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## Gerald Jones Memoir

**J716. Jones, Gerald** b. 1949

Interview and memoir

2 tapes, 120 mins., 27 pp.

Jones, Springfield businessman, discusses his various occupations: musician in a jazz quartet, owner of an Asian-import store in Washington D.C., and owner of Modern Mailing Systems. He also discusses the local business community and many of his own business ventures. He also mentions his friend, a Vietnamese citizen, who managed to flee the country just hours before Saigon fell to the Viet Cong army.

Interview by Donald Talmant, 1975

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## PREFACE

This manuscript is the product of tape recorded interviews by Donald Talmant for the Oral History Office in the Summer of 1975. Rosalyn Bone transcribed, audited and edited the tape, and Gerald Jones reviewed it.

Gerald Jones was born in July 8, 1949 in Blue Island, Illinois. At the age of 12 he and his family moved to Springfield and Mr. Jones attended Jefferson Junior High and Springfield High Schools. While in high school and while at Illinois State University he helped form a successful jazz quartet but this came to an end in 1970 when he was drafted. He spent two years in Vietnam where he met Harry Hirano, a future business associate, and later returned to the States in 1972. After trying to establish himself as a dealer of Oriental jewelry Mr. Jones returned to Springfield where he has since opened his own business, Modern Mailing Systems.

Readers of this oral history memoir should bear in mind that it is a transcript of the spoken word, and that the interviewer, narrator, and editor sought to preserve the informal conversational style that is inherent in such historical sources. Sangamon State University is not responsible for the factual accuracy of the memoir, nor for the views expressed therein; these are for the reader to judge.

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Gerald Jones, July, 1975, Springfield, Illinois.  
Donald Talmant, Interviewer.

A. . . . Blue Island, Illinois.

Q. Where did you live after staying in Blue Island? Where did you move to?

A. My parents moved to a small town, Edinburg, Illinois, where they owned a department store; very small store, small town. So I lived above the store. Both parents worked. Mother kept the store while Father worked at Sangamo [Electric Co.], because the store couldn't support the family entirely.

Q. How long did you live in Edinburg?

A. From age three until about seventh grade, and then my parents moved to Springfield after having sold the store, which proved to be a blessing. They worked a lot at the store and didn't get too much for it. However, they didn't have to take bankruptcy, so that's good.

Q. Where did you go to school when you moved to Springfield?

A. Oh, I went to Jefferson Middle School. That was the best years.

Q. What can you tell us about your experiences at Jefferson Middle School?

A. Oh, goodness. After coming from a small town, I was thrilled with the size of the school. There were probably nine hundred kids in the school, and that was more than there were in the whole town I'd come from. I was lucky enough to be able to participate in some athletics, and I felt like a pretty big man. Tom Englund, a teacher there, is one of the finest people I've ever known, so it was a good experience. Also Dewey Hughes, good man. You don't run into good people in education a lot, two or three good teachers in a lifetime. I happened to have two there.

I went to Springfield High School then and it was disappointing because I stopped growing, so I couldn't play basketball. I wasn't tall enough or good enough (laughs) or something. And so athletics was out, and I didn't like Springfield High School.

Q. At Springfield High School, did you form any goals in life? In other words, did you want to become a teacher, did you want to become a businessman?

A. I formed some social opinions on the type of person I didn't want to be. I wasn't sure what I wanted to be, but I was sure what I didn't want to be. The children, the teenagers, of business types was what I didn't want to be, because they are very clannish and very social conscious. So I knew what I didn't want to be. Now that I'm in business. . . . I'm in business but I'm trying not to be. If I ever make a lot of money, I don't want to be like them, which is defeating society at its own game. That's one of my objectives, being one of the boys, so to speak, without being clannish.

Q. So at Springfield High School, you did form some definite ideas on what not to be in the social world?

A. Right. I just didn't like the old blue blood families and it's real entertaining to see what some of them are not doing. They're not successes themselves, even though their parents were. They had a silver spoon in their mouth, but couldn't do much with it. Well, in some cases that's not true, but a lot of cases they didn't do anything with what they had to work with. So I feel like more of a success than they, even though I didn't fit in--in those years--with being accepted. I didn't have a business at that time and my father didn't own a department store in Springfield or somewhere.

Q. Did your education, your formal education, enable you to later on become a businessman?

A. Again, it was in spite of the education, not because of it. Because after Springfield High School, I went to Illinois State University. I was unhappy with Illinois State because it was just an overgrown high school. Well, there weren't the social implications at ISU that there were at Springfield High School, but it was a disappointment. You know, is that all there is? Just so many computerized questions. I didn't feel I was learning anything.

Q. Did you . . .

A. I'm a slow reader.

Q. Did you enter Illinois State [University] with the intention of taking courses that would eventually lead you into the business world?

A. No. Since I was anti-social elite, I wanted to be a social worker. That's just the opposite of the climate I was in at high school. Also, I wasn't very good in math. (laughter) So, that seemed to be a good social cause I wanted to get involved in. But ISU is a bad school for sociology in my opinion. And the counseling wasn't real good and I didn't do well at ISU at all.

Q. How long did you stay at ISU?

A. I was there about two years, but there are some kind of business related topics here. First of all, I had a jazz quartet, played drums with a group in 1964, and I kind of was always the one to get the jobs for the group. So even in high school, that was my own personal thing.

It's always been an inner thing. I had a lot of satisfaction from playing, but I wasn't recognized and popular because of it.

For example, my junior and senior year in high school, I played at what's now Mr. J's and what was then Curley's Lounge, overlooking the beautiful Wabash [Avenue in Springfield, Illinois], from 10:00 p.m. till 3:00 in the morning. And then, after we played the job, the guys went to Dunkin Donuts, which is now defunct, got in late, parents got me off to church the next morning. Really wild. So the jazz quartet continued into college. One other reason I didn't do as well in school is I was either rehearsing or playing gigs or playing a concert, maybe writing programs, something like that. So on my own initiative, there was a sense of business. I was in fact a professional musician.

Also, my father and I went half-and-half and bought a house in Normal, Illinois, a house for students. I talked him into it. I took the money I'd saved playing drums—two thousand dollars at that time—and he put in two thousand dollars for the down payment. Of course, I couldn't get credit, but he could get credit pretty easily. So, on his credit and our mutual down payment we bought a house for students, on my recommendation. That was another business venture which proved to be pretty good.

About the same time I had to go to . . . Well, Uncle Sam wanted me, so I was about to be drafted. There was a little known option the Army offered, a two-year enlistment, which gave you nothing except the day on which you would be inducted. So I decided, well, I'll decide the day anyway, so I could make some plans, because I don't like living with uncertainty. So here was the objective; let's get it done and over with, because my father, well, my father thought at that time, he felt that, his country right or wrong. I had some doubts about that. At any rate, I went to, had to go to the service and we sold the house and we made 100 per cent profit on our investment. (laughs)

Q. Would you say that would be your first major financial success in the business world?

A. Yes, I would say so. Took a lot of work. We took a house which wasn't set up as a multi-family dwelling, if you will, and converted it to accommodate twelve men or students.

Q. Did you at this time realize that later on you might be doing the same business after you got out of the service? In other words, buying house, fixing them up and then selling them?

A. No. I never consider that anymore. Another good reason to sell the house at that time, besides my leaving, was my father had very bad arthritis, which has since improved. But I didn't consider buying and fixing up homes anymore after that. I really don't know why. I just didn't. My interests had changed. Well, I wanted to play again, play drums again.

A friend of mine, Monte Wisbrock, who was a tenor sax player in the jazz quartet was in the Presidential Navy Band in Washington, D.C. and he wrote me while I was in Vietnam and said, "Why don't you come out to D.C. when

you're finished in the Army and we'll play; and when I get out of the Navy, I've got a job lined up for us in Greece, playing six nights a week." Fantastic. So, when I got out of the Army, I stayed home for about a month and then I flew to Washington, D.C. in hopes of playing again.

Q. In Vietnam, did your background in the Army carry over to your business career later on?

A. Well, again it was a similar situation to high school and to college. Here again was something I didn't want to be like. It taught me another lesson of what not to be, because I hated the military hierarchy of officers, enlisted men and cigarette butts. Every day, you know, the enlisted men were herded around the grounds to pick up butts. I learned then that I don't like cigarette butts on the ground. I hate litter. That's one reason. I probably picked up an average of one hundred or more butts every day for two years. So when somebody throws a cigarette butt out, I'm not too happy about that. But, back to the Army, in the hierarchy, well, this is carried over to the way I want to treat my employees.

My people feel as if they're on a team rather than. . . . They work with me and not work for me. My philosophy is the more you work for me the more you'll get in return. Eventually, that should be in the form of a profit-sharing idea. They don't feel they're under the gun, but they can work through their own initiative to better themselves while working for me. You know, in fact working for me, but working with me.

Q. Okay. Now back to Washington, D.C.

A. Right. Incidentally, while I was in Vietnam. . . . It's kind of a complicated story, but my brother knew an American of Japanese descent. My brother was in Vietnam for five years selling. Well, first he was in the military, but he went back because he wanted to marry a Vietnamese woman, which he did. But he couldn't get her out of the country because she had three children from a previous marriage. So it took three years of paperwork and waiting because he wouldn't pay off the government to get them out quicker. In the meantime as a civilian, he sold cars and worked with a man in Da Nang, probably in 1968, 1967, around there, Harry Hirano.

Harry is this Japanese-American who lived in Asia. He's American but he liked Asia, so he was always in Asia. My brother Larry worked with Harry and then Harry left to go to Taiwan to sell cars. So when I was in Vietnam at a later date, my brother said, "Well, why don't you go to Taiwan for your rest and recuperation for one week and look up my friend Harry," which I did. Harry, of course, drove a car, and when you're on vacation and you don't know where to go and you're in a strange country, this is kind of nice, to know somebody.

So Harry drove me around the island, and at this time I learned of literally the mountains of untapped marble in Taiwan. I found out what parts of the country have the best wood carving villages, and in the back of my mind I

was saying, "Well, if I can't be a musician, I'd like to import fine work from Asia." Because I'd seen stores like Pier I, stores like that, with rows and rows of just so many carved pineapples and rows and rows of things that looked identical and that weren't really good. Just so many four-slit salad spoons on the wall. This is the kind of store that I didn't want, and in Asia I found out what I liked and what I thought was marketable. So. . . .

Now I fly back to Washington, D.C. Monte and I, the sax player, we couldn't play a lot because the local union, the musicians union, was upset with all of the military musicians because some of the best players in the country were in Washington, D.C., in these military bands. There's the Presidential Marine Band, the Airman of Note, all these fine players were taking all the local jobs in Washington, D.C. So we weren't allowed to have jobs. Of course, they squeezed a few in, but it wasn't exactly a living. So I looked around Washington; I liked Washington. It was close enough to Baltimore, a port of entry for importing. The town has a lot of calls, it has a lot of unique people, a lot of wealthy people, and it has Georgetown. If you haven't been to Georgetown, Georgetown is nifty. A lot of old shops, and I thought this is where I would like to have a shop myself.

Unfortunately, I couldn't get a prime location, because prime locations cost you between fifteen hundred dollars and two thousand dollars a month in Georgetown. So what I got was in Georgetown, but it was out of Georgetown. I was one block away from what I now call the walking traffic. Those two words, walking traffic, were to lead to my decrease in the retail business. In this particular kind of retail business, which was American and Asian art, the philosophy of my little store was quality items from three dollars to five hundred dollars. How can you have a unique three dollar item? Well, there are a lot of American potters who do some great work, and even though some of it is production pottery, it is handmade, and each is individual.

So I went to some art fairs and I met a lovely woman by the name of Sigrid Blow and she was about fifty-five at the time, but she was a professional potter. By that I don't mean she was a secretary in the daytime who came home and threw pots every now and then, this is what she did for a living, every day. She was an artist. That's all she did and that's all she was. It's all she wanted to do and she was good enough to support herself. She took an interest in what I was doing. I'm not an artist, but I know what I like and can do one thing very well. Sigrid told me. I can display other people's work and I built my own displays in the store.

One was a tree trunk that probably weighs three hundred pounds, that was a huge pedestal for a sculpture. The one sculpture that was on it was called "War Horse" by Thomas White, an aluminum cast of a horse falling in battle. The jaws of the horse were pointed skyward, grimacing in pain, and the light from the tree trunk was coming up from underneath right along the jaw. It was a perfect display for that particular piece. Before I opened the store, I was having dreams of displays. It was really strange.

One display was in plexiglass. The idea was unsupported light, and the light was unsupported on some kind of artifact which would be for sale. Out of my own imagination I made these displays and they turned out pretty good.

The store didn't work because of walking traffic. You just don't go downtown with the idea in mind, "Well, I'm going to go to Hirano and Jones"—that was the name of the store—"to buy a three dollar toad-stool." It was one of those things, one of those kinds of stores which has to be discovered when you walk by. Something in the window catches your eye and you walk in. But where I was located, I could see the people in mass in summertime, the tourist season, walking by everybody else's store. Between them and me was a gas station and a park and the street. It's kind of naturally divided. So people walking in the street think, "Well, that's all the stores," turn around and walk back the other way, without ever having passed my store.

Q. Who is this Hirano you just mentioned?

A. Hirano is the guy I met in Taiwan. Harry Hirano. To think of the name of the store wasn't difficult. Asian and American art; Hirano, who was my silent partner, and Jones. I wrote Harry after my trip to Taiwan and he agreed to buy the kinds of things we looked at and then he would get a percentage of the profits from the sale of those items. But Harry didn't come through with the best. Besides having that location—a fair location, but not a great location—besides that problem, was the problem of getting the goods out of Taiwan. We lost one thousand dollars worth of marble because of a shipping strike. Never recovered as far as I know. It was lost in the ocean. Never received, never shipped, just a mystery. All kinds of hand-turned marble—marble is turned in a lathe—we just never got it to see it. If you don't have it, you can't sell it.

And my first. . . . Heartbreaking, it was heartbreaking. I almost cried. When I received by first shipment from Taiwan, it was jewelry chests. When I was in Taiwan, I saw beautiful hand-carved jewelry chests and I thought, "Fantastic!" Harry sent me one thousand dollars worth of very commercial looking chests, exactly what I didn't want. At this time, I was living in a third-story apartment with Monte the sax player, and I had to carry those things all the way up to the third floor. Each time I moved those boxes, I hated them, because they weren't what I had in mind.

The kind of store I had in mind never quite materialized because of the logistics and because of this mistake that Harry made. It was out of my hands. So I end up selling these chests for cost or less, just to get rid of them. And I had to sleep in the same room with these damn things for two months before the store opened. It was my first big disappointment, not having the merchandise I knew was available. So I learned from the store itself.

Walk-in traffic. You have to have the right kind of exposure for a given store. Retail stores require location, especially in that kind of store.

And the other lesson is the amount of rent paid is not important if the location is right. If there was an opening in Georgetown for two thousand dollars a month, I should have taken it, even though I didn't have much money, because without location, you will fail. You must have it. If you can have a two thousand dollar location, so what? It doesn't matter, especially if you're taking in forty thousand dollars a month, plus two thousand dollars. It doesn't matter anymore. It's the cost of doing business.

Q. How old were you at the time when you opened your shop in Washington, D.C.?

A. Well, let's see now. I spent my 21st birthday at Fort Leonardwood on a foot locker, that was 21; 22 was Saigon; 23 was in Washington, D.C.—23 and 24.

Q. So you would say the main reason why your second major business venture did not succeed was due to the walking traffic and the logistics . . .

A. . . . involved with Taiwan and Harry's inability to get me exactly what I wanted. Now he did give me some items that were good. I bought a lot of jade when I was in Taiwan. In Taiwan, the jade is not as good as the Burma jade, but it's the same thing that's found in mainland China in its natural state. Now I only know that because I took a course at the Smithsonian on gemology. In addition to selling marble and wood carving, we also had some jewelry. I've learned that you don't buy cheap rings in Thailand because their mountings are terrible. The stones will all fall out. So, we did have some success with selling of jewelry and the jade. But I had to depend on my own initiative to go out and find American artists, because I couldn't depend on Asia, because it wasn't arriving. The only small success from Asia was—I can't verify this—I was one of the first, the very first to receive anything produced on mainland China after the embargo years.

Harry was in Hong Kong, Harry Hirano, on the day they lifted the embargo. He walked into the Communist Department Store in Hong Kong—that's the name of it, the Communist Department Store—and purchased eight hundred dollars worth of handmade tablecloths and immediately shipped them to me. Also, three rugs hand-woven in China. The Hecht Company in Washington, D.C., is this big department store chain. Two months after I had things from China, they came out with a big advertising thing about them being the first. I didn't have enough money, enough capital, to advertise sufficiently either. That plays a role in the success or failure of a business.

END OF SIDE ONE

A. Being undercapitalized is the biggest reason small businesses fail. Talk about location, walking traffic, products for sale, et cetera. But, in any business, the catch-all problem is being undercapitalized. You can't start out real, real small and mushroom overnight. It takes some beginning capital, because there are so many expenses. There's insurance,

all kinds of insurance: fire insurance, liability, theft. These beginning costs will kill you. So then if you don't have much money, you can't advertise much. If you can't advertise much, you're going to grow slowly, very slowly.

Q. What about a loan? Did you go to a bank and try to get a loan so you could increase your capital and then advertise?

A. Well, let's face it. I was a novice at that time. Everything I've done practically is self-taught. I didn't have any college business background, which might have helped. Of course, I didn't have much collateral to get a loan, anyway, even if I'd tried. I don't think at twenty-three they would have given me some kind of unsecured loan. They don't give unsecured loans. But I had little to secure a loan with.

However, that brings us to the topic of money. Undercapitalization, you're absolutely correct, is the way. If you don't have it, you've got to borrow it, and pay the bankers their interest. Don't worry about their interest. You don't worry about their interest anymore than you worry about paying a lot for a prime location in a shopping mall. It's a cost of doing business, it's a necessity. You must make your money on their money. My landlords in Georgetown are prime examples of this. They borrowed a lot. They were slow in paying the bills. They operated on somebody else's capital all the time. You borrow it, you don't pay it back so fast. You make them wait. And time is money.

So I guess that's about all for Washington, D.C. I packed up my belongings. I had a 1966 Nova station wagon with a 283 engine, which wasn't running too well. It had about eighty thousand miles on it, so I had it overhauled, and I hooked up a U-Haul to it. I knew why I had failed; I wasn't bitter about it, because it was something I wanted to try. It was an ego trip, because on many occasions after closing hours I would stand on the corner of the store and people would pass by the displays I had made and make comments, which lift your spirits. And of course, there's another aspect of business which is not a financial side, but just that you feel gratified that you've accomplished something or you can take pride in what you're doing. You can take pride in your ethics, you know, because you didn't cheat anybody. You run an honest business; that kind of thing can give you some rewards besides money.

But at any rate, I packed up my displays and everything I owned. I lived in some bad places, because every cent and every effort went into the store. I worked at least twelve hours a day and oftentimes more. I lived in some very dirty, very bad places because I didn't have any money for my personal rent.

Q. Could you give us an example of the living conditions?

A. I lived in a basement. (laughs) I didn't have a, well, I had a bed, but it was a rollaway bed and it was just a dark, dirty old basement. The people who lived upstairs were letting me stay there for a small amount of rent. But they didn't really want me there. They used to put their cat downstairs. The cat liked to walk around on my bed and things.

It was just a place to sleep and that was all. It wasn't a relief to go home. I wanted to stay at the store because I didn't want to go home, for one thing. Everything, my whole life, was the store. It was a good effort, but a failure.

So then I went back to . . . oh, I met some interesting people--these kinds of stories could go on forever--but one I'd like to talk about is Tom. Tom was, well, Tom as a millionaire. I won't say multi-millionaire. Tom lived three doors down from the store. My store was in a generally wealthy area, but it wasn't in the walking traffic. JFK [John Fitzgerald Kennedy] lived two blocks from my store while he was a Senator.

Q. Could you identify the initials JFK?

A. Yes. Well, Kennedy, John F. Kennedy. Anyway, getting back to Tom. Tom was handed a silver spoon to a degree. His parents were real wealthy and his father was dead. While he was serving in Vietnam, his mother died and left him quite a bit of money, probably five, six hundred thousand dollars. But Tom, on his own initiative, invested the money in stocks, and he was living, literally living--and living in Georgetown is expensive--he was living on his dividend checks from his investments. He paid all of his bills and living expenses on these dividend checks. And Tom and I got to be pretty good friends. He introduced me to a book by Adele Davis on health which was kind of affected the way I live. And Tom, he liked to run. He did four miles a day. He was thirty, but he looked twenty-two. Tom was quite a guy. That's another lesson in business; once you have enough money, the money will work for you and you won't have to work for the money anymore.

Q. Did you ever consider asking Tom at one point or another for a loan to help your business?

A. Tom was strictly a good investor. He had his money in the blue chip stocks and I'm sure Tom was tight enough that he wouldn't. . . . Even though we were friends of sorts, he was a businessman as well. We were friends and I didn't want to have to ask him for the money so I never asked him for the money. It was a matter of personal pride, one. And two, I felt he wouldn't give me the money, because, after all, a failing business in Georgetown just isn't a good place to put any money. And it was obvious the mistakes were there. So we never got around to. . . . But I did stay at his house for a week while he went to Europe.

This was one of the nicest places I lived in while I was in Washington. It was only four doors down from my store. It was my job to deposit his dividend checks as they came in, and over a week's period we're talking about deposits of anywhere from maybe seven hundred dollars to one thousand dollars. So this is the kind of thing that teaches you a lesson; that money makes money and once you have enough, you leave the investments alone and live on the interest or the dividends. It brought home the fact that there are people like this and there's quite a few of them. And they're rich and they enjoy it and they know how to continue being rich. They don't do it by spending the principle. They spend the

interest. That was another interesting sidelight, a personal one. You can hear it from people, but once you know somebody who actually does it, it brings the reality of that kind of situation home.

Q. Okay. So you packed up your Chevy. . . .

A. Packed up my Chevy. Luckily I had it overhauled. It would never have made it otherwise, because I had the tree trunk, I brought that back from the store; I had displays. In the back of my mind I thought, well, since I've learned these lessons, perhaps I'll open a similar store in Springfield, my home town. But the reason I was going back to Springfield was that I was broke. I didn't take bankruptcy. All my bills were paid. But I had no money to speak of. So after that particular Christmas—I don't remember the year exactly—then I went back to Springfield, and in the back of my mind I thought I could open up a store.

So I looked over a location in the Old Town Mall, next to Myers Brothers, and I just sat there in the hallway and looked for the things that were missing in my store in Washington. And there were not enough people walking through there to justify a store. I went so far as to hold a place in the mall, as it was just opening, but the walking traffic wasn't there, and the rent was high per square foot. The same old problems were creeping up that should have taught me—that did teach me—a lesson from the first store. So I decided this is not for me. And how could I open a store without any money? I was going to borrow the money from Ernie Lang who was kind of a friend. But he didn't really. . . . He didn't loan me the money. He would have, I think, if I pushed the issue. He was smart enough to know that you can't be undercapitalized and I was almost on the verge of making that mistake again. Borrowing too small an amount of money to actually get rolling. You have to have enough seed money to get over the lag times when business is slow. You have to have extra reserve capital.

So I didn't do the store. So Ernie, who's, let's see, must be ten, twelve years older than I, owns Springfield Real Estate and suggested that I sell real estate. Just prior to that I was a teacher's aide at [U.S.] Grant Middle School. I worked with the emotionally disturbed and very severest of special education children at Grant Middle School, which I kind of liked.

Q. Did you ever consider being an aide or social worker permanently as a job, or did business keep your interest and you felt the business world was where you were going to make your livelihood, and not in the field of social work or helping other people?

A. Well, I'd kind of formed the opinion—I'm not exactly sure where—that the social work that was being done was part of a large bureaucracy, and although the case workers themselves were folks that meant well, they were virtually powerless as individuals, and I didn't want to find myself at the mercy of somebody's ball-point pen, as to how much I helped somebody. And of course, I had no degree and I didn't care to go back to school because I was turned off with higher education.

So that wasn't going to be one of my things in life, because of the bureaucracy end of social work. And the social workers themselves, of course, are not paid well at that time; maybe they are now. I doubt it. So I decided that this just wasn't for me. I don't mind not being paid well, it's just that not being paid well and not being able to help anybody else to the degree that you feel that they should be helped is a waste of time. So in the back of my mind, I've always wanted to have enough money so that I could, on my own initiative, help folks. Perhaps there's some psychological guilt feelings. Why would anybody want to help somebody? I really don't know. Haven't got into that. I've always wanted to, regardless.

Q. So after your job, temporary job as a teacher's aide. . . .

A. Right. After that. . . . Ernie, besides having the real estate business, had a mailing list company. I'll describe it here briefly, because most folks aren't aware that such businesses exist. It's not like describing a laundry and dry cleaners or something. There are companies, large companies, that sell names. It's as simple as that. It could be business names, it could be individual names, but the idea is that the names are for sale. So Mr. Lang, besides owning Springfield Real Estate, since 1957 owned what you'd call a mailing list house, selling names of those businesses in the recreation industry. Didn't sell individuals names, but rather names and addresses of retail outlets. So I did a little research work for him and that was the beginning of what was to be a three-year job. I sold real estate and worked for Ernie's other business, his mailing list business, and that has led me to where I am today, the owner of a commercial letter shop.

I learned a lot about business while working for Ernie. Just the rudimentary thing, filling out invoices, shipping orders, writing business letters. He was never there; he was selling real estate. He did guide me in some correct directions, but a lot of it again was self-taught, just the experience of the whole thing.

Marketing. How do we sell these names? It was on a national basis. Well, we used the same medium to sell our names as the manufacturers used to sell their products. We used direct mail. We sold our names by sending our brochures to manufacturers. The manufacturers were those companies interested in finding out where the retail outlets were.

For example, you made a handlebar grip for a bicycle and it's the latest thing. It shines, it's got reflectors, it's got streamers. How do you sell it and how do you tell where these people are? Well, you need a list of retailers. There's over eight thousand retailers. You can't send out two hundred salesmen. You can't call them on the telephone, it's too expensive. You make a brochure. You take pictures of your product, information about your product on the brochure to the retailer; the bicycle store. Where do you get the list? As a manufacturer, that handlebar maker would be on our list of manufacturers and we're sending him a brochure describing our lists. He buys the list to sell his product to the bicycle shops. That's how it works. So we sent out about ten thousand pieces of mail ourselves every month. So this got me into the direct mail market.

Q. Did you ever try to sell a product to the public by direct mail exclusive of Ernie Lang?

A. Since I was so involved in art, one of the very first things I did was ask Ernie to be my partner in selling prints. Photographic prints from Studio I called Lambert Reproductions, which are photographic reproductions. Well, it's not really photographic, it's a printing process of reproducing old masters: Picassos and Rembrandts, et cetera. Exclusive of Ernie Lang, no; but in partnership with Ernie Lang, yes.

Another business that failed was called Expressions, and we tried to market the Studio I prints to the colleges, via a full page newspaper ads in the college papers. But the reproduction of the prints in the newspapers was not of a high enough quality to do justice to the product we were selling. In other words, we've got a black and white newspaper and full color photo reproductions. So, the price was right, but it was another lesson in marketing. Cost me five hundred dollars to find out it didn't work. Also it cost Ernie five hundred dollars. He wrote his off to taxes as a business loss.

Q. Why do you feel . . .

A. He didn't have enough faith in it to pursue it, to put more money in it. I mean this is only a thousand dollar investment. Well, that's peanuts. The inventory should have been in the thousands. So it was a token gesture of support on his part. So I'm not saying that couldn't work, but it didn't work the way we handled it.

Q. Did you get any type of response from the college crowd?

A. Very little. Very little. We got a few orders. You send out your advertising, whether it's by direct mail or whether it's in a magazine or newspaper, and if it's a direct mail response then you wait at the post office box for the response. Well, the percentage of return was very poor. But there were orders and we did fill the orders.

Just a rudimentary way of demonstrating how this can work. There are big mail order houses where they're getting thousands and thousands of letters with checks. There are those that work. Ours didn't. So it showed me that in a very close sense that here's how it should work, but it didn't kind of thing. So Expressions was another business failure.

After Hirano and Jones, then I worked for Ernie for the company called Marine Mailing Lists. It had the name because he originated his first lists for only the boating industry. Later he went into the entire recreation industry, but that's why the name of the business is Marine Mailing Lists. So I worked there for three years as manager. He was still selling real estate full time and I was in charge of the business entirely. He didn't really want me to be manager at the onset because he didn't feel he could afford me. But after working with the research a few months, I told him, "Let me be manager and pay me." I was paid eighty dollars a week. I said, "Don't worry about the small salary, let me make this thing grow." Again, I'm gambling. I'm gambling with

somebody else's money this time. (laughs) But gambling in my own personal investment, because I'm getting paid very little and working very hard. So . . .

Not necessarily due to my expertise, because I was still a novice--still am in a lot of ways--the business volume doubled the first year of my participation. Now he could afford me after that first year. So his little business that he has had since 1957 was a good idea and it just needed some attention, and I gave it a lot of attention.

The business was becoming fairly successful. Ernie started out the business in his own house and now after only a year we have our own separate building. We bought a house for it and we made lots of improvements and picked up United Parcel Service for shipping orders, streamlined the whole operation. But I wanted to expand further than Ernie wanted to expand.

Ernie's direction was to make a lot of money doing other things besides the mailing list business. For example, selling, let's say, shoes to the very names that we had. We had a list of boat dealers and he wanted to find a product and be the distributor to the names that we had available. Play the same role as those manufacturers who were buying our lists, and get into the retail end of it. Well actually, it would be a distribution end, a mail order end of selling an actual product. So, we tried selling shoes.

Q. This was Ernie's idea and not yours?

A. That's 100 per cent correct. I thought the sweetest business I have ever heard of is the mailing list business. You've got a machine that runs ten thousand names and addresses per hour and you're selling those names for thirty dollars per thousand. You could make three hundred an hour if the machine runs. Of course, most folks in the business don't generate enough names in a given day to make \$2,400 dollars a day, but it's possible, and that possibility intrigued me. Because that's where the real money is. There is very little effort. It's not like warehousing an item and worrying about inventory. Here's an inventory you use over and over every day. If four people bought a list of motorcycle dealers in a given day, you ran the same list over and over. You sold the same product four times without ever having to replenish or reorder anything. The names are there.

Q. How did you go about getting the names of dealers?

A. Well, the way Ernie did it originally was purchasing names from other list houses and reselling their product. However, I was never one to trust other people's research. The smallest percentage of expenditure in Marine Mailing was research when it should have been one of the largest. The largest was advertising, and the smallest was research. So I tried to emphasize during the last six months that I was there that a much, much larger percentage of the gross income must go towards improving the product. The product must be good so that you will establish an inventory of customers that continue to buy. They depend on you as a source and the lists must be good. You can't have duplicates. It must be thoroughly researched. So, the lists continued to improve.

The source, to answer your question, is Yellow Pages, phone books. That's a primary source. There are other sources. Trade shows, and so on, but the right way to do it is don't worry about any source except Yellow Pages. Do Yellow Pages and don't confuse it with any other source because all you're doing is throwing in duplicates and triplicates. So, one source only. If a business is not in the Yellow Pages, they're not in business. That's the way it is.

Q. So Ernie also wanted to become a distributor and market such things as bicycle handgrips; what other products?

A. No, we didn't ever sell grips. Well, in a way. We sold bicycle tape. On the 10-speed bikes, you don't really call them grips, they're tapes. We sold bicycle tape. We tried selling Halt Animal Repellent, and of course the shoes. Well, all of this was just a burden on the business. My secretary was wrapping boxes, she's filling orders, she's stamping checks that have nothing to do with selling names. How can we write letters or how can we do research when we're filling these silly orders, which meant nothing? It was peanuts. Ernie was always hoping for that one product which would give us that mountain of mail, which has worked in other businesses, such as Wilburn Hosiery.

Incidentally, as a sidelight, Wilburn and Lintree Hosiery, right here in Springfield, are the second largest user of postage. Who are they? I've never heard of Wilburn Hosiery! Well, they're at two locations in town; one on Sangamon Avenue and one near the Cook Street Post Office, and together--it's a mail order business for hosiery--they spend more on postage, second only to the state. Think about that one. Now that's a successful mail order business. They have their own Cheshire labeler, they've got a nine station--nine station--Philipsburg inserter, which inserts envelopes. Which would cost about, well, the labeler would cost \$16,000, the inserter would cost \$35,000 and all they do is mail order. It's not a retail outlet. They won't let you in the door. You can't go in and buy a pair of hose. It's strictly mail order.

END OF TAPE

A. Mr. Lang wanted to actually sell products through the mail, whereas I wanted to expand and improve on the lists only. But one thing I thought we could do to help offset our expenses and overhead was to offer letter shop services locally. By that, I mean the addressing of mail, insertion of envelopes, metering of postage, this type of thing. Because every month we had to mail ten thousand pieces, anyway, and we were doing it by sticking on pressure sensitive labels. The Cheshire people not only make machines to create mailing lists which we used when we sold lists, but they also make machinery to affix labels. Every magazine you get through the mail has a Cheshire label on it. This machine is kind of expensive, but I thought there's enough local business to pay for the machine and pay for my salary, which would leave more money in the business.

So, not with Ernie's blessing necessarily, but on my own, I started a

second name at 155 West Lake Drive, where Marine Mailing Lists was, called Modern Mailing Systems, which was to be letter shop services offered locally. Jim Krohe and myself thought that these services would be of value in Springfield. Jim, being an excellent writer and layout man, put together a brochure for me describing the services, and I sent out the brochure to local businesses. One of the first clients to respond was the Illinois State Chamber of Commerce. So we started doing their work and then we picked up the Hub and Illinois State Employees Association and people like this. The letter shop business improved, but Ernie didn't really like that business. Little by little, I decided that I should go into business for myself, so I offered to purchase Modern Mailing Systems and I left Mr. Lang's employ. I went out on my own in November of 1974.

Q. Where did you acquire the money to free yourself from Ernie Lang?

A. My father. I wasn't real happy there. I didn't feel like I could make all the decisions, and I wanted to make all the decisions without having to listen to anyone else complain about decisions after they've been made. So my father offered to loan me four thousand dollars, which he did. I didn't ask him for that money, he offered it. I hope to have it paid back in probably four or five months from now, which would make the business about a year and two months old.

Q. Was that seed money?

A. Yes, it was seed money.

Q. What did that cover? What did that money do in the way of buying equipment, machinery?

A. With the money my father gave me I purchased the rights to the business name, which I didn't legally own. Even though I may have invented the service and the name of the business and so on, I had to purchase the business from Ernie because he legally owned it, as well as a list of those people living in Springfield, which was a mailing list we developed. That was two thousand dollars, so that left me with two, then it took another thousand dollars to remodel the building that I moved into. The remainder of the money was used up rapidly for miscellaneous expenses, additional furniture, insurance.

Q. Your business of Modern Mailing Systems, where is this located?

A. It's currently located at 1137 West Governor. I had to purchase the label applicator from Mr. Lang, because he had purchased it originally. So I needed a loan for that machine. I was offering label application service, so you must have a label applicator. I went to the Marine Bank, and took with me a list of the current customers and projected income from those customers over a year's period. But they refused to loan me the money.

Q. Why?

A. It was an unsecured loan. They're unfamiliar with the machinery. The reason they gave was that they are unfamiliar with the machine and it is an unusual machine. There's only two of them--well, there's more than two--

but there's only two commercial machines in town. The Illinois Bar Association has one and Wilburn Hosiery has one and a few other people, but commercial machines, only two. At any rate, they wouldn't give me the money and neither would Town and Country Bank. So I guess they thought that Modern Mailing Systems was a gamble, a poor risk.

Q. How did you feel when you were turned down by both banks?

A. I felt real pressured, because if I couldn't buy the machine, then I didn't have a deal with Mr. Lang. I had agreed to purchase the machine as part of purchasing the business. And he didn't want to be saddled with a sixteen thousand dollar machine which he was only going to use to mail ten thousand pieces every month, and I didn't want to burden him with that either. So I was anxious to purchase the machine and he was anxious to sell it. So finally I kept going to different banks, and I went to American State Bank. Ronald Handlin was the executive vice-president and he was impressed with the inventory of customers I had and said he would take my loan application. And the board members agreed to loan me the sixteen thousand dollars, which I needed to purchase the label applicator.

Q. Why do you think the board approved your loan where the others did not?

A. I really don't know. It must have been the availability of. . . . It couldn't have been the availability of money, (laughs) Marine Bank's got all the money in the world. I really don't know. I really don't know. I had done business with the American State Bank and they were familiar with me and I suppose being a small bank they were more on a one-to-one basis with their customers and they didn't weigh the paper-work only. I guess they believe in me as well as in my list of customers. The two together, I guess, was enough. They decided they would go ahead and make the loan.

But what Mr. Handlin did that the others didn't do was call Cheshire and verify the value of the machine and they tried to decide what they would do with the machine if I was to default. So, they realized after making several phone calls was that this particular machine, although it does depreciate, does so at a slow rate, and they really weren't sticking their necks out very far. They had something they could sell somewhere. And if you're going to finance a bulldozer, you might as well finance a label applicator. One if just as easy to sell as the other, or just as difficult to sell as the other, so what's the difference?

Q. So now with securing the loan, you then went ahead and bought the applicator from Ernie Lang?

A. Right. I just paid off the loan that Ernie had at Town and Country. His loan was at Town and Country Bank, so I simply took the check over to Town and Country Bank and paid off the note and he signed the machine over to me. So I owned the label applicator and that finalized the sale of the business. From there it was just a matter of continuing to develop new customers and building an inventory of steady customers. Now I've

ordered an inserting machine and will probably get the loan at American State Bank because they had enough faith in me to give me the first loan. They make eighty dollars a month in interest off the sixteen thousand dollar loan. The inserter costs ten thousand dollars, so they'll do all right on the second loan, too.

Q. What were some of the early problems you had in your business?

A. It's the same old story of being undercapitalized. The problem continued to haunt me, because you have a cash flow situation where the business is set up on a thirty day system. The services you do in January will not be paid for until February. In the meantime, you've got your overhead to pay, your help and all of your expenses, utilities and so on. So you have to develop a big enough inventory of customers so you're always doing some work, so you're always receiving some money. The cash flow isn't that difficult, if you start off a business and you have enough capital behind you. Then until the time that you have a steady cash flow, you can pay your bills with no problems. But if you're waiting for the mailman to come every day with a check so you can pay your bills, it does cause a bit of anxiety.

Q. Can you tell me something about your employees?

A. Well, I have two nephews and they're Vietnamese. They're Americans now, but of Vietnamese descent. And they have helped me sort mail and seal envelopes and this kind of thing as part-time help. Just recently, I hired a Vietnamese refugee. He was the first refugee in Springfield.

Q. His name?

A. Pham Van Hai. Mr. Hai was a former major, speaks fluent French.

Q. Why did you employ Hai?

A. I first met Hai in 1973 when he came to the United States to study at Chanute Air Force Base. He was studying weather, and then he went back to Vietnam to use what he learned for the Air Force, to apply it in Vietnam. So I met him at that time in 1973 and then when Saigon fell, we were in hopes that Hai would get out of the country, which he did. He was interviewed on national television, ABC, on the ship Blue Ridge. He flew out of Saigon, he and twenty others or so, on a helicopter, and landed on the Blue Ridge and then they pushed the helicopter in the ocean to make room for more helicopters. It was a pretty thrilling departure. First he evacuated himself from Da Nang, and then two weeks later from Saigon. At any rate, we knew he was coming, because we saw him on television, which is a real long shot that you'd see somebody on television that you'd know, a lone refugee among 130,000.

Q. Did you have any prior knowledge that he was coming into the United States?

A. No prior knowledge whatsoever. And he escaped only two hours before the Communists took over Tan Sinu Air Force Base in Vietnam. He was

sponsored legally by a man that he knew from 1973 from Shelbyville. This man was a member of the Lutheran church, Carl Dagen. Carl took Mr. Hai around central Illinois back in 1973 when he was visiting and I was visiting, and that's how I met Hai in the first place. Mr. Dagen brought Mr. Hai to Springfield to see my Vietnamese sister-in-law. Of course Hai hadn't spoken with anyone from his country for several months when he was studying here in the United States, so he was anxious to eat some Vietnamese food and talk to my sister-in-law at the time that I met him. He had no idea that he would ever come back to the United States. He wanted to bring his family here so they could see some of the sights in the United States, but he never dreamed that one day that would actually happen. He has a wife and two boys and they are living in Springfield now. They were able to get out of Saigon, luckily. Mrs. Hai is working for Hawkeye Insurance, and she also speaks fluent French and English.

I have another part-time employee, her name is Mary Miller and she types. She's a production typist. That's about it for my employees. My parents help out occasionally, out of their own kindness. I don't ask them to, but they volunteer their services, which I appreciate. It's very kind of them. And I can use the help.

Q. So at this point you're really not staffed with full time people that would want to work for you for a livelihood as such?

A. Well, Mr. Hai is employed as a full time person. He was going to go to California because he couldn't find work in Shelbyville. See, Mr. Dagen, his sponsor, couldn't find him any work in a small town, so they were going to go to California where Mrs. Hai had a sister. But when I went down to Shelbyville to see Hai right before they were going to leave, I offered him a job. At this time, I didn't feel like I could afford a full time manager, but I liked Hai from knowing him in 1973 and I thought that the business was going to grow and I should have a full time manager. Having a manager freed me to call on clients. And someone is there to answer the phone and to take care of business if I'm not there, and also to help me with the production of mail processing.

Q. Do you think Springfield businessmen are receptive to the idea of employing Vietnamese in their businesses?

A. Well, there's a good reason for them to want to hire minorities, because there's regulations requiring them to hire minorities. So for those employers who for some reason are actually prejudiced and don't want to hire blacks, they can hire an Oriental and meet their minority requirement. So that's an escape they could use, if they so chose. The number of Vietnamese is so spread out over the entire country that the impact is not really felt. If you asked somebody on the street just how many families there are of Vietnamese descent, if they hadn't read the paper about these families, the special articles, well, they wouldn't know that there were any Vietnamese families here.

Q. Do you see in the near future Springfield businessmen willing to seek Vietnamese help?

A. I don't think so. I don't think they'll find any reason to seek it. They might accept it if it's offered, but I don't think they'll seek it.

Q. How would you classify the business climate here in Springfield toward minorities in general, as far as hiring is concerned?

A. I'm not really close enough to that subject to make a real good opinion. So I just can't say.

Q. Okay.

A. I have opinions about the business community as related to my mailing business. By and large, I'm never surprised anymore at the degree of incompetency in the business community. Big businesses which supposedly should know what they're doing, and really don't. Countless errors, simple advertising mistakes, that should make common sense, but the mistakes are made over and over. Not knowing how many customers you have, simple things about business. One should know how many credit card customers one has, or at least have a very good idea. Just all kinds of mistakes I've run into make no sense at all. I don't have a lot of respect for my fellow businessman.

Q. How do others see your business in Springfield? How do they try to understand what you're doing?

A. Well, if I'm out in public and I'm introduced to somebody, people like to ask you what you do. Because after all, to them what you do is who you are, and they're just meeting you, so they want to know who you are so they can compare themselves to you. It would be so simple if I were at a bar, let's say, and someone was introducing me and the person asked me, "What do you do?" if I could only say, "Well, I work for the state." It's so simple. It would solve the problem and the person asking the question feels at ease, because he might also work for the state. There's no evaluation problem. But if I say, "I own a business. . . ."

I hate being egotistical, so it's a very touchy subject to have to tell someone that I own a business. Because contrary to public opinion, all businesses are not successful. By successful I mean monetarily, and people judge a business not on its ethics, they judge a business on dollars and cents.

If I drove a Mercedes Benz and lived at the lake, they wouldn't care about my ethics. They would say, "Modern Mailing Systems is a success. Look at his car. Look at the house he lives in. Wow, I'm impressed. He is above me because he makes more money than I do." Everybody is at ease if they know that. But when I say, "I own Modern Mailing Systems," there's usually a little snicker. "What is that?" Now all of a sudden, I'm below them. Because they think I'm either putting them on or that it's something new that will last two months, or that I'm trying to escape working for somebody else and I'm just scratching along making a few pennies.

So that situation of what do you do and who you are is quite a subject. Another follow up comment usually is, "Well, in Springfield there's no need for that, is there?" And I'm saying to myself, "Oh, really?" I work with over forty thousand dollars worth of equipment and they're

asking me if there's any need for it. How stupid I would be if I thought there was no need, but I had forty thousand dollars worth of equipment. It doesn't make sense. So, they don't really care what I do. All they're doing is trying to find out socially where they fit in talking with me. Do they have more status than I do. Do they make more money? Are they better educated? All they're trying to find out is, "Well, how shall I talk to this individual I just met? Are we on the same level? This is a common irritant.

When people say, "What do you do?" I say, "I like kids, I take pictures, I go on picnics." "Oh, no, no. We don't want to know that. We want to know, hey, what do you do for a living? Where do you get the bread?" So that's my comments on people and how they view my business. When I explain to them it's a commercial letter shop, they don't really know what it is and they don't understand it. There's just a common lack of knowledge of what actually goes on in the business community from the outside.

Q. Would you say then that Springfield is a very social conscious community?

A. Yes, I would say so, and to a degree unfriendly because of that. The wise people are like the Chinese. They don't judge a man by his clothes. So that's how I am, and that's how I wish everybody was. (laughs)

Q. Can you recall any earlier ventures you had prior to your first major successful venture, which was the house that you and your father purchased in Normal, Illinois?

A. Prior success?

Q. Right.

A. Well, not really. I think the jazz quartet was a very big success, personally. We were good. We were really good and inventive and we made some money at it. That's really the only other. . . .

Q. Did you ever make a record?

A. Oh yes. The group made a record. That wasn't a success. We again lacked money. The group was the Rondo Jazz Quartet and we did not have a good recording made. That was in the early days in high school and some of the best work the quartet did was in college. But there hasn't been any successes other than that.

Q. How about your high school days? Did you have any business venture during your high school days?

A. Well, prior to high school. . . . That brings me back to Mr. Lang. The first time I met Mr. Lang was when a friend of mine waxed Mr. Lang's car, as this friend lived across the street from him. That's the first time I met Ernie and I told him about the jazz quartet and then we played a party at Mr. Lang's. That's how I met this man who is twelve, thirteen years older than I, who later became my boss. Also, we--my friend and I--sold steaks. Gourmet steaks. Ernie Lang, entrepreneur, creme de la creme. (laughter) We went door to door selling frozen steaks.

Q. Can you recall any particular incidents in your venture of selling steaks door to door?

A. Well, people write you checks; some of them weren't good checks. Like John P. Sulzman III, for example. That name will go down in history for sure, the notorious check writer. (laughs)

Q. You didn't carry the steaks door to door, did you, and show your product to the prospective buyers? How would they go about purchasing these steaks?

A. Well, it's similar to mail order except the fliers weren't mailed. They were handed out, taken door to door. The fliers described the product. Then they would send in their orders and we would bring out the steaks.

Q. Can you elaborate on your business, the process?

A. Right. I have a means of taking names and addresses. The names and addresses are typed on the tab cards and those tab cards are put through a machine developed by Xerox which reproduces the names at a speed of ten thousand names per hour. This system replaces metal plates, replaces Scripto-matic and replaces the Elliot system. We produce the labels at a high rate of speed, and the labels then are ready to be affixed to the document, the mailing piece. The names are put through the Cheshire label applicator.

Cheshire is a company owned by Xerox. These machines were developed in the late 1940's by a company named Cheshire, originally from England. Then about 1964 or so, I believe, Xerox bought Cheshire. Cheshire is a subsidiary of Xerox. At any rate, the label applicator then cuts, glues and affixes the label to the document, the mailing piece. Practically every magazine that comes through the mail, like Newsweek or Time, after it was printed was put through a Cheshire label applicator. There's three companies that make label applicators: Kirk-Reedy, Cheshire, and Magna-craft made by Philipsburg Bell and Howell.

Q. This machine, the label applicator, obviously is a flawless piece of equipment that man has designed and perfected.

A. Well, it has taken quite some time to really be good at operating the machine, because the people who sell them are in St. Louis and Chicago. Many of the problems that have come up on the machine I've had to learn how to repair myself. There's been no one to call. You can call, but it's a two or three day wait.

Q. Has this ever hindered your business operation as far as getting the piece out on time?

A. It rarely has. I've had some problems with them. There were problems on pieces that didn't have to get out right away. In the early days of November, 1974, there were some days where we had some trouble getting the chamber of commerce job done. I can remember at least two occasions where

I had to give a job to my competitor. He would do it by what's called a wing mailer. It's a hand-operated, slow process of affixing labels. This label applicator cannot only apply labels from the label maker, the first machine I described, but it can also cut and fix labels from computers. This is the trend, this is the growth pattern of business, to computers.

The business community, if they would become aware of the service I offer, will not have to maintain a mailing system if they're already on a computer. For example, Myers Brothers for a period of maybe three months were maintaining a dual listing of those persons having credit cards with Myers Brothers. They had their computer network in New Jersey, as Myers Brothers is owned by Van Heusen shirts, and they had their own plate system which they had used since who knows when, the beginning of the store probably. Every time there was an address change—and after all, 30 per cent of the American public moves annually, that's a lot of changes—each change had to be made twice, once on the computer and once on the plate.

I talked to them on no less than three occasions telling them that all they needed to do is depend on one source, the computer. Because the computer takes care of billing, the computer is a good selector. The computer is the answer to a big business problems. Inventory control, billing, and making address labels. All they need to do is give me a data process sheet on plain paper and I can take those names and addresses and cut them into labels with the Cheshire label applicator and the job's done.

Q. Why do you think Myers Brothers—a well-known, supposedly progressive business-oriented operation in Springfield for many years—why do you think they maintain two lists instead of one central list as you were describing?

A. Perhaps it was a transitional problem. They wanted to make sure that their computer operation was streamlined before they threw away their plates. That's a possibility. But I really can't say for sure why they maintain two, but for a period of time they did maintain two systems. Perhaps they were just being cautious.

There are clients all over Springfield who are going to go on computer, if they're not already. If they don't own a computer they can get services out of computers through Franklin Data Services, which is a branch of Franklin Life. Franklin Life has the second largest computer network under one roof in Springfield. Of course, the largest is the state. The state has the biggest group of computers in one centralized area. So Franklin Data uses the largest computer made by IBM, I believe it's the 360-40, as well as other smaller computers. They are also affiliated with Lincoln Land and their electronic data processing school.

A local businessman wanting to produce letters, personalized letter, can use the computer for that purpose, as well as generating labels, as well as using the computer for billing purposes, whatever. It's the most versatile tool man has in business.

Q. Today is August 24, 1975. Where do you stand as far as your business, the future of your business today? Do you see expansion?

A. The key issue in any business is volume. By volume I mean a large number of sales of one type or another. In my business, it's unique. Unlike a retailer who has to buy merchandise, I sell only service. So I need not ten thousand customers, but I need a small number of customers that do a lot of volume.

Take for example, if I were to enter into a contract to serve the Illinois Bar Center or do all the work for the Illinois Institute for Continuing Legal Education, the number of pieces that I would process over a year would more than double, just by adding two customers. Double. The Bar Center and the Institute for Continuing Legal Education would add two and one-half million pieces of mail that would go through my shop.

I'm not selling shirts. I don't have to worry about what Joe down the street is going to like as far as color or style. That kind of problem is not mine. It's strictly doing good service for a customer, satisfying his needs, getting the services completed according to his schedule at a reasonable rate.

As far as growth goes, there is plenty of business here. There is the entire political arena, which I haven't even scratched the surface on. By that I mean, for example, I'm doing work for Eugenia Chapman. She has a list of ten thousand of her constituents on my mailing system. So, like Paul Findley and a number of other politicians, they mail out newsletters to their constituents to let them know what's going on and it helps them get reelected. People like to receive mail from their representatives. Only one state legislator, and she has ten thousand. There's 235 senators and representatives and they each represent, I would think, at least ten thousand. Probably many more. So there's a tremendous potential for growth there.

As I said, as the business community--by that I mean also the associations as well as the retailers--as they turn to computers, they can also throw away their metal plates and turn to the commercial letter shop. It doesn't make any sense, if they're mailing a large volume, to do it themselves. It's a waste of time. I've got two thousand square feet of floor space devoted to the rapid processing of mail. And who can afford two thousand square feet out of their offices for mailing? Who can afford forty thousand dollars for machinery? And who wants to hire a full time mechanic to run the machinery? Quite simple. A businessman helps design and plan his mailing piece, gets it printed by any one of several excellent printers. The piece is delivered directly to me. The list is sent to me. It's mailed out, the businessman never touches it. He never wastes any money touching it. Because once you handle the material, you're paying someone to handle the boxes, the boxes are taking up square footage, the square footage costs money. It's a vicious circle.

Other services that we offer the businessman is the insertion of envelopes. Beginning September 15, I'll have a Philipsburg inserting machine which can take four documents and insert them into an envelope at a rate of up to five thousand an hour. There's nothing more boring than stuffing envelopes. So we offer the service of inserting envelopes, and the machine

also seals the envelopes. In addition to inserting, we have a postage meter which can meter postage at the bulk rate, 1/10 of a cent. We, of course, have to bundle the mail according to the postal regulations, do the documentation for the client and then deliver the pieces to the post office.

Q. What does Springfield hold for Jerry Jones within the next five years as a businessman?

A. Well, I imagine it will be. . . . I'll continue to be somewhat of an isolationist. I'm not a social climber. I don't intend to try to get business by any means other than just the services themselves. The services are there, they can take them or leave them. I don't want to get business in any other way. The growth is here and I think Springfield will be a good town for this kind of business. I think in five years the business could be sold at a good profit and I might do that.

Q. Do you think you will ever open a shop to sell unique items such as you were talking about earlier: pottery, paintings, jade, other items from the Far East?

A. I kind of doubt it. It's a rough business I tried to get into and all the conditions that were wrong in Washington would have to be satisfied and would have to be right in any other circumstance.

Q. Up to this time, what is the major lesson that you learned from the business world that you could tell other people that might be interested in starting their own business, at whatever age?

A. Well, number one, they should not be undercapitalized, probably the most important thing. And to find out if they have enough money or don't have enough money. They should talk with other individuals who are in a similar business and find out what it takes to run their shop, and find out if there's seasonal lags and business ups and downs, and have enough money in the bank to ride the waves.

Q. Thank you, Jerry Jones.

END OF TAPE