

ELKIN SHOE COMPANY

ELKIN, N. C.

Sheet #1.

February 2, 1928.

TRANSCRIPT OF SALESMEN'S MEETING OF JANUARY 30, 1928.

Roll Call.

W. T. Stephenson:

Gentlemen: This is the third semi-annual salesmen's meeting we have had on Elkin Shoes as they are now constituted. It has always been my experience that I could look back over my work from time to time and see things I should have done that I didn't and a great many things I did that I shouldn't. But on a whole, as you look at the line of shoes we have on the table and in racks, our work has not been entirely useless. A year ago our line consisted of five or six styles made in this factory. Thirty-six to seventy-two pairs a day were about all we could produce, and they were crude shoes. Today our shoemaking has improved, thanks to Mr. Neaves, to me in a wonderful way, and we are planning some additional refinements that will put us into better class stores and they will be better grade shoes than we have ever made.

Be thorough at this meeting as well as in everything you do. Last season the men were in such a hurry to get away they forgot everything but their expense check. You will not receive your expenses for this trip here except from me and there will be no use trying to pack your line and get out of town until we go through it.

Mr. Dunham, Mr. Devine and Mr. Wilhoit are not here because of the distance they had to come. Mr. Guy was here several days ago.

If you have any old samples of Elkin or Western shoes at your home, left in stores or hotels, send them in; we want to sell them and get the money out of them. We have a great deal of loss not being able to match samples - an expense we should not have.

You gentlemen are our guests and we want you to feel free to ask everybody in this factory for help, but no one is going to do your work. We have had men come here and not being able to understand have asked these things to be done for them, with the result that when they got on the road they did not have the knowledge of the shoes they would have had if they had done the work themselves.

Do not smoke in the factory.

I would like to have a talk with each man on Western Shoes. Some men do not sell enough Western Shoes to justify the loss on the samples and we do not want these men to carry these shoes. The only reason we have them in the line is to be helpful. Analyze yourself and your territory and if you think you cannot sell them, give them up voluntarily. We do not want to take them away from you.

At our last meeting we had a man with us by the name of Joe Bell. He made a talk emphasizing the necessity of smiling through difficulty. I immediately thought he was having trouble and I asked him before he got out of town. He told me there was nothing wrong only he was not selling enough shoes. I found out later that he was having hemorrhages and he is now in a Sanatorium in El Paso, Texas. I would like to have a motion to send Mr. Bell a telegram. (Moved and seconded and the following night letter was sent: "The officers and salesmen of our company in conference today send their love and encouragement. We remember your remarks of last season to smile through difficulty.")

(continued)

ELKIN SHOE COMPANY

TRANSCRIPT OF SALESMEN'S MEETING OF JANUARY 30, 1928.

Sheet #2.

February 2, 1928.

and we hope and believe you will do this and soon be your happy, healthy, normal self.")

I am reminded of the story of an Alabama Coon who when the war started enlisted and was sent to France with about the first company. Armistice Day came and he was very happy. Going to the Sergeant he said: "I enlisted for three years or the duration of the war; the war is over and I want to go home." To which the Sergeant replied: "The war is over but the duration has just begun."

The duration has just begun with us. We have tried very hard to produce here an article that could be marketed at a profit. We are not interested in any business that is not successful and makes money. There are two troubles that we have and we want to impress them upon you. First, salesmen's costs; second, credits. The cost of selling these shoes is out of all proportion to the value of the work you are doing. You gentlemen receive each week a weekly letter which shows you the number of dozens that have been sold in accepted orders. I know we have a good salesforce and men on this force that can sell a lot of shoes; but if you compare the figures in dozens with the sales of average men, we suffer badly by comparison. This must be remedied. There is no other way we can continue unless it is and it is up to you gentlemen to do it. If we have not helped you as we should, in merchandising, quality, shoemaking, style or delivery, it is your place to kick; if we are doing that it is our place to kick. These shoes are going to be sold at figures and if we cannot sell them at figures we will not continue salesmen.

There has been a changing condition going on in the past few years, particularly since the war, that is eliminating the weak, poor-paying merchant. He is gradually getting out of business. We do not want that business - we do not want it in our books. We cannot employ stenographers to write collection letters to them. If merchants do not pay their bills they cannot get any more goods from us. We are going to have a gentleman from Winston-Salem who has been successful with the Hanes Hosiery Mills, to handle our credits. We will not sell a merchant when he owes a bill that is due.

We have had men in this company who have come into this office criticising practically everything we have done and praising the shoes to me. Gentlemen, this is not the way we do business! We like to have criticism and we like to make it. Please be outspoken. If we are wrong, tell us so; if you are wrong we will tell you so, and until you tell us we will assume we are right.

To me the Elkin Shoe Company is a big family, but not as big as it will be. I like it, like the people in it, like the salesforce, like the whole thing; but we cannot be successful unless we make money, and we like the money, too. Please, gentlemen, in the work you do, do everything possible to help us make money as well as to make money for yourself and customer.

It is a funny thing to analyze an expense account. You can look at it and tell whether a man is saving his money or not. If a man sends a detailed, well arranged expense account, it is a hundred to one chances that that man is saving his own money. I am going to suggest that you save your money, because you should. You cannot be successful in this world unless you have money.

Mr. Thurmond Chatham is sick and I am introducing to you Mr. J. G. Hanes.

ELKIN SHOE COMPANY

TRANSCRIPT OF SALESMEN'S MEETING OF JANUARY 30, 1928.

Sheet #3.

February 2, 1928.

Mr. J. G. Hanes:

There is nothing left for me to say; Mr. Stephenson has covered the territory. Mr. Chatham asked me last night to say to you that he was sorry he could not be here. He felt like he was falling down on the job, but he was not able to come.

Last year when Mr. Stephenson made the mistake of calling on me to say something, I said that any manufacturing plant should have these well organized departments. It should have a manufacturing department, an office department (accounting and financing), and a sales department. I think I also stated that no plant could be 100% successful without these three departments functioning.

To my mind, the manufacturing part of this plant is functioning and will function well. I believe it will improve. I think the office department of this plant has worked very satisfactorily in some respects and in others not. I am absolutely confident that we shipped people we should not have shipped and have bills owing that should not be owing to this company. I think in that department in this year we are now going into, we are going to improve. We have talked this over very seriously in the last thirty days and have had several conferences. We are going to try to make this department come through. If the office department and the sales department (and I say this, gentlemen, with absolute sincerity and with no desire to hurt anyones feelings) had functioned properly, this company would have made a small profit last year. This company showed a loss in that we paid too much for the "sins of omission" in our office and we paid too much for selling our shoes.

Last summer at Roaring Gap, I was talking to the head of Craddock-Terry Company. He knows our line better than I thought he did and I was pleased to know we had commanded that much attention. He told me that five or six good men could sell all the shoes we could make. I do not know whether he was leading me on or misleading, but I do not believe he would have made the statement if he had not been reasonably sure it could be done. That comes back to the same point we must stress. You must sell the shoes, sell them at a profit to yourself and at a figure we can show a profit. We have been through what should be our hardest year. We have established ourselves and the coming year you and this company should make money. If we do not it is going to be all of our faults. We are going to see from this end that it is not ours, and we hope you will see from your end that it isn't yours. It is not a thing you can play with or take as a joke - it is serious business. We have a considerable amount of money - more than that we have our pride and our reputation at stake. If this company fails, inasmuch as you are connected with it you will bear a part of that failure, and we will bear it; and we have made up our minds we are not going to make a failure.

We cannot get along if we are not criticised. We can take a lot of it, have done it, and want to do it. We want everybody who is seriously interested to say what he has to say. We are not going to accept a failure and we are not going to keep in this organization any man or woman who is willing to accept a failure. We are going to demand that every man who draws a salary from this firm - high, low, big or little - make a success. I can say that because I am not drawing a salary. We are going to be hardboiled and ask you as a man and as a woman to produce.

ELKIN SHOE COMPANY

TRANSCRIPT OF SALESMEN'S MEETING OF JANUARY 30, 1928.

Sheet #4.

February 2, 1928.

W.T.S.:

Sometime ago Mr. Chatham said: "I do not know how you feel, but I am going to express myself right now. I am in favor of selling Elkin Shoes at the lowest cost price we had in any inventory period of 1927, and we will depend upon our increased production and reduced overhead for what profit we expect to make."

We have with us a gentleman who has never been connected with anyone except Mr. Hanes. I am introducing and recommending to you Mr. R. B. Crawford.

Mr. R. B. Crawford:

As Mr. Stephenson just said, I am a new man in the shoe business. I have been connected with Mr. Hanes in the hosiery business in Winston-Salem seems like about all of my life. I can truly say that next to shoes I like hose best. My job is going to be up here at Elkin to watch credits of the customers that you men sell and although I do not know anything much about the shoe business I have done a good deal of work along the credit line. I want to warn you right now that if you sell a man who is not well rated, you need not expect me to ship the order, because as Mr. Hanes said and as Mr. Stephenson emphasized, a plant cannot run with a lot of bad debts on the books, nor can it run when a man's credit is too slow. We have got to have our turnover so we can produce shoes and produce them economically and so we can sell them at a figure that the customer can sell them and make a profit, and we have got to have something out of it ourselves.

I hope to get better acquainted with all of you as time goes on. We must work together, must stand together, must put our shoulders behind this thing during 1928 and see if we cannot make out of it a shoe company that we will all be more than proud to say we worked for. And we must develop our line of shoes. I am sure with Mr. Stephenson's ideas and wide experience that this can be done; and if you men go out and really work and get behind this proposition as it is a matter of life or death, this thing can be carried across with flying colors.

One thing that impressed me as I walked around was the idle floor space. Mr. Neaves tells me we could produce about four times as many shoes in this plant as we are now producing. What does this mean? It means you have got to sell enough shoes to justify increasing our production in this plant. You see what is before you and something of the idea of the goal which we are trying to reach. It is going to be up to the sales organization to make that possible. I believe you can do it and I am going to work with you men. I know we can do it; we are going to do it, that is all there is to it!

As I said, I hope to see a lot of you all in the future, know you personally, become good friends and work together in such a manner that it will be a credit to all of us.

ELKIN SHOE COMPANY

TRANSCRIPT OF SALESMEN'S MEETING OF JANUARY 30, 1928.

Sheet #5.

February 2, 1928.

W.T.S.:

In addition to the improvements and refinements we are contemplating putting into these shoes at this time, we are going to have, in fact we now have, a gentleman who left here this week to sell shoes from Boston to Chicago, Chicago to Cincinnati and New York. That man is now selling all the product of a factory in New England manufacturing 700 pairs a day. This man is going to critical, high-grade trade - nothing but what we call the "big shooters", and we are going to make these shoes (and we don't mean "maybe") with the refinements enough so they will go in these stores and stay there.

Once in a while a man is proud of a thing he recommends and I have had an increasing pride in the superintendent of this factory. Not only am I proud of his work, but I am proud of him as a man.

Mr. Fred Neaves:

I do not know what to say. Would like to say this, though, that we fellows here in the factory are going to do everything we can to help you; and anything you want to know while you are here, we will be glad for you to ask us and we will be glad to tell you. From time to time you can write us about different things you want to know and we will be glad to give you an answer. I feel that all of you are going to sell more shoes than you have been selling and I know the shoes you sell will be better than the shoes that went out of this factory in 1927. If your customers have shoes of ours that are not good, we will be glad for you to let us know and tell us the things that are wrong with them.

Mr. Maguire:

I have been with this company a good length of time. I have seen several difficulties here. This is the first time in my experience here that I have ever seen a line of shoes that looks like it will sell.

You gentlemen said you wanted whatever criticism there was in this meeting and not in the office. I am here willing to state to you that shoes like that will sell. There is no question in my mind as to that. They will sell in my territory and they will sell in this Piedmont section of North Carolina. I trust that all of you men know more about shoes than I do and if you do you know this statement is a fact. You know what we had to sell. We did well with what we had to sell. These shoes have improved more than 100% and I think we can triple the business we have had.

There is no reason to me why this factory cannot succeed and if there is anything I would be willing to pray for, if it is not sinful, I would pray for it to succeed and I would love dearly to be here when she went over the top.

Mr. Lucas:

I am like Mr. Neaves, I can't talk. I am mighty glad to be here and am always glad to hear Mr. Stephenson. Glad to hear Mr. Hanes and Mr. Crawford talking about getting down to brass tacks.

ELKIN SHOE COMPANY

TRANSCRIPT OF SALESMEN'S MEETING OF JANUARY 30, 1928.

Sheet #6.

February 2, 1928.

W.T.S.:

Tom Lucas took a territory with no business and is within a few dollars of the top. He sold more loyalty shoes than any man on our force.

Mr. P. F. Dunham of Oklahoma and Arkansas, who is absent, sent \$3,000.00 worth of business last week. He is a big man and always has been a big man.

Mr. Cooke:

I am mighty glad to be connected with the Elkin Shoe Company. I do not think I have ever enjoyed working with people - the sales-force, the office, the factory, like I have these people. I want to say that the line is more than 100%, if there is such a thing, improved over last season, and anyone who cannot sell these shoes --- I would like to have the territory.

Mr. D. T. Jennings:

I did not come prepared to make a speech and if I had I could not make it. But I will say that I appreciate the co-operation of every member of the Elkin Shoe Company and I will try to sell Elkin Shoes in Alabama.

Mr. Hudspeth:

I took Mr. Stephenson to be a right intelligent man up until about sixty days ago when he came out in the factory, took me by the arm, turned me around five or six times and said, "Can you go to eastern North Carolina and sell shoes." I said, "I'm ready to go."

Mr. Simpson:

Gentlemen, this is the first visit I have made to the Elkin factory. I have been connected in Saint Louis a good many years and have been in the shoe business twenty years. I was very much surprised yesterday when I went through your plant. It is as modern as you will find in any of the shoe centers of the West. I was surprised to see so much space in the factory.

Living in North Carolina, I am naturally interested in Elkin Shoes, and when I see Elkin Shoes I always look at them. I have never heard but one criticism and that is that the trimmings are a little rough. I saw the shoes on the racks as they were coming through and I can say these shoes are easily 100% better in the finishes, and when it comes to ladies' shoes the finish is the big thing. Of course, the fit counts a great deal, but if they are ragged around the edges they are not the shoes the merchant wants.

ELKIN SHOE COMPANY

TRANSCRIPT OF SALESMEN'S MEETING OF JANUARY 30, 1928.

Sheet #7.

February 2, 1928.

Mr. W. P. Jennings:

I was with Hamilton-Brown Shoe Company four years, from their Saint Louis office, and later my territory was transferred to their Boston department because of freight service. I was with the Boston organization about fifteen years and with the exception of two years did lead their salesforce, and I would be with them now but they trimmed my territory until they finally trimmed me out. I feel more at home today than I have felt since I left Hamilton-Brown, and I will put my shoulder to the wheel and do my part.

Mr. J. G. Hanes:

I am extremely anxious to have everybody understand, and Mr. Crawford will understand because in our plant we criticise but are always good friends. I want to impress upon this gathering before we go any further that this plant needs a lot of criticising. Unless you come back at Fred with the criticism of your customer, Fred is not going to show the improvement he should show. We do not want you to get your feelings hurt if we turn down some of your customers. We have been running some twenty years. Some of our best accounts we have limited to \$500.00, \$800.00, \$1,000.00 of \$1,500.00. Although those accounts are good, that is our limit. We do business and are just as friendly with these customers as we are with the ones to whom we extend an unlimited credit.

We want your co-operation and we want your criticism.

PROMISES ON STOCK #104.

T. T. Lucas	10 doz.
W. P. Jennings	5 "
S. O. Maguire	10 "
F. C. Gardner	5 "
J. W. Bridges	5 "
E. G. Cooke	5 "

Change quarter pattern on #160 to quarter pattern of #703. Order new samples of #160.

Will decide later about #406 - light colored Marvel.

Order applique stock for #506, Black Patent Marvel.

E. G. Cooke, S. O. Maguire, T.T. Lucas and W. P. Jennings will sell #503.

Mr. Lucas, Mr. Hudspeth and Mr. Maguire will sell balance of #700, price \$2.65.

Price of #708 - Black Patent One-strap, Cutout Quarter, 50 last \$2.60.

Price of #800 - Black Patent One-strap, Black and White Toyo

Underlay, 50 last----- \$2.90.

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Sheet #8.

February 2, 1928.

MAKE SAMPLES OF THE FOLLOWING:

White Kid Plain One-Strap Sandal, #104 pattern, Covered heel, 50 last-----	\$3.35
White Kid Marvel Tie, Covered heel, 50 last-----	\$3.35
No. 104 Seminole Calf WEETA Sandal, Blue Kid Waist, Blue Underlay, Seminole Calf covered heel-----	\$3.35
Red Kid WEETA Sandal, Cutout vamp and quarter, Covered heel--	\$3.00
Green Kid WEETA Sandal, Fancy Stitching on Vamp and Quarter, no cutouts, Covered heel-----	\$3.00
Blue Kid WEETA Sandal, Fancy Stitching on Vamp and Quarter, no cutouts, Covered heel-----	\$3.00

---ELKIN SHOE COMPANY---

STOCK INVENTORY

February 2, 1928.

Stock No.	Description	Width	Sizes	In. Stock	Shipping Date	Price
100	One strap Kid	E	Reg.	Plenty		\$1.50
100	" " "	E	9-10	"		1.75
101	Black Kid Comfort Oxford	E	Reg.	"		1.60
101	" " " "	E	9-10	"		1.85
102	Black Kid Comfort Oxford	EE	Reg.	"		1.60
102	" " " "	EE	9-10	"		1.85
104	One strap Patent	E	Reg.	"		1.80
105	Black Kid Side Gore Step-in	E	Reg.	"		1.90
105	" " " "	E	9-10		Feb. 20	2.15
106	One strap Patent Split	D	Reg.	"		1.67 1/2
150	Two strap Kid	D	Reg.	"		1.85
160	One strap Patent, Perforated Vamp	D	Reg.	"		2.00
160	" " " "	D	9-10		Feb. 20	2.25
200	One strap Patent, #10 Paisley Appli.	D	Reg.	"		2.10
201	One strap Patent, #10 Paisley Appli.	D	Reg.	"		2.10
202	Two strap Patent	D	Reg.	"		1.82 1/2
203	One strap Patent, Blk. & White Appli.	D	Reg.	"		2.10
204	One strap Kid, Perforated Vamp	D	Reg.	"		2.00
204	One " " " "	D	9-10		Feb. 20	2.25
301	Black Kid High Top	E	Reg.	"		2.25
301	" " " "	E	9-10		Feb. 25	2.50
302	Black Kid High Top	EE	Reg.	"		2.25
302	" " " "	EE	9-10		Feb. 25	2.50
401	Black Patent Cutout Sandal	C	Reg.	"		2.25
402	Black Patent Sandal, Blk. & White Underlay	C	Reg.	"		2.25
404	One strap Patent, Cutout Quarter	C	Reg.	"		2.25
405	One strap, Hiawatha Kips, Cutout qtr.	C	Reg.	"		2.25
460	Black Calfskin Oxford, Perforated	C	Reg.	"		2.40
462	Black Patent Oxford, Perforated	C	Reg.	"		2.40
470	Black Calfskin Ox. Patent Overlay	C	Reg.	"		2.40
471	Black Patent Ox., Calfskin Overlay	C	Reg.	"		2.40
503	Black Patent Step-in, Buckle	C	Reg.	"		2.25
504	Black Kid Gore Step-in	B, C, D	Reg.	"		2.35
505	One strap Patent, Bronze appli.	C	Reg.	"		2.25
506	Black Patent Tie, Seaboard Lea. Appli.	C	Reg.		Mar. 1	2.25
512	Two button Kid, Lattice Front	B, C, D	Reg.	"		2.40
512	" " " "	C	9-10	"		2.65
513	Two button Patent, Lattice Front	B, C, D	Reg.	"		2.50
513	" " " "	C	9-10		Feb. 25	2.75
514	Black Patent Gore Step-in	B, C, D	Reg.	"		2.35
520	Black Kid Tie, Cutout	B, C, D	Reg.	"		2.75
521	Black Patent Tie, Cutout	B, C, D	Reg.	"		2.75
522	Brown Kid Tie, Cutout	B, C, D	Reg.	"		2.85
701	Black Patent Oxford	C	Reg.	"		2.85
702	Black Patent Pump	C	Reg.	"		2.40
703	One strap Patent	C	Reg.	"		2.50
706	Black Kid Tie, Cutout	C	Reg.		Mar. 1	2.60
707	Black Patent Tie, Cutout	C	Reg.		Feb. 20	2.60
708	One strap Patent, Cutout quarter	C	Reg.		Mar. 1	2.60
709	Black Patent Cutout Sandal	C	Reg.	Will advise later		