

It will be many years before  
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practical. Nevertheless  
Picturephone service is  
already showing a potential  
as a business aid.





## Business Experiments with PICTUREPHONE\* Service

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■ JUNE 24 of this year marked the first anniversary of the date on which Picturephone see-while-you-talk service was initially offered commercially between New York, Chicago and Wash-

*In Picturephone service experiment, representatives of drug firm demonstrate preparation of antibiotic for intravenous injection. The view as seen on the remote Picturephone screen is reproduced above.*

\*Service mark of the Bell System.

ington, D. C. During this first year this new service was used experimentally for the most part and there has not been time to explore many of its potentials. Nevertheless, it is already showing that it has possibilities as an important new business tool.

During the year some imaginative businessmen in varied fields explored the possibilities of this new service by using Picturephone calls in place of traditional methods of merchandising, for interview-

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ing personnel, initiating product promotions, holding sales conferences and staff meetings, and other company functions. The consensus among these early users is that the effective use of this personal communications service can mean time and money saved.

One of the earliest users of Picturephone service, and the first to benefit from its potential as a sales tool, was Tom Slater, sales manager for the Benay-Albee Novelty Company, New York. He initially thought that the see-while-you-talk phone service might aid his novelty hat business as a promotional asset to keep his company's name prominent in the mind of a buyer. Having seen Picturephone service in operation at the World's Fair, Slater decided to unveil his new line of children's play hats in a call from New York's Picturephone calling center to Henry Mertins, executive toy buyer for S. S. Kresge Company, at the Picturephone calling center in Chicago. As the call progressed, Slater launched a serious presentation and received an \$18,000 order for two lines of novelty hats. "The hook-up was as effective as if I had made the presentation in person," says Slater.

Benay-Albee trade advertising has invited other buyers to contact Slater for similar calls to review merchandise. Explaining the purpose behind the program, Slater says that calls to the Chicago and Washington Picturephone calling centers should enable him to increase his coverage by up to 25 per cent and make more effective use of his time. For example, he was able to make a tour of purchasing agents that he says would not have been possible if he had spent two-and-a-half days in Chicago instead of making the Picturephone call.

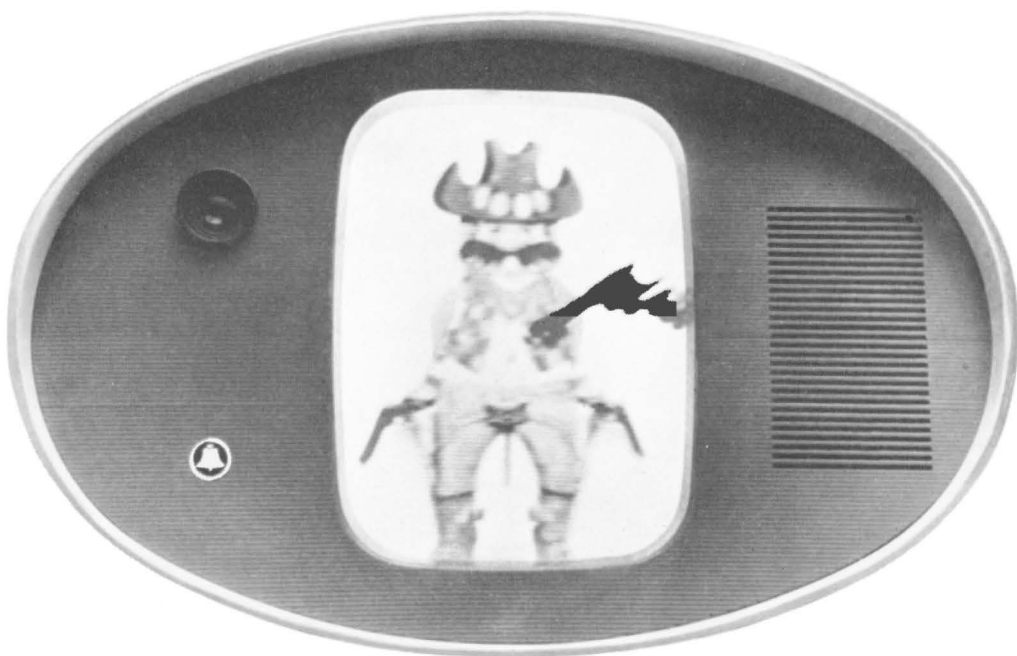
■ As part of this trend, several other firms have developed effective business applications for Picturephone service since Slater's original sales call. Companies such as Transogram, Henry Pollak, Inc., and Hat Corporation of America have tested Picturephone service as a selling tool within their respective fields.

Transogram Company, Inc., one of the nation's leading toy manufacturers, added a new dimension to toy merchandising by using the two-way visual telephone service to review part of its product line with a major buyer, Montgomery Ward, in Chicago.

Explaining the purpose for the call, Charles S. Raizen Sr., chairman of the board, says that they decided to use Picturephone service because it afforded an opportunity to show and demonstrate certain leading items, providing a valuable visual reference for their conversation. Transogram's call via Picturephone facilities produced a 400 per cent increase in the order of one item and a 300 per cent increase in another.

■ A series of Picturephone sales calls were initiated by Henry Pollak, Inc., New York importer and supply firm, and Olympic Accessories Corporation, a Pollak subsidiary.

Marking the first call of its kind in the ready-to-wear women's fashion industry, Henry Pollak, president, used the Bell System's Picturephone service in a pioneering technique to merchandise a new line of women's sweaters. "We needed a fast way to show our newly imported line of sweaters," comments Pollak, "and decided to experiment with a sales conference via Picturephone transmission. It enabled us to show the sweaters with the aid of a model, make the sale, and immediately air-ship the goods," adds Pollak, "so that (the store) could begin selling the following day. This ability to visually show new merchandise by phone, saving the usual time and cost involved,



*Toy manufacturer used Picturephone service to demonstrate line of toys to a buyer. The result: 400 per cent increase in order of one item; 300 per cent increase in another. Top, the demonstration under way. Above, toy as it appeared on Picturephone screen.*

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*Ad agency team demonstrates handling of TV commercial for TV station executives.*



*Artist in New York shows painting to representatives of National Geographic Society at the Washington D.C. Picturephone Center.*

appears to offer many benefits in accelerated merchandising."

Olympic Accessories Corporation capitalized on the experience gained by Pollak and expanded the firm's "Picturephone Sales Conference Technique" method of merchandising through a



*Above, a new hair styling service was inaugurated between New York and Washington.*

planned series of calls to promote its line of ladies' handbags to buyers. "By using the visual telephone, we were able to show our product line from the New York Picturephone center, discuss the handbag features and create the same buying interest as in a personal sales visit," says Sam Schiff, the Olympic corporation's sales manager.

"Our first series of three Picturephone calls were to buyers in the Washington area," he reports. "Although the primary purpose of this particular campaign was just to offer buyers a sneak preview of our line before the industry's market show in New York, we received immediate advance orders." Olympic Accessories Corporation's program marks the first planned program of Picturephone calls by a single firm.

■ The possible uses for Picturephone service seem to be almost unlimited and the list of applications is lengthening through the influence of creative thinking. Creativity immediately pinpoints the advertising and graphics industry, a business where the visual telephone's benefits are compounded.

N. W. Ayer & Son, Inc., first in the advertising agency field to experiment

with Picturephone service, sees "many potential applications in the agency business—to say nothing of other service businesses," according to Jerry N. Jordan, vice president and assistant to the president. Ayer conducted a series of test transmissions via Picturephone facilities including projection of both the live demonstration and film portion of a combination commercial to executives of WTTG-TV in Washington, D. C.

From the Picturephone calling center in New York, Ayer people demonstrated the desired manner in which the commercial should be handled, explained the assembly of a display, action of a puppet, and the switch to an accompanying 60-second spot film. Since a performer generally has contact with the agency and client through correspondence or actual commercial copy only, Picturephone service opens the door of an entire new means of communications. It makes it possible for the performer to be in direct contact with the people who conceived the spot and be shown exactly how they want it done, assuring proper presentation of the product.

WTTG's general manager and vice president, Lawrence Fraiberg, sees a number of uses for Picturephone service. "I envision the time when a program presentation to an agency can be made by Picturephone service, when a commercial idea can be transmitted to a client or agency, and when TV stations also can communicate with each other through this service."

From the agency standpoint, Jordan terms Picturephone service "a dramatic advance in communications for which we, at Ayer, see many potential applications. While there is no substitute for direct personal contact in our business," Jordan says, "Picturephone calls are the closest thing to it that has been developed and as demonstrated in our experiments, a truly superior means of communications."

Other recent tests by Ayer show potential usefulness for the new communi-

cations medium in transmitting art layouts, graphic material, packaging designs, sales presentations and new product introductions.

■ Picturephone service was used in another recent graphics transmission when a painting was unveiled in New York to an audience in Washington, D. C. The event marked a first for artists, as representatives of the National Geographic Society at the Picturephone center in Washington were able to view a painting of General Lee's surrender to General Grant transmitted from the center in New York. On hand in Washington to view the painting was Major General U. S. Grant 3rd, Retired, grandson of the famous Civil War general, who supplied much of the information for the painting's detail and accuracy.



*Two views on the Picturephone screen. Hair stylist at work . . .*



*. . . view of puppet for TV commercial displayed for TV station by ad agency.*





*Picturephone service being used to merchandise a new line of women's sweaters. Importer was able to show sweaters being modeled, make sale, immediately air ship the merchandise.*

Commenting on the call, Andrew Poggenpohl, art editor for the Society, says that seeing the painting via Picturephone service "enabled us to get an overall impression while discussing detail in a

face-to-face conversation with the artist, Tom Lovell." After the unveiling, the painting was forwarded to the National Geographic Society for closer inspection and evaluation.

■ Another valuable business application for Picturephone service has been its use for interviewing prospective employees. Milton R. Stohl, marketing vice president of Mystik Tape, Inc., Chicago, hired a New York job applicant as district manager for the Boston area after a 20-minute interview via Picturephone service, terming the call "more than worth it, because of time and money saved." Picturephone service is credited with doing the job for one-third the cost while saving valuable executive time.

Personnel Laboratory, Inc., also used Picturephone service as a means of interviewing job applicants. The firm made a call from New York to Washington, D. C. "For preliminary screening, Picturephone service is a new tool that forward-looking personnel people will welcome," says James H. Pierson, consultant. He feels that companies will be hiring better people with the use of Picturephone calling, since they can canvass the field more thoroughly than is usually feasible.

■ Perhaps the most unusual business for Picturephone service that has yet been developed is the new "Hair Styling Consultant Service" being offered by John Fonda, nationally known New York hair stylist. His service was inaugurated to enable women in Washington and Chicago to call him via Picturephone service for consultation on their hair problems. As part of the consultation service, Mr. Fonda designs an individualistic hair style for them and sends a geometric diagram which enables a local beauty salon to re-create the coiffure.

The potential of Picturephone service seems to be stimulating considerable interest among nearly every phase of business operations. In another recent Picturephone call, the president of a large Chicago bank called a bank official in New York to discuss security transactions and new building construction. In this instance, the desire for a face-to-face conference prompted the call.

Several other business calls placed

over the tri-city network include a conference by two airline executives to discuss developments in the fields of communications, bookings and transportation; a person-to-person taped interview of Broadway producer-director Herman Shumlin by Chicago TV-radio personality Sig Sackowicz; a New York builder to show three model homes to an official of the American Association of Home Builders in Washington, D. C.; a staff sales conference by Chicago and New York executives of the Stanley Home Products Corporation.

And, perhaps as a sign of the future, a product trial of Picturephone service began July 7 in the Chicago and New York headquarters buildings of the Union Carbide Corporation. About 35 Union Carbide employees are participating in the trial and have Picturephone sets installed on their desks. They can communicate with other Picturephone set users in their own organization; between the Union Carbide offices in New York and Chicago; and with the Picturephone calling centers in New York, Chicago and Washington.

The trial, which will extend over several months, gives Union Carbide employees the use of this new telephone service under nearly normal office conditions and enables them to determine its value to them in their daily activities. At the same time, Bell Laboratories and the New York and Illinois Bell Telephone Companies which are conducting the trial will be able to analyze Picturephone hardware and the ways in which customers use the service to get some reactions to its utility, application and design.

J. E. Currens, president of Union Carbide's Realty Division, said the company was participating in the Picturephone service trial "as part of its continuing effort to speed and improve communications for the purpose of increasing operational efficiency. Also, as a research-oriented company, we are pleased to test new products and advances in technology."