heating
4. Refrigeration
5. Clothes drying
6. Pig brooding
7. Incinerating
8. Poultry brooding
9. Flame welding
10. Tractor fuel
11. Bus and truck fuel
12. Sterilizing
13. Pasteurizing
14. Dehydrating
15. Tabacco curing
16. Meat curing
17. Stationary engine fuel
18. Scalding

In closing let me again extend you an invitation to visit with the Sales Departments of our electric companies to learn more about the residential and farm sales programs that electric companies are conducting.

TABLE 1

FARM EQUIPMENT SALES IN ALABAMA POWER COMPANY TERRITORY IN 1952

Farm Equipment Sales:

Farm Freezers	5635	Poultry Water Warmers	56
Water Systems	4574	Lamb Brooders	54
Farm Lighting Units	2584	Calf Dehorners	50
Motors	1292	Paint Sprayers	49
Soldering Irons	630	Feed Cookers	35
Portable Drills	589	Alarms	35
Infrared Brooders	531	Grindstones	33
Churns	510	Automatic Feeders	33
Pig Brooders	507	Hay Hoists	31
Bench Grinders	412	Scalders	30
Dairy Water Heaters	411	Poultry Debeakers	30
Electric Fences	410	Feed Mixers	28
Chick Brooders	376	Picking Machines	28
Milk Coolers	300	Hotbeds	25
Milking Machines	275	Fly Traps and Screens	24
Time Switches	235	Egg Candlers	23
Heating Cable Sets	225	Sheep Shears	21
Bench Saws	211	Irrigation Units	21
Conveyors - Elevators	203	Cream Separators	20
Post Drills	144	Egg Coolers	17
Fly Sprayers	135	Earcorn Crushers	16
Cornshellers	130	Egg Washers	15
Fan Ventilators	129	Sweet Potato Heaters	15
Animal Clippers	125	Bagging Machines	10
Air Compressors	105	Greenhouse Heaters	10
Incubators	57	Bottle Washers	10
Milk Can Hoists	91	Corn Crackers	10
Arc Welders	89	Hay Curing Systems	10
Milk Pasteurizers	87	Greenhouse Sprayers	8
Milkhouse Heaters	85	Egg Graders	7
Feed Grinders	75	Stationary Spraying Plants	5
Seed and Grain Cleaners	65	Sterilizers	4
Battery Chargers	62	Fruit and Vegetable Graders	3

Total Farm Equipment Sales - 22,190 units

Equipment sold in 1952 will use over 16,000,000 kwh annually.

Twenty-seven persons in company's Rural Department.

Farms served by Alabama Power Company - 84,018
Estimated average annual kwh use per farm - 2500

TABLE 2

FARM AND FARM HOME EQUIPMENT SALES

IN

PENNSYLVANIA POWER & LIGHT COMPANY

TERRITORY IN 1952

Farm Equipment Sales:

Farm Freezers	7514	Poultry Feeders	221
Water Systems	6487	Welders	185
Brooders	4461	Barn Cleaners	179
Farm Shop Tools	3932	Incubators	129
Utility Motors	3239	Milk House Heaters	118
Heat Cables	2531	Pickers	87
Water Warmers	2340	Hay Finishers	82
Ventilators	1726	Feed Mixers	61
Elevators	1701	Feed Grinders	50
Milk Coolers	1077	Scalders	38
Dairy Water Heaters	1017	Grain Dryers	33
Milking Machines	870	Hay Hoists	16
Egg Washers	668	Silo Unloaders	14
Air Compressors	341	Miscellaneous	1276
		Total Sales	40,393

Farm Home Sales:

Refrigerators	3348	Automatic Washers	1298
Ranges	2050	Automatic Dryers	651
Water Heaters	1673		
		Total Sales	9,020
		GRAND TOTAL	49,413

Farms served by Pennsylvania Power & Light Co. - 35,142

Average annual kwh use per farm - 4,204

Six Supervisors and 32 Farm Representatives in Farm Department.

TABLE 3

SALES PROSPECTS

DEVELOPED BY OHIO POWER COMPANY

1952 "MOW CHOW" MEETINGS

Equipment	No. Prospects	Equipment	No. Prospects
Ranges	63	Chick Brooders	21
Water Systems	63	Clothes Dryers	20
Dehorners	60	Milk Coolers	18
Home Water Heaters	59	Hay Hoists	17
Hay Dryers	46	Clippers	16
Infrared	39	Milkers	14
Barn Ventilators	32	Home Pasteurizers	13
Dairy Water Heaters	27	Feed Grinders	7
Milkhouse Heaters	27	Televisions	7
Elevators	27	Freezers	6
Poultry Ventilators	26	Water Warmers	5
Heat Tapes	24	Poultry Feeders	2
Barn Lights	23	Regrigerators	2

Seventeen meetings attended by 1,646 men and women resulted in 664 prospects for 26 different types of electrically operated farm and home equipment. Direct sales of 9 hay dryers, 6 electric ranges, 4 clothes dryers, 4 water systems, 4 barn ventilators, and 1 poultry ventilator were made at the meetings.

TABLE 4

These Appliances will be promoted during month indicated

1954 COORDINATED CAMPAIGN — CALENDAR FOR ELECTRICAL APPLIANCES

AT THE RETAIL LEVEL

	JAN	FEB	MAR	APR	MAY	JUN	JULY	AUG	SEPT	OCT	NOV	DEC
 RANGES			X	X	X				X	X	X	
 WATER HEATERS			X	X	X							
 FREEZERS					X	X	X	X				
 DRYERS	X	X	X						X	X	X	
 DISH-WASHERS DISPOSALS									X	X	X	
 AIR CONDITIONERS					X	X	X	X				
 DEHUMID-IFIERS					X	X	X	X				

(The following group of observations has been selected from the panel discussion portion of the conference.)

DISCUSSION

A. H. Kessler, Executive Secretary
North Central Electrical Industries, Inc.
Minneapolis, Minnesota

About 1936, various branches of the electric industry in Minnesota decided that the best progress could be made in promoting the goods and services of the industry if an organization were formed which represented all branches of the electrical industry. Through cooperation and coordination on fundamental programs greater progress could be made and greater results attained than if each segment tried to do the job alone.

. . . .

This association would like to see some type of national set-up in which all branches of the industry are included to work towards greater power use.

Harry Oswald, Executive Manager
Arkansas State Electric Cooperative, Inc.

Their association is made up of 18 electric cooperatives in the state of Arkansas. They have an annual meeting caravan which is very successful and the power use program is promoted through it. They feel the caravan idea could be useful to other state associations.

Richard M. Hausler
Rural Electric Consumer Publications

The statewide publications have been set up as an organization and are frequently financed from a share in the advertising revenues and are very much interested in getting more advertising. Their interest in advertising is a part of the overall program. They hope that all branches of the electric industry will learn more about what the state publications are doing and get a better understanding of what they can do advertising-wise.

Art Hemker, Manager, Farm Industry Sales
General Electric Company

This meeting was a good start towards a load building program. A serious problem and one of much interest is the lack of farm productive equipment out where the farm is only ten percent or twenty percent electrified. There are several reasons for that low saturation of use on the farm and one is the fact that farmers do not have the tools to use electricity. It is only since the last war that such things as crop dryers, hay dryers, package ventilation equipment, etc., have been commercially available.

James R. Cobb, Manager, Power Supplier Sales
Frigidaire

The local dealer is the focal point and he should be better informed and better equipped as how to serve the rural market. There is much to be done in this field. I believe it will take advice, encouragement and a lot of enthusiasm to move dealers from the pattern they have been following and into the pattern now believed necessary.

William S. Roberts, Editor
Rural Electrification Magazine
National Rural Electric Cooperative Association

We hear numerous complaints about dealerships. We feel the reason cooperatives have gotten into merchandising is because of necessity due to the lack of dealer initiative in the sales field and service on electrical appliances after they have once been purchased.

H. H. Shattuck, Manager
Coast Electric Power Association
Bay St. Louis, Mississippi

Up to now the approach to the power use program has been bad. But now an approach may have been hit on that will work. The test is will it be bought at the cooperative level. The answer lies with the statewide organizations, as they have promoted the successful ones.

Russell Gingles, Manager
Farm Electrification Division
National Electrical Manufacturers Association

NEMA is a trade association composed of electric manufacturers. It has a farm electrification bureau for those interested, whose activities are always slanted in the load building field. It distributes informational material that could be helpful.

Lew Miller
Kentucky Rural Electric Cooperative

They have found it difficult to get distributors and dealers to go along with programs they have initiated. Everyone at the conference gets enthused but unless the manufacturers get the story across to their distributors down the line, the program will not be sold. They might set up a pool of power use films available to all interested in this program; set up demonstrations that explore possibilities of running water, etc.

John Clema, Executive Manager
Nebraska Rural Electric Association
Lincoln, Nebraska

He urged that insofar as practical everyone get together and coordinate their promotional programs so that each state does not advertise something different from the next one each month.

Power Use Committee

During the course of the conference, a number of people made the suggestion that a committee should be formed to plan power use activities of a coordinated, industry-wide nature. To that end, each of the four major, interested groups present selected a temporary group of representatives. These groups formed a temporary power use committee. The names of the representatives are:

Electric Equipment Industry

William Saylor, Nash-Kelvinator
James Cobb, Frigidaire
Joseph Rushton, Frigidaire
H. H. Watson, General Electric
A. H. Hemker, General Electric
R. G. French, Steber Manufacturing Co.

Rural Electric Systems

Oliver Kimbrough, Farmers Electric Cooperative, Clovis, New Mexico
Virgil Herriott, Sioux Valley Empire Electric Association, Colman, S.D.
William Crisp, Tarheel Electric Membership Association, Raleigh, N. C.
J. K. Smith, Kentucky Rural Electric Cooperative, Louisville, Kentucky
Harry Oswald, Arkansas State Electric Cooperative, Inc., Little Rock, Ark.
Harvey Schermerhorn, Wisconsin Electric Cooperative, Iola, Wisconsin

Commercial Power Companies

E. C. Easter, Vice President, Alabama Power Co., Birmingham
R. W. McClure, Vice President, Kansas Power & Light Co., Lawrence
J. A. Busch, Vice President, Northern States Power Company of Minneapolis

REA

Wade Edmunds, Chief, Northern Region, REA
William Callaway, Chief, Southern Region, REA
Andrew McLay, Information Services Division, REA
Richard A. Dell, Head, Electric Farming Staff, REA

This committee met in session the evening of March 11th. At that time it became apparent that two factors dictated the immediate course of action. The first was that members needed authorization for the scope and extent of their participation. The second was that for the initial planning phases a group of a smaller size was desirable. In accordance with the second factor, a temporary steering committee was selected from the group present.

Its members are: William Saylor, Nash-Kelvinator; A. H. Hemker, General Electric; Oliver Kimbrough, manager, Farmers Electric Cooperative, Clovis, New Mexico; J. K. Smith, manager, Kentucky Rural Electric Cooperative, Louisville; R. W. McClure, vice president, Kansas Power & Light

Company, Lawrence; and Joseph A. Busch, vice president, Northern States Power Company, Minneapolis. Non-voting members are Fred Strong, Deputy Administrator, REA, who will serve as chairman of the committee, and Russell Gingles, NEMA, who will act as secretary.

This steering committee decided to meet the first week in May. It was felt that the intervening time would enable the representatives to consult with their organizations and compile suggestions and plans for consideration at the May meeting.

Reports of the activities of this committee will be distributed as progress is made.

REGISTRATION FOR POWER USE CONFERENCE

(We regret if any names or addresses have been omitted or recorded in error. If such mistakes have been made we would appreciate receiving the correct information.)

Abel, Don - Hotpoint Company, Chicago, Illinois
Aiken, Charles R. - Iowa Rural Electric Cooperative Association, Des Moines, Iowa
Alderman, Henry - Booneville Power Administration, Portland, Oregon
Allen, A. C. - Wagner Electric Corporation, St. Louis, Missouri
Allen, Ed - Electrical World, New York, New York
Anderberg, C. S. - Sioux Valley Empire Elec. Association, Inc., Colman, S. D.
Anderson, H. T. - Preway, Incorporated, Wisconsin Rapids, Wisconsin
Angster, Herbert C. - National Assn. of Domestic & Farm Pump Mfgrs., Chicago, Ill.

Baker, Ervin - Kentucky Rural Electric Coop. Corporation, Louisville 6, Kentucky
Baker, J. V. - Sears, Roebuck and Company, Chicago, Illinois
Barre, H. J. - Martin Steel Products, Mansfield, Ohio
Baum, Richard - Electricity on the Farm, New York, New York
Beard, R. W. - Allis-Chalmers Manufacturing Company, Pittsburgh 12, Pennsylvania
Beaty, Harold H. - Edison Electric Institute, New York 17, New York
Becker, A. E. - Association of Illinois Electric Cooperatives, Springfield, Illinois
Bellezza, Russell G. - General Cable Corporation, New York 17, New York
Bennett, R. D. - South Carolina Cooperative, Inc., Columbia, South Carolina
Bennion, H. S. - Edison Electric Institute, New York 17, New York
Berry, Arie - Tombigbee Electric Cooperative, Inc., Guin, Alabama
Blackburn, Tom - Merchandising Magazine, Chicago, Illinois
Blanchard, George W. - Reynolds Metals Company, Louisville, Kentucky
Boelio, Bob - Kelvinator, Detroit, Michigan
Bogard, George T. - General Electric Major Appliance Div., Louisville, Kentucky
Bostick, T. E. - Woodruff Electric Cooperative Corporation, Forrest City, Arkansas
Bradley, Leo D. - Western Michigan Electric Cooperative, Scottsville, Michigan
Brawley, John B. - General Electric Appliance Division, Bridgeport 2, Connecticut
Briden, Osborne W. - REA, Washington 25, D. C.
Brookover, P. E. - Public Service Company of Colorado, Denver, Colorado
Brooks, P. D. - American Gas & Electric Service Corporation, New York 8, New York
Brown, J. Albert - Navapache Electric Cooperative, Lakeside, Arizona
Broyles, R. C. - Goulds Pumps, Inc., Seneca Falls, New York
Bryan, James E. - Curtis Publishing Company, Philadelphia, Pennsylvania
Burns, G. W. - Easy Washing Machine Corporation, Syracuse 1, New York
Burrows, A. C. - Missouri State Rural Electric Assn., Jefferson City, Missouri
Busch, J. A. - Northern States Power Company, Minneapolis, Minnesota

Cagle, J. O. - Mississippi Rural Electric Association, Jackson, Mississippi
Callaway, William H. - REA, Washington 25, D. C.
Canfield, John - Wisconsin Power and Light, Madison, Wisconsin
Chesser, B. W. - Texas Electric Cooperative, Inc., Austin, Texas
Clay, R. A. - Clay Equipment Corporation, Cedar Falls, Iowa
Clema, John M. - Nebraska Rural Electric Association, Lincoln, Nebraska

Cobb, J. R. - Frigidaire, Dayton 1, Ohio
Cochran, L. R. - Arkansas State Electric Cooperative, Inc., Little Rock, Arkansas
Cory, Virgil - Colorado Rural Electric News, Denver 2, Colorado
Cox, Clate - REA, Washington 25, D. C.
Cox, James L. - Arkansas State Elec. Cooperative, Inc., Little Rock, Arkansas
Craig, Robert - Fairbanks, Morse & Company, Washington, D. C.
Creech, W. S. - Westinghouse Electric Corporation, Mansfield, Ohio
Crisp, William T. - Tarheel Electric Membership Assn., Raleigh, North Carolina
Cross, Carl - Farmers Electric Co-op, Newport, Arkansas
Crowell, A. F. - First Electric Coop., Jacksonville, Arkansas

Davis, G. - Wisconsin Electric Cooperative, Madison 5, Wisconsin
Dawson, Morris E. - Green River Rural Electric Coop., Owensboro, Kentucky
Dell, Richard A. - REA, Washington 25, D. C.
Dodds, R. M. - A. Y. McDonald Manufacturing Company, Dubuque, Iowa
Dunham, Lyle - Association of Illinois Electric Cooperatives, Springfield, Illinois

Easter, E. C. - Alabama Power Company, Birmingham, Alabama
Ebaugh, Harold C. - Hill County Electric Cooperative, Havre, Montana
Edmunds, Wade M. - REA, Washington 25, D. C.
Ellis, Charles W. - C & W Rural Electric Cooperative, Clay Center, Kansas
Ellis, Clyde T. - National Rural Electric Cooperative Assn., Washington, D. C.
Emery, C. H. - Hunter Fan and Vent. Company, Memphis, Tennessee
Endahl, Lovell - National Rural Electric Cooperative Association, Washington, D. C.

Ford, John - Alabama Rural Electric Assn. of Cooperatives, Montgomery, Alabama
Foreman, Ralph J. - REA, Washington 25, D. C.
French, Robert G. - Steber Manufacturing Company, Broadview, Illinois
Frost, Paul L. - Central Valley Electric Coop., Artesia, New Mexico
Fulmer, Jr., J. Riley - Pennsylvania Rural Electric Coop. Assn., Clearfield, Pa.

Galloway, J. B. - Farmers Rural Electric Cooperative Corp., Glasgow, Kentucky
Garrett, P. B. - Electric Light and Power Magazine, Chicago, Illinois
Gingles, Russell - National Electrical Manufacturers Assn., New York 17, New York
Gray, A. H. - Edison Electric Institute, Shreveport, Louisiana
Gray, F. Carlin - Phelps Dodge Copper Company, Washington, D. C.
Gunn, Terry - Rural Georgia, Millen, Georgia

Hamilton, Stewart - REA, Washington 25, D. C.
Hamlin, Fred - REA, Washington 25, D. C.
Hammond, Lyman H. - Edison Electric Institute, Binghamton, New York
Harens, R. G. - North Dakota Assn. of Rural Electric Coop., Bismark, North Dakota
Harms, Fred W. - Rural Elec. Convenience Coop. Company, Auburn, Illinois
Hausler, Richard M. - Rural Electric Consumer Publications, Washington, D. C.
Helm, Julius - Missouri State Rural Electrification Assn., Jefferson City, Missouri
Hemker, A. H. - General Electric Company, Schenectady, New York

Hemker, W. D. - Westinghouse Electric Corporation, Pittsburgh 30, Pennsylvania
Herbick, Don - Gordon Hatch Company, Milwaukee 3, Wisconsin
Herriott, Virgil H. - Sioux Valley Empire Electric Assn., Colman, South Dakota
Hetzer, James T. - Hetzes Theatrical Agency
Hienton, Truman E. - U. S. Department of Agriculture, Washington, D. C.
Hildenbrand, T. F. - American Gas and Electric Company, New York 8, New York
Hill, Harvey T. - Diesel Engine Manufacturing Association, Chicago 2, Illinois
Hill, Homer A. - Rural Elec. Missourian, St. Louis, Missouri
Horner, R. G. - The Black and Decker Manufacturing Company, Chicago, Illinois
Hinchliff, E. L. - Amana Refrigeration, Incorporated, Amana, Iowa
Hoiberg, Hans S. - REA, Washington 25, D. C.
Horton, R. E. - Illinois Balley Electric Coop., Inc., Princeton, Illinois
Hudgins, Alexander - Virginia Association of Electric Cooperatives, Richmond 2, Va.
Hundley, J. C. - Tennessee Rural Elec. Cooperative Association, Nashville, Tennessee
Hunter, M. D. - South Dakota High-Liner, Madison, South Dakota

Johns, H. L. - Florida REA Cooperative Association, Wellborn, Florida
Johnson, Agnes R. - REA, Washington 25, D. C.
Johnson, Raymond A. - Deepfreeze Company, Chicago, Illinois

Kallal, V. C. - Southwestern Electric Cooperative, Inc., Greenville, Illinois
Kessler, A. H. - North Central Industries, Inc., Minneapolis 2, Minnesota
Kimbrough, A. - Farmers' Electric Cooperative, Inc., Clovis, New Mexico
Koffsky, Nathan - U.S.D.A. - Agriculture Marketing Service, Washington, D. C.

Lamb, A. V. - Electromode Corporation, Rochester, New York
Lassen, Walter L. - South Dakota Rural Electric Assn., Huron, South Dakota
Leach, A. B. - Copperweld Steel Company, Pittsburgh, Pennsylvania
Lewis, Bill - Texas Electric Cooperatives, Inc., Austin, Texas
Lewis, Dixon - Aluminum Company of America, Pittsburgh, Pennsylvania
Lewis, R. W. - Fairbanks, Morse & Company, Chicago, Illinois
Litschert, Robert G. - National Assn. Elect. Companies, Washington, D. C.
Long, Jr., T. C. - Shelby Electric Cooperative, Shelbyville, Illinois

MacNeille, M. B. - A. Y. McDonald Mfg. Company, Dubuque, Iowa
Manly, W. L. - Allis-Chalmers Manufacturing Company, Milwaukee, Wisconsin
Meathews, Max - Yellowstone Valley Electric Coop., Inc., Huntley, Montana
Matson, William F. - East River Electric Coop., Madison, South Dakota
Maxwell, F. P. - Rockwell Mfg. Company, Pittsburgh 8, Pennsylvania
Mellem, L. R. - General Electric Company, Louisville 2, Kentucky
Milurh, Mitchell - Northern Engineering Company
Miller, Lew - Kentucky Rural Electric Coop. Corporation, Louisville 6, Kentucky
Miller, Harry I. - Wisconsin Public Service Corporation, Milwaukee, Wisconsin
Moffett, J. J. - Necchi Sewing Machine Sales Corp., New York, New York
Moore, Jr., James B. - Crop Dryer Manufacturers Assoc., Lexington, Kentucky
Moss, Bud S. - Edison Electric Institute, Atlanta, Georgia
Mulligan, V. G. - Ideal Industries Inc., Sycamore, Illinois

Munger, George - TVA, Chattanooga, Tennessee
Murray, William E. - Illinois Rural Elec. News, Springfield, Illinois
Myers, E. M. - F. E. Myers & Brothers Company, Ashland, Ohio

McAdam, J. E. - Dixie Electric Memb. Corporation, Baton Rouge, Louisiana
McClure, R. W. - Kansas Power and Light Company, Lawrence, Kansas
McConnell, L. W. - Indiana-Michigan Electric Company, Ft. Wayne, Indiana
McDonald, R. E. - Speed Queen Corporation, Ripon, Wisconsin
McDonald, T. - Minneapolis-Honeywell Regulator Company, South Minneapolis 8, Minn.
McKinley, A. C. - Wagner Electric Corporation, St. Louis 14, Missouri
McKinney, H. H. - Pee Dee Electric Membership Corporation, Wadesboro, North Carolina
McLay, Andrew L. - REA, Washington 25, D. C.
McLean, C. R. - General Electric Company, Bridgeport, Connecticut
McMillen, J. S. - Northern States Power, Eau Claire, Wisconsin

Needy, Jack H. - Missouri State REA Assn., Jefferson City, Missouri
Nelsen, Ancher - REA, Washington 25, D. C.
Nickel, H. W. - H. C. Davis Sons Mill Machinery Co., Bonner Springs, Kansas
Norman, C. L. - National Assn. Elect. Companies, Washington, D. C.

Orr, William A. - Kosicusko County Rural Elec. Membership Corp., Warsaw, Indiana
Osborne, Elmo - Texas Electric Cooperatives, Inc., Austin, Texas
Oswald, Harry L. - Arkansas State Electric Cooperative, Inc., Little Rock, Arkansas
Overby, Kermit - REA, Washington 25, D. C.

Palmquist, R. V. - McGraw Electric Company, Chicago 38, Illinois
Petersen, Stanley A. - Viking Pump Company, Cedar Falls, Iowa
Pequignot, R. E. - Electromode Corporation, Rochester, New York
Pohlman, W. A. - Gardner Mfg. Company, Horicon, Wisconsin
Powell, L. D. - Upper Peninsula Power Company, Haughton, Michigan
Price, Gwyn - North Carolina Rural Elec. Authority, Raleigh, North Carolina

Reinecke, E. H. - Wyoming State Rural Electrification Assn., Beulah, Wyoming
Ridburg, Birt - Louisiana Power and Light Company, New Orleans 14, Louisiana
Ridout, Jr., W. J. - Electricity on the Farm - New York, New York
Robbins, J. S. - Jeff Davis Electric Coop., Jennings, Louisiana
Robarts, Wm. M. - Pickwick Electric Membership Corporation, Selmer, Tennessee
Roberts, H. E. - The Empire District Electric Company, Joplin, Missouri
Roberts, William S. - National Rural Electrification Magazine, Washington, D. C.
Roche, L. M. - Electricity on the Farm, New York, New York
Rodems, Leo - Northern Eng. Company, Baraboo, Wisconsin
Rolston, G. E. - Rome Cable Corporation, Rome, New York
Rowland, E. T. - Chicago Electrical News, Chicago, Illinois
Ruble, F. I. - Illinois Valley Electric Coop., Princeton, Illinois
Rushton, Joe - Frigidaire, Dayton 1, Ohio
Russell, C. H. - Westinghouse Elec. Supply Company, Washington, D. C.

Sacks, Herman S. - Division of Bendix Aviation Corp., Baltimore 4, Maryland
Sayler, W. E. - Nash-Kelvinator Corporation, Detroit, Michigan
Schermerhorn, Harvey - Wisconsin Electric Cooperative, Iola, Wisconsin
Scholnik, E. H. - Co-Op Power Mag., Ithaca, New York
Scoltock, John H. - REA, Washington, D. C.
Seder, Merlin L. - c/o Country Gentleman, Chicago, Illinois
Shattuck, H. H. - Coast Electric Power Association, Bay St. Louis, Mississippi
Shaw, V. B. - Wood County Electric Cooperative, Quitman, Texas
Small, O. C. - National Electrical Manufacturers Association
Smith, Albert W. - Ebasco Services Inc., New York 6, New York
Smith, Howard C. - Smith-Gates Corporation, Plainville, Connecticut
Smith, Jack - National Rural Electric Cooperative Association, Washington, D. C.
Smith, J. K. - Kentucky Rural Electric Cooperative Corp., Louisville 6, Kentucky
Snyder, Louis M. - Whirlpool Corporation, St. Joseph, Michigan
Solomen, Maurice S. - Tri-County Electric Cooperative Assn., Lancaster, Missouri
Stanford, John E. - Kentucky Rural Electric Coop. Corp., Louisville 6, Kentucky
Strohm, John - Country Gentleman, Philadelphia, Pennsylvania
Strong, Fred H. - REA, Washington 25, D. C.
Stuckey, W. E. - Ohio Rural Electric Coop., Columbus 14, Ohio
Sullivan, James F. - Wisconsin Electric Cooperative, Madison 5, Wisconsin
Sullivan, John A. - General Mills, Inc., Minneapolis 1, Minnesota

Thomasson, Lynn - C & L Electric Coop., Star City, Arkansas
Travis, Homer - Nash-Kelvinator, Detroit, Michigan
Trisler, George E. - The Deming Company, Salem, Ohio

Van Meter, Dwight - N. W. Ayer and Son, Inc., New York, New York
Vennard, Edwin - Middle West Service Company, Chicago, Illinois

Wagoner, George - Nash-Kelvinator, Detroit, Michigan
Wallace, R. C. - Zenith Radio Corporation, Chicago, Illinois
Watson, H. H. - General Electric Company, Bridgeport 2, Connecticut
Weber, Howard H. - U. S. Rubber Company, New York, New York
West, J. R. - Graybar Electric Company, Washington, D. C.
White, R. J. - Philco Corporation, Philadelphia 34, Pennsylvania
Williams, R. E. - Wisconsin-Michigan Power Company, Appleton, Wisconsin
Winsborough, R. M. - Middle West Service Company, Chicago, Illinois
Winters, Elva - REA, Washington 25, D. C.
Wisdom, Wm. H. - Iowa Rural Elec. Cooperative Association, Des Moines 9, Iowa
Wotring, E. H. - Oklahoma Statewide Elec. Coop., Inc., Oklahoma City 5, Oklahoma

Young, Ralston B. - Missouri State Association, Jefferson City, Missouri

Zink, Frank J. - Crop Dryer Manufacturers Association, Chicago, Illinois