

April 7, 1958 Monday, a sunny dull bright day and written by a not too dull bright person.

Well, I've eaten an early dinner (5:30 PM) and am taking the evening off to write you my 1st detailed letter since I left Japan. I must have ended my last letter on the subject of folk art calendars by Serizawa. I still feel that we have a good thing and that we should not destroy the item, but exploit it to the limit.

After discussing many things concerning the Serizawa-Takahashi combine and its future relationship businesswise, we both left for Ogikubo where there is a Takami type store called IZUMITEN which I thot was more active than the Nishi-Ginza Takami. Upon arrival, I saw that the stock was rather run down and sadly in need of replenishment from the hinterlands. I immediately felt that business conditions here in Japan expecially dependent in no little ways on the US occupation personnel must have turned for the worse. Now that many Americans have been recalled back to the States, there must have been a considerable drop in sales. I left after having tea with the owner stating that I would be back after my Kansai trip in about a month. He more or less said that he would have new stock in by then. If so, I would like to purchase a few items from him for our retail store. However, he did mention, that he sold to Honnami last Spring when he was here on a buying trip. I believe Pacific Mutual Supply does the buying and shipping for Honnami, ever since many years back when Mr. Moriaki first came to San Francisco. (Brother-in-law of Jojo)

Mr. Sugihara and I then returned to the city where we parted, I for the hotel and he to Kamata. That evening I went to Maruhiro who makes my starlights and was shown new samples. It was there that I first felt the virus "stomach-achus" creeping into my system. I had coffee and cakes. As far as I know, I had eaten much earlier in the day (around noon) and had no cause for any internal trouble. However, after consuming the coffee and cake I felt some inner doubts. Nevertheless I managed through the two or three hour long discussion before going to dinner.

This was on the night of April 2nd. I believe that samples will be sent to you immediately. I saw a few and I felt that something would be done this Xmas. There was a 5-inch disk-star cut out from foil (one side gold, other side silver) @ 32¢ dozen which appears like the spokes of a wheel. It looks interesting if hung vertically and horizontally. I suggested that these so-called "bursts" be packed in pliofilm bags, 8 to a pack. Under my suggestions and also with minor changes here and there I got the price DOWN FROM 32¢ doz to 22¢ dozen. HOW ABOUT THAT. I eliminated an intricate wire which was to be used for attacking the burst to the Xmas Tree or what-have-you, and also eliminated a pressed design motif which had required an extra process. We can probably purchase them for about 7 1/2¢ pack of 8 in vinyl bag, or 90¢ dozen bags. We should land them in SF for about \$1.15 dozen, or \$3.00 a doz., 6 dozen for \$2.70, and 1 gross for \$2.40. This should encourage more purchases. On second thought, perhaps we had better not gouge the public on this item for it is too easy to copy and produce. Prices should start at \$2.70 dozen, and work down proportionately to \$2.40 and \$2.00. We should try to profit from items which are hard to immitate.

✓ There were other samples and when you get them in San Francisco please appraise them quickly and report back to me. Maruhiro also had some candles made up into flowers which looked cute. Please see if they are already available in SF and at how much. Maybe we could sell some altho it certainly does not seem to fit into our line. Maybe Chinatown? At any rate, please report back as soon as you get the samples. In fact please report back when you get any samples, for I did not know what is being sent to you even tho they (suppliers) say they have sent samples. I can only tell when you report back to me. And also, I feel that if you don't appraise the samples immediately upon arrival, pressing business at hand will probably make you people at home forget about them completely. So do not fail, for time is important, especially while I am here to take care of details, if needed.

I have asked everyone to send me a ^{copy} ~~sample~~ of price lists sent to SF so that I will be aware of what is happening. If you have received the new price list on gold/silver 5" stars you will notice that prices have gone up slightly. Maruhiro said that he did not make any money last year on the item. Too bad. No holes in the small stars, either. Can't sell them to me, I was told. At least he is faithful and true to his word once he makes a promise.

After the long discussion we went to dinner. In the middle, just before the entree I grew gastly pale (so I was told) and had to dash for the you know where. And then I taxied home for a good night's rest and quiet.

On the next morning Mr Onishi was here bright and harly with a basket of fruit and a package of pills to soothe my stomach pains. Considerate fellow.

April 3rd, Thursday, I started the morning after Mr. Onishi left and after I wrote you a short note, a representative from Daiichi Shoji, Yokohama, our linen napkin maker, came to call

I was told that there was stock now available to make about 600 dozen of napkins immediately and that about 200 dozen minimum could be vat dyed per color. That means that we could have two other colors besides natural. I placed an order for 240 dozen 17 x 17 napkins, NATURAL, and asked them to make a sample apron for me and then we parted.

We made an appointment to meet again today, April 7. I saw them this morning and ordered in addition to 240 dozen NATURAL, 180 dozen AQUA, and 180 dozen LEMON YELLOW (as per samples brought courtesy J. Merkel). I hope this is agreeable with you folks. I decided that these colors should be able to sell during the summer season.

I was told that a new order placed today will ~~not~~ not be ready before June 1st. That means that we may lose a good selling season. I also felt that our present stock of colored napkins would hold out until June-July, with the exception of NATURAL. I do hope that our supply lasts until then or else I am sunk. However, I did tell them that I wanted gold and rust and dark green. Were my next three choices, along with the olive-khaki colored napkin (J. Merkel sample) I brought. Upon rereading above lines I know I am confused. I meant that I asked Daichi to make the above 4 colors first before going ahead with others in my new order placed today. I bought 4000 yards of 54" linen material ~~which~~ which should make a maximum of 2000 dozen napkins.

Out of this 4000 yards I plan to make some 54 x 54 table cloths and 12 x 18 place mats besides napkins. Of the first 1000 yards I plan to purchase the abovementioned colors of napkins. In summary: I ordered today---240 doz Natural; 180 doz Aqua; 180 doz Lemon Yellow; and 4000 yards of 54" linen material as had previously---exact quantity of napkins, table cloths and place mats and their respective colors to be determined at a later date---when I get my inventory from San Francisco. So please hurry with that inventory list, please. *sent*

I was told today that Hallie St. Mary did not do well with her ~~rayon~~ rayon napkins last year and have cancelled her orders. There are no more leaving Japan for Hallie. I wonder if Hallie knew anything about the duty rate for rayon goods before she purchased her rayon napkins? If not she must have figured her prices at the linen napkin rate which is only 12½% as compared with about 50%. Quite a difference, enough to shoot the price way above her estimations.

At noon I met Mr. Sugihara again and we had lunch together. He brought me samples of a scroll calendar, size about 18" wide by 26" long, Xmas cards, gift cards on string (tags?) and we discussed many aspects of this type merchandise. Mr. Sugihara also came Sunday and also today to show me samples etc. of Serizawa's new artwork. I will see him again tomorrow night to see more samples. The more we talk the more samples seem to appear. Postcards, desk sized calendars, also getting quotations on material to hang scrolls and calendars and wood-cut printing by printing presses, etc. I'm glad I'm here because such a project cannot be done through letters, I'm afraid. Not the first important probing beginning. After much discussion we finally came to some conclusion. Today I ordered:

✓ 1000 boxes of Christmas-Cards: 36 assorted designs (some chosen from SF) in a box @ 8¢ ea. A box of 36 @ 8¢ each with envelop is \$2.88 box, and should land in SF for not more than \$3.60 box, or 10¢ a card. We should be able to wholesale them for \$7.20 a box or 4 boxes (1 gross cards) for \$6.60 box, and 12 boxes for \$6.00 box (\$2 dozen eds).

1000 scroll calendars @ 55¢ each packed in paper box. This item will be worked out to our mutual satisfaction. This is the calendar that Jack sometimes mention and was shipped to SF thru Takumi but not more than 100 pieces at \$1 each. But at our price of 55¢ we should land SF at about 70¢ each. We ought to get \$1.25 each for purchases over a dozen and \$1.50 for under a dozen.

500 boxes of hang tags or gift tags about 2" square ~~folded~~ folded twice similar to ones we have had previously but did not sell. All will have string thru a little hole in a corner. They'll come packed a dozen in a small box or vinyl bag and at least 36 assorted designs in all. They'll come in 3 packs of 12 assorted so that a customer must purchase three separate packs to get one of each design. Each pack of 12 cards or tags will cost us FOB 16¢ pack. Landed SF price should be about 20¢ pack. We should be able to wholesale them for about \$6.00 dozen and 10% discount by the gross.

As you can probably surmise, I am trying to keep Serizawa's designs exclusive to ourselves so that we can popularize them throughout US and sell them without interference from anyone. In this way we should be very much alone---until a copycat comes along, like the Kyoto fellow. However, we should be very far ahead designwise. And that is why I feel that we can reduce the price of the regular calendars and try to make up with the other items we are bringing in from this year.

I have not given up the thought of bringing in cheaper cards, etc. I shall also have some cheaper wood-cut designs of Serizawa and other artists printed (by machine) for me, including

postcards, desk calendars, stationery, and cheaper Xmas cards. I do believe there is a very lucrative field here we should explore and exploit.

Talking about desk calendars, I am earnestly working on one now and am sending you a sample of one that is being made monthly for a merchant in Kansai who is sending them out every month. If agreeable, and I certainly am, we could have them made into wood-cut prints for us and we should sell them along with our regular calendars. We ought to make a full markup with this desk calendar to absorb the lesser markup of the larger one. I am getting a price soon at which time I can make a more detailed report.

On April 4th I met Suzusen Lacquer. I saw what samples he had but was not impressed. I did see a few cigaret boxes that could possibly sell in our store with Sansui scene. I may order a few. Size is $3\frac{1}{2}$ " x $7\frac{1}{2}$ " x $1\frac{1}{2}$ " (high) or slightly longer than our LCB in black and red--same style box. Without any design it costs FOB 85¢ each, and with Sansui it is \$1 each. The plain should land in SF for about \$1.05 and the Sansui at about \$1.20. Both might conceivably sell.

I discussed my lacquer lighters and that they too came from Aizu and I was promised that Suzuki of Suzusen would trace the maker and try to get the same color of white and red etc for me so that the cig. boxes would be lacquered to match our lighters. Also I suggested salt/pepper sets, coffee grinders, candle holders, etc. I don't know whether I will get any results but I am hoping for the best. Japanese people nod their heads and understand perfectly and then do not get the point. They also work very slowly, especially the makers we do business with--craftsmen. Suzuki then took me to another place where there were other samples--similar to woodpecker line. Very poor samples--Woodpecker much superior. More like Otagiri type quality--very warp prone and rust prone.

We then had lunch together and parted about 3 PM. I went to Tokyo Station to take a look at other exhibits of prefectures there. At the Okayama showroom I saw our G-19 mat in brown-black and green-brown @ ¥222 FOR Kobe or around 61¢ dozen FOR. I also saw the G-17 mat in the #14 pattern (brown-black checks).

How are the sales of mats going nowadays? Think I should go ahead with the G-16's? Should I wait and see?

That evening at 6 PM Tsunoda brought some samples for me to see. I ordered the cute little dancing dolls sent to us while I was still in SF. At that time we had suggested some boys as well and he brought two boys in han-ten which were pretty nice ~~but~~ so I ordered 300 dozen, 100 dozen of which will be shipped about May 15. PRICE IS \$1.10 a dozen. They will be packed a dozen dolls to a box, each box containing 2 each of 6 poses, 4 girls and 2 boys. We should wholesale them at \$3.60 dozen. Prices are remaining firm here in Japan and if freight rates continue to rise (thanks, Jim, for your list which is very handy) we must anticipate the rise and reflect it in our selling prices. From now on new items should be priced with allowances for possible freight increases.

Saturday, April 5 I went to the Kagawa Ken showroom and talked with Mr. Hirai concerning new designs. We had lunch and then we went to Maruzen where there is an exhibition of items selected by a Fairchild Publication reported as he was escorted through Japan just for this purpose. Please read back copies of Retailing Daily for his views. I am sending home all the newspapers I have bought to date so please read them carefully, Taji, as I know you will. His name is Sheldon Wesson, I think. His selections included our salad spoon and forks, and many of Aomine's designs. The rest of the exhibit was uninspiring, although the bamboo pieces from Beppu were superb, but too expensive for importation. I returned in the early afternoon, had a quick quiet supper and was just sitting in the lobby when in comes Roger Barber. We chatted and then I took him to dinner at Suyehiro, as I mentioned in the other letter.

Easter Sunday in the lobby early in the morning I met Kay Kuwada and his wife. We had coffee together. He said that Modern Foods and Pacific Mutual is thinking or is already in the process of merging. No wonder we saw Wes Oyama at the airport the day I left for Japan. In the afternoon Sugihara came and we discussed business. He also came today for business and will come tomorrow too for the same reason. Today I talked to the Daiichi linen people also, and the rest of the day is being spent writing this letter. It is now late in the evening. You know, writing this type of letter takes a long long time.

Enclosed samples of postcard sized calendar for looksee purposes only. Please send me the NORTHWEST AIRLINES DRAWING IMMEDIATELY. Serizawa will make a cut and send one right away. It is getting late. Best regards to the staff. Have read letters #1, #2, #3 carefully and will do everything as instructed and will report back later.

Planning to be in Kyoto on April 14th and will be back here at Daiichi April 25th.

KANSUI + M001

Wami