

May 12th KYOTO STATION HOTEL. (NOISY ROOM)

I was in Nagoya from May 8th 7 PM - to May 11th at 10:45 am and ran about quickly with John Motoguchi and met two chochin makers who sell generally to Kealer, Otziri, Pacific Orient, etc. so I must have met Japan's cheapest suppliers. So I have gravitated to the lowest priced makers and probably can't go much lower hereafter. I also was introduced to the cheapest lantern maker who supplies much of Pacific Coast + Orient so here again I must have met Japan's cheapest suppliers.

At this time I should mention that Nagoya suppliers have impressed me as being very eager business men who were after the volume dollar trade and were very coloured and cared not whether they sold the same item to the buyer who lived next door to their best customer. Evidently they are so big they can throw one customer against another and get away with it.

I did buy a few cheaper lanterns to augment our low end goods — for I do believe that the more we have in variety of cheap selling items the better off we will be during difficult selling seasons. I do believe that our customers will buy from us these same items even if they have been buying them from others — just like we have been doing in our retail store — from whomever it was most convenient at the time of purchase. And amount to something very gratifying.

All this prelude to indicate to you my thought which have motivated me in choosing what I have to date. And I have not plunged heavily in any item I had doubts — and what little I did buy of these items should be marked up as advertising or research — for we should be willing to gamble at least \$100 on anything. If we hit on several then we are money ahead.

I am afraid that we have not uncovered the type items we have had in mind — for it is a difficult task — and Japan has been fine-combed thoroughly these past years.

