CARL BYOIR: PUBLIC RELATIONS PIONEER

BY

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A thesis submitted in partial fulfillment of the
requirements for the degree of

MASTER OF ARTS
(Journalism)

at the

UNIVERSITY OF WISCONSIN

1968

APPROVED Scott M. Cutlip

DATE January 31, 1968

PREFACE

I undertook this study out of genuine desire to learn more about the early challenges inherent in the field of public relations through the study of the life and career of Carl Robert Byoir, a foremost pioneer of this still evolving craft.

A major source of research material for the study has been the Carl Byoir Papers in the New York office of the public relations firm, Carl Byoir and Associates, Inc. Unfortunately, but understandably, the client historical files of Carl Byoir and Associates, Inc., were not used in making this study. Also, time, distance, and the scope of the study precluded research in the transcripts of trial testimony in the Federal District Courts of Danville, Illinois, and Philadelphia, Pennsylvania. These data are necessary to make truly definitive judgments regarding the methods, motives, and ethics of Carl Byoir in his execution of two controversial client accounts: (1) The Great Atlantic and Pacific Tea Company (A&P), 1937-1957, and (2) The Eastern Railroad Presidents Conference, 1949-1957.

However, I believe sufficient information has been available for me to gain an adequate basis for the conclusions of this study.

It is my hope that some future student will supplement this study with a detailed examination of the trial transcripts, pertaining to Carl Byoir and these two corporate clients, which are in the files of the Federal Courts named above.

Too many people have assisted me in my research to permit singling them out for thanks. However, certain persons must be named because they are deserving of special recognition.

My first gratitude goes to George Hammond, Chairman of the Board of Carl Byoir and Associates. His generous contributions of his personal time, his suggestions, and his cooperation in my research concerning Carl Byoir have been invaluable.

Professor Scott M. Cutlip is deserving of my heartfelt thanks for his truly great knowledge of my subject field and his guidance to me in my lengthy and voluminous task. His criticism and suggestions molded the final study into its present form. To him must go much credit for my product.

My wife, Margaret, as always, deserves my very special thanks for her understanding, wise counsel, patience, and for her assistance in typing the draft manuscript of this study.

Last, my two children, Diane and James, are thanked for their understanding and forbearance during my

several trips and long hours spent on this study. The whole family stood sturdily in my support and functioned smoothly for long periods with very little help from me because of the obligations inherent in this study.

The factual material used in this study, other than the Eyoir Papers, the personal interviews, and letters indicated herein, was limited to that in the public domain. To the many persons involved in assisting me, in my search of public records and in my quest for personal data from interviewees and correspondents, I am most grateful.

TABLE OF CONTENTS

INTRODUCTION

This thesis chronicles the public relations career of Carl Robert Byoir. Its focus is on what Carl Byoir said, thought, and did professionally; how and why he took certain actions, their origins, and what his contributions were to the developing field of public relations has guided this study of his life. No attempt was made to delve into his personal life except in areas which seemed to have some direct relationships to his work.

The public relations techniques used by today's practitioners have evolved largely from the experiences and practices of a relatively small number of imaginative men who pioneered during the period 1900-1950 in the field of influencing public opinion in support of a cause or a client. Professor Scott M. Cutlip and Allen H. Center identify Carl Byoir in their widely known book, Effective Public Relations, as one of a "host of [public relations] practitioners who took their . . . [World War I] experiences [on the Creel Committee] and fashioned them into a profitable calling."

Byoir and Edward L. Bernays are probably the best known and most successful of all of the public relations practitioners "graduated" by the World War I Creel

Committee. Books authored by Bernays record his theories, practices, and techniques in great detail; in contrast, Byoir, whose experience and influence on the Creel Committee exceeded that of Bernays, wrote very little about his public relations career. Also, the public relations firm formed by Carl Byoir in 1930 (Carl Byoir and Associates, Incorporated) quickly achieved a success level, i.e., number and financial standing of industrial clients, which brought it national recognition as one of the leading organizations in the field.

No definitive biographical study of Carl Byoir's life has been written: his public relations career has not been examined nor recorded in a systematic, scholarly way by students or teachers of contemporary practices. Carl Byoir was an influential, controversial participant in the evolving economic, political, and social scene which marked the maturation of public relations in the United States during the 40-year period from 1917 until his death in 1957. Although Byoir did not form his own public relations firm until 1930, he was one of the first to recognize and exploit the necessity for informing and influencing ordinary citizens in order to build and maintain public support and approval for the policies and practices of his business clients. His adroit use of public relations techniques to gain public support for his clients raised him to a position of great power and

prominence among the leading public relations practitioners during his lifetime. Carl Byoir and Associates, Inc., endures to this day as one of the most influential and largest public relations firms in the world, largely due to the strength and wisdom of Carl Byoir's personal guidance and direction over a 27-year period.

A study of Carl Byoir's life and career, his public relations methods, practices, techniques, and philosophy should be of value to those seeking an understanding of the early development of public relations in the complicated, specialized, interdependent, and industrialized society of the United States of America.

Preliminary study of Carl Byoir's career led to the formulation of these general questions for further study:

1. What are the reasons for the prominence and success attained by Carl Byoir as a public relations counselor and practitioner during the period 1930-1957?
2. What was Byoir's concept of the practice of public relations? What were his contributions to the evolving craft?
3. What are the origins of Byoir's public relations techniques? His success? Was he effective in his campaigns to influence public opinion in support of his clients?
4. How and why did Byoir enter the public relations field?
5. What effect did the early life and education of Carl Byoir have in shaping the philosophy and practices of Byoir, the public relations practitioner?

6. What was Carl Byoir's reputation with contemporary public relations practitioners? With his employees?

7. What overall conclusions emerge from Byoir's various career roles, i.e., student, newspaperman, businessman, advertising salesman, government propaganda agency executive, employer, public relations practitioner, husband, and father?

Various articles have been published by several authors on isolated portions of Byoir's career which throw some light on the above questions, but no published work has attempted an overview of his life. At best, these previous, fragmentary treatments of Byoir's career provide an incomplete look at this early public relations craftsman. Primary and secondary sources on the life and career of Carl Byoir available in Madison, Wisconsin, Washington, D.C., New York City, and elsewhere provided the historical data used in evolving the further information needed in the subject areas indicated to reach overall conclusions regarding this important and controversial public relations practitioner.

The first ten chapters of this thesis follow a general chronological pattern. Chapter XI is a compilation of general information pertaining to Carl Byoir to include his public relations philosophy, his attitudes regarding the attributes and education necessary for a public relations practitioner, and his ethics and integrity. This chapter also includes general comments from various persons capsulizing their impressions of Carl Byoir in his

several career roles as the respondents knew him. Chapter XII summarizes observations on the first eleven chapters and draws some general conclusions regarding Carl Byoir's impact on and contributions to the field of public relations.

Available sources for this research included:

1. Byoir's papers at the offices of Carl Byoir and Associates, Inc., in New York, N.Y., consisting of a partial autobiography, official biographical and career summaries on Carl Byoir prepared by Carl Byoir and Associates during his lifetime, and miscellaneous articles, speeches, letters, memoranda authored by Carl Byoir.

2. Professor Scott M. Cutlip's personal collection of Byoir data and correspondence.

3. Personal interviews and correspondence with Byoir's professional associates and contemporaries, a former client, his widow, his secretary, and his close lifetime friend, Walter Stewart.

4. Public documents to include Federal Court Opinions, Federal Trade Commission Decisions, Official Records of the Committee on Public Information (Creel Committee), National Archives, Washington, D.C., and Congressional Records and Reports.

5. Miscellaneous items in print media having a bearing on Carl Byoir's life.

This study reveals the thoughts and actions of a professional public relations counselor during some of the more stressful periods of his life. The subject matter for Chapters III through X is largely concerned with the events surrounding controversial periods of Carl Byoir's life. This concentration resulted from the paucity of data available pertaining to the more normal, routine public

relations practices of Carl Byoir. Balance and objectivity was maintained by contrasting public record information on critical points with data obtained from nonpublic sources. This broad approach provides the background data for the conclusions drawn in the last chapter.

CHAPTER I

CARL BYOIR'S BEGINNING YEARS, 1888-1917

Family and Childhood Environment

Carl Robert Byoir was born on June 24, 1888, in Des Moines, Iowa. He was the last of six children born to an immigrant couple, Benjamin and Minna Gunyon Byoir, who had arrived in America in 1875 from their native Poland.[1] The Byoirs were Jewish[2] and the circumstances of their coming to Iowa are not known. Carl Byoir wrote in his personal memoirs of the great love his parents had for their adopted country and how his mother sometimes recalled the cruel conditions under which the parents had lived in the Russian-occupied town of Kinishin, Poland, prior to immigrating to America.

Carl Byoir had four sisters and one brother. They were named Elizabeth, Anna, Bess, Pauline, and Edward. Elizabeth, the eldest, was born in 1870. She and Anna had immigrated from Poland with their parents. The other Byoir children were born in America.

The Byoir family was always short of money. Benjamin Byoir had been a cabinet maker in Poland but did not follow that trade in America. In America, Benjamin

worked at various occupations. Carl Byoir in his autobiography only mentions that his father had a retail clothing business and, later, a restaurant in Des Moines. Apparently Benjamin Byoir was not a very successful businessman. Carl Byoir characterized his father as a "dreamer" who was "somewhat less than perfectly successful" in business endeavors. Carl's mother supplemented the family income during his childhood by "taking roomers" into the already overcrowded Byoir home during "hard times." All of the Byoir children had regular or part-time jobs to help meet the family expenses.

Carl Byoir's first gainful employment came at the age of ten when he "hawked" racing programs at the Iowa State Fair. He remembered that his commission was two cents for each program sold, and he soon learned that his take-home pay was directly related to a loud-voiced, hard-sell performance on his part.

Carl Byoir said the family did not consider itself "really poor" but that a "cash shortage" was nearly always a part of the family environment. One Christmas the family had but eleven cents in hard-cash! Even so, Carl Byoir felt that the family environment provided him a happy childhood because of the close-knit family relationships and mutual affection that existed in his home. Carl Byoir's widow told the author that the hallmark of Byoir family relationships throughout Byoir's lifetime was mutual affection and close

personal relationships between the Byoir brothers and sisters.[3]

The impecunious Byoir family caused an early desire in young Carl to acquire wealth of his own. His childhood memories of the great houses of the rich that stood on Grand Avenue in Des Moines during his boyhood inspired these words in his autobiography:

> I remember walking out along Grand Avenue . . . and many a time I made my youthful plans for the day when I might have for my very own a house like one of these. It was not that I wanted one of those houses. That was not my feeling, nor was it the feeling of any member of our family. Poor though we were, we thought of the time [in the future] when comparable possessions might be outs--ours because we had earned them.[4]

Another highlight of Carl Byoir's recollections of his childhood also had social implications. He was deeply struck by the grinding poverty present in the pitifully inadequate homes of coal miners located in a "company town" near Des Moines, which he visited in the company of a family friend who was a medical doctor. The sickness, lack of clothing, poor diets, dirt, and lack of sanitation among the poor miners' families in this mining town made a lasting impression on Byoir. The scene stayed in his memory all his life and he often referred to it in speeches to businessmen, and in his staff conferences at Carl Byoir and Associates, Inc. (CB&A); to drive home his belief that employers should always provide their workers with reasonable working hours, decent conditions, and a living wage.[5] In his memoirs he

recalls the conditions he saw in this mining town during his boyhood trips with his doctor friend, in these words:

> Here was poverty on such a scale as I had never seen elsewhere—poverty that made our own seem somehow akin to affluence of a sort. Here was misfortune of a kind that our family never knew. Here . . . was such a setting as did more than merely put a heavy strain on life. It had within it such forces as actually destroyed hope, without which life is not worth . . . living. There was nothing—nothing whatever—in that village to relieve the deadening monotony. The miners, working 70 or even 80 hours a week, did little more than make enough to pay for the bare necessities that came from the company store. Dismissals and lay-offs, when they came, were quite without notice. Vacations with pay were utterly unheard of. It was all but impossible . . . to save anything at all. Is it any wonder that Saturday nights were usually marked by drunkenness and worse?[6]

Work and School

Carl Byoir could read at the age of four. He described himself as an "omnivorous, rapid reader"[7] but denied being a bookworm. In his elementary and high school days, he said he was a "mediocre" student but that he excelled in forensics, reading, writing, vocabulary, and spelling. He was active as a debater, amateur dramatist, and basketball player in high school. One of his fellow debaters, and close friend, was Walter Stewart. Stewart became a successful lawyer in Des Moines and he and Carl Byoir maintained their intimate friendship throughout Byoir's lifetime.[8]

Words, both written and oral, fascinated Carl Byoir and he moved early to acquire newspaper experience. He

began his newspaper career when a sophomore in high school on the Iowa State Register in Des Moines. This paper was then published by the Gardner Cowles family. (He was also a correspondent "stringer" on the Minneapolis Tribune, which in later years became one of Byoir's public relations clients.)[5]

Byoir was paid 12.5 cents an hour to file cuts in the newspaper's morgue. Within a year, he became a part-time reporter at $5.00 per week, but he also retained his filing job and the 12.5 cents per hour paid for discharging his morgue duties. In his senior year of high school, he became a full-fledged reporter, working only during after-school hours for $25.00 per week. He also found time to clerk in the Iowa State Legislature and to be an official score-keeper in the Western Baseball League.

Immediately after graduation from high school, Byoir was offered a job as city editor of the Waterloo (Iowa) Times-Tribune. When the managing editor of the Times-Tribune died unexpectedly of a heart attack three days after Byoir had assumed his city editorship, the youthful Byoir immediately took over the dead man's duties. His salary now jumped to $60.00 per week because of his new responsibilities. This was a large salary in 1905 for a very young newspaperman.

At 17 years of age, Carl Byoir was displaying a precocious facility for meeting the sudden challenges thrust

upon him by errant chance. His readiness to assume added responsibilities and his executive and managerial potential must have been apparent to his employer, Mr. Wilbur Marsh, who owned the Times-Tribune. Byoir described Marsh as "a most kindly gentleman who had made a fortune manufacturing cream separators." Byoir also recalled that Marsh, treasurer of the Democratic National Committee in 1905, was determined to have "a Democratic paper in that part of Iowa, though there was hardly a Democrat to be found within a radius of a hundred miles." Perhaps the paucity of Democrats may have had some influence on the Times-Tribune publisher's decision to entrust his paper to the ambitious Byoir.

In any event, Byoir must have satisfactorily met the responsibilities Marsh gave him, because he continued as managing editor of the Waterloo Times-Tribune from June, 1905, until September, 1906. Byoir might have remained indefinitely on the Waterloo paper, he recalled, except for a long distance telephone call from Walter Stewart. Stewart called to urge Byoir to give up his lucrative job so that the two friends might enroll, together, as college freshmen at Iowa University in Iowa City. Byoir was reluctant to agree to his friend's suggestion because he had a position of consequence in a field that he enjoyed, and because his salary was unusually good for an 18-year old.

Byoir finally agreed to his friend's importuning. Although reluctant to leave the editorship and its weekly

stipend, he recognized the long-range value of a college education to his future. He left for Iowa City a few days later with $30.00 and a new typewriter, which was given to him as a going-away present by the beneficent Marsh.

The $30.00 was used immediately to pay Byoir's college registration fees for the year 1906-1907 at Iowa University. Byoir then learned that he would need at least $5.00 per week to pay for room and board. Byoir, in typical long-headed fashion, had foreseen that he would need a job while in college and had arranged to become a "stringer" for several Iowa Papers before leaving the Waterloo Times-Tribune. He also wrote Iowa college news for Chicago and Minneapolis papers. Byoir had chosen his own departure gift (the typewriter) as he left Waterloo for Iowa City; his choice of a gift with earning utility illustrates his sharp eye for future developments---a trait which he exhibited on many occasions during his eventful life.

In spite of their close friendship, Walter Stewart and Carl Byoir were separated at Iowa University by a condition and circumstances which they had not foreseen. Stewart was pledged to a fraternity and Carl Byoir was not. Byoir was the victim of an unwritten rule which barred persons of Jewish blood from fraternity membership. This fact is not mentioned in the Byoir autobiography, but in later years he said:

> I think I can speak . . . as an expert . . . on this Jewish question. I have lived with it for

> forty-six years. My boyhood was embittered with it. You know that there is no cruelty like the unconscious cruelty of children. For any difference in race or religion, or the social or financial status of the parents, you are barred from childish games, you are called by foul and belittling and obscene names. In college, twenty-five years ago, my best friends literally wept over the fact that their college fraternity had a national unwritten rule that no one . . . of Jewish race or blood could be a member of their fraternity.[10]

As will be seen in a later chapter, this was not the last time that Carl Byoir had problems because he was a Jew. The incident did not mar the Stewart-Byoir friendship and no evidence was found in the sources researched to indicate that Carl Byoir was really embittered by this experience, but it may have made him cautious in his relationships with non-Jewish religious, social, and fraternal organizations during his adult life. Unlike so many men of his generation, he was never a "joiner." Perhaps the reason that Carl Byoir never "pushed" for social recognition in nonbusiness environments has its origin in this incident.

Byoir's first three years in college were adversely affected by the requirement to earn expense money through his part-time jobs. In later years, he recalled:

> I cannot look back upon my first three years at Iowa City with any especial pride so far as my scholastic standing was concerned. I got through, but that was about all. My extracurricular activities were so numerous and pressing that I now feel fairly confident that I would not have made the grade at all had it not been for the essential kindliness of the faculty.[11]

Byoir's college reporting activities, however, taught him to really dig for news because he was paid on a

column inch basis. He soon realized that well-written, factual, newsworthy stories would be published, but that poorly written, superficial news was either discarded or condensed by editing so that his earnings went down. This experience is probably the origin of Byoir's keen appreciation of good reporting and writing techniques which was to mark his later publicity and public relations work.

Byoir soon found that there were other ways for an enterprising college student to earn money. There were numerous contests and competitions on the Iowa campus where the prize was cash rather than a cup or medal. Byoir bypassed the cup or medal contests, but he entered every competition where he could win cash. His approach to these contests was never casual. He organized, analyzed, and worked very hard to insure success in each competition. The cash prizes were offered mainly for writing and debating. Byoir recalled that his determination, hard work, skill, and resourcefulness in these matters caused other possible contenders to be advised "to try for the cups and medals all they pleased, but not to spend much time on those cash prizes. 'Byoir always wins the cash' actually became an expression [among his fellow students] with some truth in it."[12]

Byoir also became manager of the college dramatic club's "road-shows" in off-campus theaters and learned at first hand the problems involved in arranging performances

for the public under varying site or theater conditions. This experience also directly relates to his later career in public relations and in World War I propaganda work.

Another incident which occurred during Byoir's college years provides a direct look at his early appreciation of the public opinion factors involved in influencing support of a specific objective requiring group action. The quotation that follows gives a full picture of Byoir's techniques and motivation in this precursor public relations campaign:

> In looking about for ways to make money I discovered fairly early in my freshman year that though there were many offices to which an undergraduate might be elected by his fellows, there was only one that offered any economic opportunities. Each year the junior class got out an annual publication called The Hawkeye which, when it was properly handled, was apt to be reasonably profitable. Furthermore, it had long since become the established custom for the general manager of the publication to receive 3/7 of the profit, and for each of his four assistant managers to receive 1/7. The general manager, too, was elected by those juniors who were enrolled in the school of liberal arts, while the assistant managers were chosen from each of the four other schools--law, engineering, dentistry, and medicine.
>
> . . .
>
> The general manager who would ultimately be selected by my class, of course, would not be chosen until the end of the sophomore year, and would be in office throughout the junior year. That was a long way off, but I decided, while we were still freshmen, that that was the job I especially wanted. With that idea in mind, too, I began to lay my plans.
>
> I do not recall now that I had ever had any especial opportunity to study the workings of politics, but I nevertheless understood how certain kinds of political influence might be developed in our class. It was my idea to evolve a political machine which, at the right moment, would elect me to the office of general manager of the Hawkeye.

I had two years in which to reach my goal, of course, but the plan I evolved would require all that time. It was early in our freshman year when I went to work in order to create a sort of freshman class Tammany Hall through which I would be able to control—or at least to influence—practically every class decision.

The idea was simple. It merely consisted, in the first place, of gathering together a little group of friendly associates who would work closely together. I do not now remember how it was that the group came to consist of only five, but that was the number. Then, too, because the University is coeducational, at least two of the five had to be girls.

As I got the group together, therefore, it consisted, first, of my friends Ralph Finicum and "Stub" Stewart; second, of two girls, of whom one was named Leta Towner. The surname of the other I am sorry to say I have forgotten, but her given name, I distinctly remember, was Alice. And I, of course, was the fifth member of this tight little group.

The world of our class had no inkling of the plans we worked out. We were often seen together, and were known to be friends. But our deep-dyed scheme was known only to ourselves.

We five, having worked out our methods of procedure, then organized a somewhat larger group, consisting of fifteen. Those who made it up were reasonably representative, and we five saw to it that we were included. The other members of the fifteen knew nothing of the plans of the five, and were not organized as we were. Thus the group was not hard to control. By deciding in advance just what we wanted, we five never had any trouble putting it over with the fifteen. Voting together we always could count on five votes, and so needed the support of only three more in order to gain our ends. And when, by majority vote, the fifteen had made a decision, we all went into our class meetings as a unit. We all became adept, too, in the use of Roberts Rules of Order, and so found it comparatively simple to put over the plans we had in mind. And I, I am inclined to think, was much more conscious of just what I wanted to accomplish than any of the others. My plan, in fact, was successful from the very first. I did everything I could to elect all the natural leaders of the class to such offices as were open. As for myself, I refused to be considered for any electoral offices at all. It would have been pleasant to be president, or vice-president, of course, or to hold any of a number of other posts, but I made no bid for any of them. In fact,

> I did the contrary. I busied myself so thoroughly in the support of others that when, at the end of our sophomore year, the general manager of The Hawkeye had to be selected, I found myself in the enviable position of being about the only possible contender who had not already been honored by election to some office or other. Furthermore, most of those who had been elected to these other offices knew that I had played a fairly important part in their selection. In other words, I had no opponent, and most of the more influential members of the class were quite willing to come to my support. It had taken me two years to complete my plans, but they had worked.[18]

Having duly attained election as manager of the Hawkeye, Byoir at once began a fact-finding analysis of his task. His check of the methods used by his predecessors revealed the following: (1) "there never had been any properly organized circulation effort"; (2) advertising had been sold only in the form of one-quarter page ads consisting of "complimentary cards" listing the advertiser's trade name or business; (3) the Hawkeye had not had an advertising department nor any organized solicitation of advertisers.

Byoir promptly organized his staff so that he had a circulation department which was charged with selling the Hawkeye by direct solicitation of individuals and getting signatures on subscription blanks. Likewise, he had an advertising department and ad salesmen. All salesmen were paid a percentage of the dollar value of the subscriptions and advertising space which they sold. Ads were made-up for printing on either regular stock paper or on special colored inserts. The latter type were sold at a premium rate. Every possible advertiser for miles around was solicited. No prospect was overlooked.

Byoir also came up with the idea of a luxury edition of the Hawkeye, bound in limp leather. Heretofore, only a clothbound edition had been offered. The "luxury" copy sold for $2.50; the ordinary, clothbound for $1.50. Only Byoir knew that the luxury, leather-bound copy cost but 11 cents more than the clothbound edition to print and bind. Byoir overlooked no possible source of pictures and student activities; all students, teams, clubs, fraternities, college departments, professors, etc. were covered.

Result: The 1909 edition of the Hawkeye "was the most impressive ever published up to that time."[15] Hawkeye General Manager Byoir pocketed $2,100. (His predecessor in 1908 had received only $700.00.) Byoir's Hawkeye showed a total profit of $4,900.

Byoir's triumph was marred, however, by the many complaints which he received because of the poor quality of the photographs printed in the Iowa annual. Byoir complained to the printer about this and was promptly referred to the engraver. The printer said the engraver's cuts were bad, but the engraver pointed his finger back at the printer as the source of the poor quality of photograph reproduction. Byoir was in the middle. He resolved to never again enter into a contract with more than one agency when he wanted quality printing and engraving work.

Byoir said: "I had learned a lesson but [thought] I would never have a chance to profit from it."[16] His chagrin

over the poor quality of his product caused him to continue to "worry about" the problem. Then he had an inspiration. It was true that Byoir would not be managing the production of any more college annuals but the thought came to him that "scores and scores of them were certain to appear year after year. Furthermore, in every case just such problems as I faced would appear to trouble the always inexperienced managers."[17]

Byoir decided to produce a manual of instructions for the "inexperienced annual managers" which would incorporate all of the lessons he had learned in publishing the Hawkeye. He would reduce his managership experience to a few business-like rules telling how to organize the publication staff; how to do the lay-out work; how to increase circulation; how to sell ads and how to get annuals printed. In addition, he decided to sell his new manager's manual together with a contract to print and bind annuals as a package deal.

Byoir took these ideas to James M. Pierce, the publisher of a farmers' magazine, the Iowa Homestead, in Des Moines. Pierce had a stand-by press to back up his regular printing press, and he also had an engraving department. When Byoir offered to sell college annual printing contracts on a commission basis for Pierce, together with his newly developed Manager's Manual, the two men promptly came to an agreement. Pierce recognized the potential

profit inherent in Byoir's idea. He was especially pleased because the plan would utilize the usually idle back-up press. The back-up press was normally not a money-maker. It was insurance that Pierce could meet his Homestead printing deadlines. Pierce readily agreed to Byoir's proposition.

Byoir traveled hither and yon during the summer of 1909 selling his "package deal" to newly elected college annual managers. His sales were mostly made in Iowa and adjacent states, but he also sold a contract to Yale, to the University of Texas, and to the University of Washington. Byoir was inexperienced as a salesman but the attractiveness of the "package deal" made it easy for him to get "signatures on the dotted line." He sold his instructions and printing contracts to 37 college annual managers. He earned $9,500 for one summer's work. He recalled that Pierce had told him that "money making is a special talent that is more or less natural to certain men."[18] Carl Byoir believed from that time on that he was a man with this "special talent." In later years, he would sometimes allude to his ability to see profit-making opportunities where others did not as an inherent talent and not one that he had acquired.[19]

Byoir's new affluence brought with it an opportunity to devote himself to his studies during the 1909-10 college year. He made all "A's" for the year in contrast to his prior mediocre scholastic record. He also made $1300 during

the year by publishing a new Iowa University humor magazine called the Haw-Haw-Hawkeye modeled on the Harvard Lampoon.

Columbia Law School and Two Business Ventures

In the autumn of 1910, Carl Byoir and his friend, Walter Stewart, having graduated with Bachelor of Arts degrees from Iowa University, went to New York City and enrolled in Columbia Law School. The 1910-11 school year was uneventful for Byoir. He recalls being very impressed with the quality of the Columbia faculty and that the study of law caused him to acquire "the habit of exact thinking."[c] Byoir said he also learned the true meaning of the Josh Billings saying, "It is better not to know so much than to know so much that ain't so."

While returning to New York for the 1911-12 school year, Byoir chanced upon a copy of McClure's Magazine during the long train ride. A story in the magazine describing a unique approach to the teaching of preschool-age children caught his eye. The kindergarten training methods had been devised by Dr. Maria Montessori, an Italian educator. Byoir contrasted the Montessori training methods with those that he had experienced while being taught by his mother and sisters during his own preschool days. Byoir decided that the Montessori system ought to be highly appealing to American mothers and teachers because it combined physical and mental activities; this would solve many of the problems

involved in keeping the attention of young children and provide challenges to their active imaginations. Byoir saw a new opportunity to make money. He resolved to find out who owned the American sales franchise for the Montessori system as soon as he arrived in New York.

In short, Byoir decided that the Montessori system had features that gave it an inherent "saleability" in America. He knew of no efforts to sell the system in this country, and he decided to buy the American sales franchise, if possible, to exploit the opportunities which he foresaw in the Montessori kindergarten methods.

In New York, Byoir learned from a contact with McClure's Magazine that the Wall Street law firm of White and Case represented Maria Montessori in America. Byoir was referred to Robert S. Walker at the White and Case offices. Lawyer Walker tried to dissuade young Byoir from his proposed sales venture by telling him that he would lose his money. Byoir boldly told Walker to protect the interests of his client, Madame Montessori; that any losses that might develop from the Byoir proposal would be a risk which he was prepared to take. Walker got the point and forthwith Byoir became the exclusive American sales representative of the Montessori sales franchise.

To get the franchise, Byoir invested $6,000 and set up a corporation called "The House of Childhood" to direct the sales effort of the Montessori system in America.

Madame Montessori held 20 per cent of the corporation's stock, but Byoir owned the other 80 per cent. Byoir himself, of course, was the entire sales and management staff of the "House of Childhood" corporation.

Byoir now had his money invested but he had no product to sell. None of the physical equipment--circular, triangular, and square pieces of wood, together with receptacles, etc.--needed to use the Montessori kindergarten teaching system was available in this country. None came from Italy. Byoir was stymied. To make money from his sales franchise, he had to get a product to manufacture and sell in this country.

Byoir had been assured that the material and instructional kits needed for his new business venture would be sent to him from Italy. After some weeks with no word from Italy, Byoir decided that in order to get his sales franchise underway he would go to Italy and personally expedite the procurement of the kits. He temporarily abandoned his Columbia law classes and went to Europe by ship.

Byoir arranged a meeting with Maria Montessori when he arrived in Rome. She provided him with a complete set of the physical equipment required by the Montessori system and a thorough understanding of his new product. In Italy, Byoir studied every aspect of the system under Dr. Montessori's personal tutelage, until he understood everything about it.

Having accomplished his objective, Byoir hurried back to his law classes at Columbia. He had been absent for several weeks on his trip to Italy. He made up the work that he had missed in his law lectures and classes at Columbia by using the research and case law notes made during his absence by his friend, Walter Stewart. Byoir crammed intensively from these notes and was able to pass his final exams and graduate on schedule from Columbia in June, 1912.

Byoir turned down a $15 per week law clerk apprenticeship in a New York law firm, upon graduation from Columbia, to devote all of his time to the promotion and sale of the Montessori product and methods of instruction of children.

Byoir, with law school completed, soon realized that even though "The House of Childhood" had a revolutionary educational product to sell, a demand for it needed to be created among potential buyers. (Because the Montessori system was unique, the 1911 McClure Magazine article on the subject inspired many subsequent articles in various American print media. These articles brought many requests to "The House of Childhood" for a Montessori expert from interested educational groups and women's clubs in America for lectures on the new kindergarten system. Carl Byoir, by virtue of his trip to Italy, had the information needed to be such an expert.)

After graduating in June, 1912, he went on a lecture tour to sell the Montessori system. By the fall of 1912, Byoir had a New York office, two thick books of orders from buyers, a storehouse loft full of newly manufactured Montessori equipment, and its companion manual of instruction. The Montessori "sets" which Byoir had sold all over the country were manufactured at a cost of only $11.75. He sold the Montessori sets for $50.00 each.

After a hectic year as chief salesman and managing director of "The House of Childhood," Byoir sold his 30 per cent interest to his former employer, James M. Pierce, in Des Moines, Iowa. He ended his one-year Montessori sales effort with $63,000 profit, after he sold his valuable franchise to Pierce.

Byoir's experience with "The House of Childhood" convinced him that his future career lay in business, not law.

Byoir met a man named Morgan Shepherd just before he sold his Montessori franchise. Shepherd's idea for a magazine for preschool-age children attracted Byoir's imaginative mind. He saw another business opportunity to exploit. Byoir and Shepherd conceived the idea of designing a magazine for young readers which actually aimed at the adult parent. The parent could use the magazine to satisfy a child's ever-present request to "tell me a story." Byoir resolved that the magazine would also be full of ads that

would appeal to its entire circulation audience, children as well as adults.

Shepherd, under the pen name John Martin, had already demonstrated his ability as a writer with a highly successful children's page in the Ladies' Home Journal. Byoir and Shepherd decided to join Byoir's capital and sales and advertising abilities with Shepherd's literary skill in a new venture. The partners would publish a new magazine for children which would also provide potential advertisers an attractive means of reaching the lucrative market represented by the parents of young readers.

Again, we see Byoir exploiting sales and advertising ideas especially designed in accordance with a product's potential consumer audience. Byoir's own words are of interest because of their indications of his early public relations concepts. Byoir wrote:

> My experience with the Montessori system had given me an inkling of the possibilities that lay in the field of publishing for children, and the more I thought about Shepherd's idea the better I liked it. In 1913, therefore, Shepherd and I organized a company for the publication of the new magazine which we had decided to call "John Martin's Book." I was to finance the venture and was to be sort of combination publisher, circulation manager and advertising manager. Shepherd was to be the editor, however. He was to do the editing, of course, but because of the magazine's very special needs he was to write practically all the copy and was even to draw most of the illustrations as he had long been doing for his Ladies' Home Journal page. His writing, too, was not to be confined merely to the editorial content. He was even to write the copy for the advertising pages we expected to sell, for if they were to appeal to children, the ads, as well as the editorial content of the magazine, had to be written

> with children in mind. Furthermore, if the parents were to be tricked into reading the ads aloud, it was obvious that the copy would have to be written in some new and especially appealing way. It was perfectly plain that parents could not be counted on to read any ordinary ad aloud even to other adults, and would never read them to little children.[21] (Italics mine.)

When John Martin's Book appeared, Byoir felt it was a well-edited, tightly written, hard-to-tear publication. The partners had tailored it for hard use and especially to attract children and their parents. The magazine was inexpensive to produce but not cheap in appearance.

Byoir recalled in his unpublished memoirs that the initial circulation of the magazine was 15,000. Byoir wrote:

> All of the circulation was by subscription, and the magazine sold for 25 cents a copy--$3.00 a year. That is a moderate price these days [circa 1940s], but it was high . . . [in 1913]. And I wanted it to be high. I had a theory, which I still hold, that in most fields it is an advantage to be in the highest price bracket [italics mine]. No doubt there are exceptions, as there are exceptions to most rules, but by and large I still feel that high price is an advantage. It is a clear way, for instance, of establishing an aura of leadership, which is of real value in the matter of sales.[22]

Byoir adhered to this theory in all his business efforts throughout his life. He said that advertising space in John Martin's Book was sold at high prices in accordance with his "price" precept. Byoir charged $125.00 per page, with a circulation of only 15,000. The most aggressive competitor of the Byoir-Shepherd publication was the St. Nicholas, also a children's magazine. St. Nicholas charged only $112.50 per page and it had a circulation of 75,000.

Byoir and Shepherd soon had disagreements regarding advertising policies in their magazine. Shepherd felt the ads that Byoir sold were too commercial--the copy required by the nature of the products advertised violated Shepherd's artistic values and sensibilities. Shepherd refused to write ad copy because of this difference in opinion.

The exact nature of the products advertised is not specified in Byoir's memoirs, but he makes it plain that he felt advertisers who paid for ads were entitled "to sell what they had to sell." Byoir, through Shepherd's default, became an advertising copy writer, as well as an ad space salesman and business manager of the partner's magazine. Byoir found that his duties as publisher, circulation manager, advertising space salesman, and ad copy writer on John Martin's Book were more than he could do in the time available. As a consequence, early in 1914, Byoir sold his interest in the magazine. Byoir made a $33,000 profit after combining the money from this sale and his earnings as a partner in this venture.

Byoir said his experience on John Martin's Book made him realize that there was much that he needed to learn before he could properly cope with all the circulation and advertising problems of a magazine publisher.

Byoir chose to further his knowledge by an apprenticeship with the Hearst magazine empire.

Up through the Ranks as a Hearst Employee

In 1914, after selling his interest in John Martin's Book, Carl Byoir went to see George von Utassy, then general manager of all magazines published by William Randolph Hearst. George von Utassy had been impressed by Byoir's work on John Martin's Book, thus was surprised when the young publisher asked him for a job. He told Byoir that he had no job available for him in the Hearst organization that would pay anything like what he had made as publisher of John Martin's Book. Byoir told von Utassy that he wanted to learn all about the magazine business; that he wanted experience in all phases of advertising and circulation; and that he was willing to work for $50 a week, if von Utassy would move him around in the Hearst establishment as a sort of "apprentice."

Byoir was hired on that basis, and von Utassy, as promised, saw to it that the aspiring young businessman got experience in various aspects of the publishing business.

Byoir's first job was with E. Wallace Brainerd in Hearst's Magazine advertising department. Byoir recalled that his first efforts as an ad salesman were unsuccessful because he too often allowed himself to admit defeat when a sales prospect refused to see him. Byoir resolved that he would be bolder and more original in approaching his prospective clients. He wrote twenty-two personal letters to an official of the Royal Typewriter Company before he

succeeded in getting an interview. He made his sale because the prospect was impressed by his tenacity and determination. At the end of three months, Byoir was selling more ad space in Hearst Magazine than the seven other "experienced" salesmen in its advertising department. He decided it was time to move to another sales field to further his business education.

Byoir remained in the advertising department of Hearst's Magazine, but von Utassy shifted him from ad salesman to sales promotion manager and gave him a $10 raise. In his new job, Byoir learned that successful promotion depended upon a personalized approach. He learned that personal one-page letters to prospects that began with an attention-getting phrase or a humorous anecdote with a clear-cut point had the best chance of eliciting a positive response. He also learned that it was better to begin with a reference to the prospect's business and never with a reference to what he had to sell. Byoir summed up his "promotion" experience on the Hearst magazine by writing:

> Life, as viewed by each normal human being is a kind of series of concentric circles, with "I" always standing at the center. Each one of us is likely to feel that "my" family, "my" business, "my" town, "my" state, and "my" nation come next, in some such order. It is because of this that if, for whatever reason, one is out to make the strongest possible appeal, it is certain that it can be most effectively aimed at the prospect's own self-interest.[23]

Again we see that the future public relations practitioner had acquired early in his career a sure grasp of what is

generally regarded as a modern concept of influencing public opinion.

Byoir remained with the Hearst organization until 1917. He was Hearst's Advertising Manager for the state of Ohio, with an office in Cleveland, and he was later promoted to Western Advertising Manager with his headquarters in Chicago, Illinois. He was successful in both these jobs and as a consequence he was brought back to New York City to work in the circulation department of The Cosmopolitan Magazine.

The Cosmopolitan was losing newstand circulation. It had fallen from 1,000,000 to 790,000. Byoir was given the job of reversing this trend. Since he knew very little about circulation problems, he asked for six weeks to make a survey of the nation-wide circulation outlets of the Hearst publishing empire. He visited circulation managers and local distributors from New York City to San Francisco, California. Byoir's fact-finding tour convinced him that the Cosmopolitan's circulation loss could be reversed if local distributors could be given new incentives to sell the magazine.

He proposed to his Hearst superiors that the Cosmopolitan run a contest with money prizes to reward distributors who increased sales. The idea was not new but Byoir's concept for the execution of the contest was. He proposed to award cash prizes to those distributors who made

the largest increase in sales, the increase to be computed on the basis of percentage increase of total sales instead of simply counting the numerical total of magazines sold. Byoir reasoned that many small (400 or less) distributors could get their subscription or sales totals up by as much as 200 or 300 per cent, if they really felt they had a chance at winning one of the cash prizes in the contest. Previous contests for distributors had always been won by the large distributors in metropolitan districts because of their large total sales (80,000 or more). The smaller distributors in the hinterlands could never expect to sell magazines in numbers equal to their metropolitan competitors. Hence, Byoir decided he would design a contest which they could win; the prizes would go to those with the greatest percentage increase of sales--not to those who sold the greatest total.

Byoir reasoned that many small money prizes which the many nonmetropolitan distributors could win with a relatively small increase in total sales (200 to 300 or 400), when spread all across the country, would bring the Cosmopolitan's circulation back to the desired 1,000,000 plus figure. His superiors were not too impressed, but since Byoir only proposed the expenditure of a modest prize total of $2,500, von Utassy approved Byoir's plan.

Byoir opened his campaign with a personal letter to each of the Cosmopolitan distributors, in which he cited

the addressee's current magazine sales figures and pointed out that a 40, 50, or 100 per cent increase in their total sales could bring them a money prize commensurate with the increased percentage; $1000.00 was the top prize, but there were many smaller ones.

Byoir's scheme worked. At the end of three months, he proudly pointed out to the Cosmopolitan's Managing Editor, Henry D. Wilson, that the magazine's circulation had risen from 790,000 to 1,060,000.

Byoir was promoted again, this time to succeed Roscoe Peacock as Circulation Manager of all the Hearst magazines, and given a substantial salary increase. Byoir was successful as the Hearst Circulation Manager.

In 1917 he was called to Washington, D.C., to assist the newly created World War I Committee on Public Information in solving some critical printing and distribution problems.

Byoir indicated in his autobiography that he learned these lessons while a Hearst employee:

1. Tenacity and determination of purpose on the part of a salesman is not a substitute for imagination and knowledge based upon factual analysis of data regarding your product and the business environment that affects it.

2. There is no essential difference between personal salesmanship and salesmanship in print. Byoir said: "My argument was that if a salesman told a convincing story in a normal tone of voice it would obviously be more effective

than a poor story told by some other salesman who shouted." Logic speaks louder than noise.

3. "It is often easier to sell a big package than a little one." Byoir felt the effort involved to sell a one-year contract for 12 pages of advertising was not much greater than that required to sell a $56.00 one-quarter page ad, but he knew that the bigger the sale, the bigger the commission.

4. A successful salesman is an attention-getter. His opening remarks must be meaningful to his prospect, direct and to the point of the prospect's known interests.

5. Never make a sales presentation unless you have personally studied the sales problems involved in great detail, but make your presentation short. A long presentation wears out the interest of your audience.

6. Thrift is a cornerstone of business success. (Byoir said he learned this lesson from Henry Wilson on the Cosmopolitan.)

7. Circulation managers can sell the first copy of a magazine, but they can sell the second copy only if the first was interesting to the reader. Byoir said: "I [saw] that it was the editor, and not the circulation manager, who really created circulation."

8. Byoir also wrote: "Having learned . . . that the editorial content of the magazine really determined my success as circulation manager, I made it a point to get

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8. Byoir also wrote: "Having learned . . . that the editorial content of the magazine really determined my success as circulation manager, I made it a point to get

acquainted with the various editors in order to get their cooperation."

In his 28th year Carl Byoir had already acquired many of the personal attributes and much of the knowledge of advertising/sales psychology which marked his later endeavors.

His "go-getter" reputation brought a summons from wartime Washington, D.C., in June, 1917. Byoir left New York in a hurry. He was wanted by George Creel to serve on the World War I Committee on Public Information (CPI or Creel Committee).

Notes (Chapter I)

[1]Except where otherwise indicated, the factual material and quotations in this chapter are taken from a draft typescript of Carl Byoir's unpublished autobiography covering the years 1888-1917, Carl Byoir's uncatalogued personal papers, Carl Byoir and Associates, Inc., New York, N.Y. Hereafter cited as Autobiography, Byoir Papers.

[2]Interview with Grace Lancaster Byoir (Carl Byoir's widow), New York, N.Y., September 13, 1967. Hereafter cited as Grace Byoir Interview.

[3]Ibid.

[4]Autobiography, Byoir Papers.

[5]Interview with Elsie Simon Sobotka (formerly Carl Byoir's personal secretary), New York, N.Y., September 13, 1967. Hereafter cited as Elsie Sobotka Interview.

[6]Autobiography, Byoir Papers.

[7]Ibid.

[8]Walter Stewart to author, October 5, 1967.

[9]Interview with George Hammond, long-time Byoir business associate, now Chairman of Carl Byoir and Associates, Inc., New York, N.Y., June 12, 1967. Hereafter cited as Hammond interview.

[10]Typed draft (carbon) of an undated paper prepared by Byoir in either late 1934 or early 1935 for delivery to a Special House Committee of the 73d U.S. Congress appointed to investigate un-American activities in the United States in 1934-35. No record can be found indicating that Byoir actually appeared before this Committee but this "working paper" reflects what his testimony would have been if he had officially testified. It was probably delivered in executive session--thus no official record in Congress. Hereafter cited as Byoir 1934-35 HUAC Statement, Byoir Papers.

[11]Autobiography, Byoir Papers. [12]Ibid.

[13]Ibid. [14]Ibid. [15]Ibid.

[16]Ibid. [17]Ibid. [18]Ibid.

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[16]Ibid. [17]Ibid. [18]Ibid.

[18] Ibid. [19] Ibid. [20] Ibid.

[21] Ibid. [22] Ibid.