

ELECTRONICS • APPLIANCES • LAUNDRY

# PHILCO SERVICE

# *Businessman*

VOL. 1 NO. 7

JULY, 1959



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### *Philco's Newest*

Safari TV, transistorized, cordless, portable TV!

Story on .....Page 7



Official Publication of Worldwide  
**PHILCO FACTORY-SUPERVISED SERVICE**

# PHILCO INTRODUCES NEW PERMA-CIRCUITS

**“A ‘Road Map’ with All Cities,  
Towns and Routes Identified”**

One of the best kept secrets of the industry was the development of Philco's new Perma-Circuit panel, printed to show parts names, numbers and key test points. The spot on the panel where components are located is identified with easy-to-read printing that takes *all* the guesswork out of servicing these boards.

“It's like a road map,” explains Philco's Director of Consumer Relations and Service, Henry T. Paiste, Jr. “You can actually trace the circuitry by *reading* the map. Of particular interest to the serviceman will be the labeling of key test points, in the majority of cases fully accessible from the top of the panel, and without removing the chassis.”

Every 1960 television and home

radio receiver will have this new ease-of-service feature.

The named parts on the panels conform to the engineering schematic of the complete circuitry for each model television and radio, so that the serviceman can quickly and accurately trouble-shoot the circuitry of the set.

Teamwork between company design engineers and servicemen and service management resulted in the development of the new panels—another chapter in the story of cooperation between Philco and service.

Early scheduling of service training on the new Perma-Circuit panels is reported by many Philco distributors. Be sure not to miss out—see your Philco distributor service manager for complete details.

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OFFICIAL MONTHLY PUBLICATION OF,  
BY AND FOR THE WORLD-WIDE  
PHILCO FACTORY-SUPERVISED SERVICE  
ORGANIZATION

RICHARD A. PHILLIPS . . . . . *Editor*

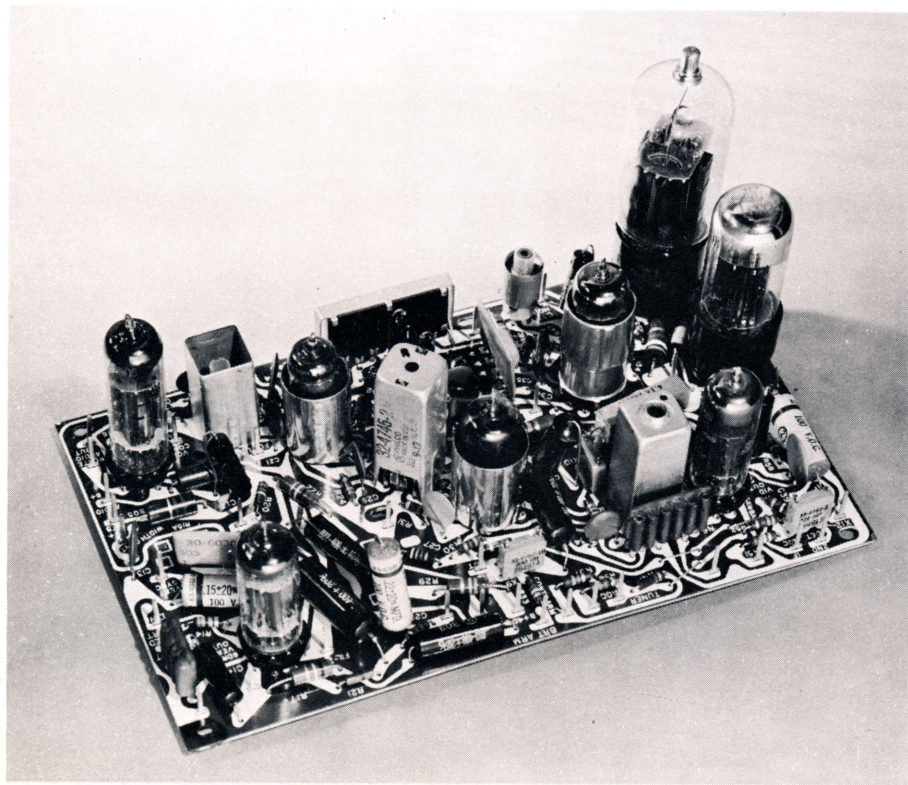
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Philadelphia 40, Pa.

POLICY . . .

Philco Service Businessman will strive to mirror the activities of the thousands of PFSS members throughout the world, and to provide them with useful and helpful business information.



## Follow the Streets and Avenues of the Perma-Circuit Road Map

This is a picture of the new Perma-Circuit panel showing how each component location is clearly marked in easy-to-read letters. Notice the location of some of the key test points, such as “tuner” along the lower edge, “2nd Detector” at the lower right corner, and “vertical sync” at the left edge. Other key test points are just as easily accessible. This panel is used in the 10L40 series television chassis.



## Presenting: "The Earliest Bird"

**P**HILCO SERVICE BUSINESSMAN held a contest to determine the oldest (in point of membership) member of its service programs. There were hundreds of entries, ranging in age from 10 years to nearly 26 years—almost as old as the first Philco factory service program, Radio Manufacturers Service!

We are pleased to announce the clearcut winner of the "Earliest Bird" Contest.

**Harry Goodchild**  
Goodchild's Radio & TV Service  
165 Ridge Rd., Brookhaven  
Chester, Pa.

Harry's membership certificate is dated November 6, 1933, and it bears Certificate No. 4190. He has held continuous membership in R.M.S. and later Philco Factory-Supervised Service ever since that time, although continuous membership was not a factor in determining the winner.

The handsome 9-inch sterling silver bowl, engraved as illustrated, will be presented to him at distributor J. M. Otter Company's Service Open House. It reads:

Winner, "Earliest Bird" Contest, Philco Factory-Supervised Service. Harry Goodchild, Goodchild Radio & TV Service, Chester, Pa. Awarded in recognition of continuous membership in Philco's Service Programs since November 6, 1933."

▶ Runner-up in the contest was Stanley C. Bierly, of Bierly Radio & Electric Shop, Millheim, Pa. Stanley's earliest date of membership was February 10, 1934, Certificate No. 6105. Chances are that his membership goes back even beyond this, because he wrote: "I believe I've been a member of R.M.S. from the first as I'm almost sure we purchased our first Philco in the 'late twenties.' The oldest proof which I am able to locate on quick notice is an R.M.S. Certificate No. 6105, dated February 10, 1934, and signed by our old friend Henry T. Paiste, Jr."

Unfortunately, we could only consider the actual proof submitted before the deadline date of May 15, 1959.

Following is an open letter to the "Earliest Bird" from Henry T. Paiste, Jr., Director of Consumer Relations and Service at Philco:

Dear Harry:

"Congratulations! I'm pleased to announce that you are the winner of PHILCO SERVICE BUSINESSMAN's 'Earliest Bird' Contest.

"It has been a long, long time since I, as Philco's Service Engineer, signed your Certificate of Membership of Radio Manufacturers Service. Philco was just then embarking on a policy of providing service to its customers through independent servicemen. These servicemen were to be trained by Philco through its nationwide network of distributors. The servicemen were to be provided with service literature of every description to make their work easier and more accurate.

"That Philco was wise to make this decision is borne out by the fact that today nearly 45,000 independent electronics and appliance servicemen subscribe to Philco Factory-Supervised Service, the 'descendent' of R.M.S. These servicemen are providing *the best kind of service* to the owners of Philco products all over the nation.

▶ "By providing independent servicemen with the opportunity to grow and to establish themselves in the community as respected businessmen, Philco has at the same time provided Philco owners with prompt, careful, accurate service on their products. Nothing could be more rewarding to Philco than the assurance of good service-after-the-sale.

"Harry, it has been a long time — perhaps longer than either of us likes to admit. But you'll agree with me that it's been worth it to be among the pioneers of a growing service industry that is growing not only in numbers, but in stature among the businessmen of America."

Sincerely yours

Henry T. Paiste, Jr.

PHILCO CORPORATION



The Boss himself routes calls—keeps in touch with outside men by phone.

# How One Company Handles Service Calls—A Case History

You don't have to be told how important the handling of service calls may be to you. You know from your own business that improper handling can lose customers and eat up profits. This phase of your service business becomes increasingly more complex as your business grows both in volume and in the number of employees. It can also be expensive to you unless you give it careful thought.

Perhaps you may be wondering if your methods are adequate. No one can answer this but yourself. To give you a "yardstick" by which to measure your methods, the following case history was prepared on the actual operation of a medium-size service company in an Eastern city. This company's methods are not necessarily unique—nor are they recommended as perfectly suited to every service business. This case history, however, can serve to guide you in judging your own methods of handling service calls.

► The Jones TV Service Shop does television servicing and is managed by the owner, Mr. Jones. The office force consists of two girls who have been trained in good telephone technique. Both girls take calls for service, in addition to their other duties. One of the girls is always present in the shop office, so the telephone is never neglected.

The girls are seated so both can easily reach the customer quick-reference file. Thus they can, while talking to a customer, pull out the appropriate file card to determine if this is a C.O.D., contract or warranty call. In every case, the girl tries to find out the nature of the trouble. This information is very helpful to the serviceman.

## PROPER ROUTING OF MEN IMPORTANT

After the girl has taken a call, she makes out a service request form, entering on it as much information as possible. This is then routed to a serviceman.

Mr. Jones himself does all the routing of service calls, because he feels this is a function of the "boss." He routes the next day's calls late in the afternoon, entering them on a "trip sheet" and numbering them in rotation.

► In numbering the calls, Mr. Jones makes a geographical analysis so that the serviceman, whenever possible, may go from one call to the next with a minimum of travel between calls. In addition to dispatching calls on the basis of their easy access, calls are dispatched in order of:

1. Dead sets.
2. C.O.D. calls.
3. Contract calls (minor adjustments, etc.).

The Trip Sheet lists all the servicemen's calls for one day. It includes work order number, customer's name and address, and a brief description of the job. The actual work orders are clipped to the Trip Sheet. They contain the more detailed instructions and description of the service call, the set make, model number, serial number, etc.

The Trip Sheet is placed in the serviceman's bin so that he can get an early start the next morning. A copy is left with Mr. Jones so that he can mark the progress of service calls.

All outside men call in three times daily—at 11 a.m., 3 and 5 p.m. The few minutes it takes to call in save time and money, because by keeping in touch with the office, the men can frequently save an unnecessary trip. If a customer calls to cancel an appointment, or if a new call comes in for what appears to be an emergency, the servicemen are quickly acquainted with new developments.

The servicemen also report to Mr. Jones on their progress when they call in, so he keeps very close control over their time and the status of the jobs they work on. They also report on the parts they require to complete a service call, so that the parts that are not in stock may be ordered quickly. As soon as the parts are available, Mr. Jones schedules the return service call for the same serviceman and the work is completed.

► Servicemen on the job are asked not to make commitments for additional work, although they often do suggest it. The customer is requested to call the office for either a new call, or to clear the serviceman to stay on and perform the additional work.

Evening calls are handled with a reduced force by rotating the men. Service is thus available every evening until 9 p.m. The evening men handle all incoming calls, and respond to emergency service calls.

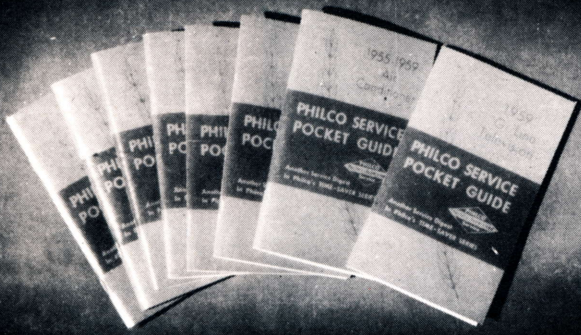
## HANDLING AN INSTALLATION CALL

When an installation call is received, either from the customer or from a dealer, a quick reference card is made up for the customer, listing the date, name, address, phone number, make, model, serial number and type of warranty. A file is also made up for this customer. The call is routed to an installation crew. Prompt installation service usually pays off in future business, Mr. Jones feels.

When the installation is completed, the crew shows the customer how the set operates, and obtains her signature on the completion slip, just like a regular work order. The installer calls attention to the Jones' sticker on the back of the set, and asks permission to place a similar one in the customer's directory of most-used telephone numbers. The information is returned to the office where it is entered on another quick-reference file card.

## INVESTIGATE ALL METHODS

The method of handling service calls described above may not be suited exactly to your type of business. The basic ideas, however, should be adaptable by any service business. It's always a good idea to analyze your methods with a critical approach — you may have outgrown them without realizing it.



# Philco Service Pocket Guides Win Acclaim

Philco's Time-Saver Series, the Pocket Guides on the various products in the line, have won the praise of thousands of servicemen and service managers across the country.

These handy pocket-size, flexible bound books are designed to give the serviceman the kind of information he would need on the job, so that he can carry it with him. Many thousands of the books are included in regular monthly mailings to members of Philco Factory-Supervised Service.

When the series is completed, there will be these titles:

- 1959 "G" LINE TELEVISION
- 1959 "H" LINE TELEVISION
- 1955-1959 AIR CONDITIONER
- 1955-1959 ELECTRIC RANGES
- REFRIGERATOR-FREEZER DATA
- DRYERS
- DUOMATICS

► In addition to those above, two other titles are being planned as "carry home" booklets in the Time-Saver Series in conjunction with service training meetings. They are AIR CONDITIONING & REFRIGERATION and TELEVISION. Still others in the series will be SERVICE RATES, APPLIANCES AND HOME LAUNDRY, and SERVICE RATES, ELECTRONICS, dealing with reported service rates for particular servicing jobs.

Read some of the comments of people in service who have received some of the Pocket Guides:

"Thanks a million for the Philco Service Pocket Guide (for air conditioners!!!). Great!"

Rufus Scharer  
PFSS Member 21-626  
Houston 2, Tex.

"Just received the latest PFSS Mailing, in which was included 'Philco Service Pocket Guide.'

"I do not know who was responsible for this piece of work, or how many of you fellows were involved in putting it together, but you all have our sincere appreciation.

"This is the BEST thing that has happened in our whole PFSS program. Service people have been screaming for just such a book.

"I want to give our sales force one of these and we would like some spares. If these are available, please use this letter as your authority to ship me 12 of these for the present and we feel sure we will need more.

"Congratulations on a fine job."

Ralph J. Bruneault  
Service Manager  
Ferrell-Wight Co.  
Albany, Georgia.

► "I just received my copy of 'Philco Service Pocket Guide' and even though I am not a serviceman, I can appreciate the tremendous value of this pocket size manual. As it is the general consensus of opinion at the J. E. Miller Co. that this guide will be in great demand, we would like to know if additional copies can be purchased. If it will be possible to purchase this guide as an individual item, please advise me of the price and the PR number.

"Thank you for your help and cooperation."

Lysle White  
Accessory Manager  
J. E. Miller Co., Inc.  
Pittsburgh, 2, Pa.

"I want to congratulate you and your staff for the excellent job you have done on the 1959 line Philco Service

Pocket Guide. I have received many favorable comments from our service agencies and they have indicated that they would like to buy the same type of book on the older sets.

"I hope you can use the same type of booklet in presenting information on appliance and laundry products. Don't change the size as it is perfect for either their jackets or tool boxes.

"Keep up the good work."

Ray Petsche  
Service Manager  
Household Appliance  
Distributors, Inc.  
Miami 38, Fla.

► "Let me be among the throngs that are presently pressing their congratulations upon your head for the very wonderful and extremely handy PR 3411 Pocket Service Guide.

"Gentlemen, this is fine, but you have dropped the ball when you did not continue and make one just like it on the current laundry line. I hope that you will take the hint and shortly announce a like publication for the appliance end. Just thought I'd take this opportunity to put in my two cents worth."

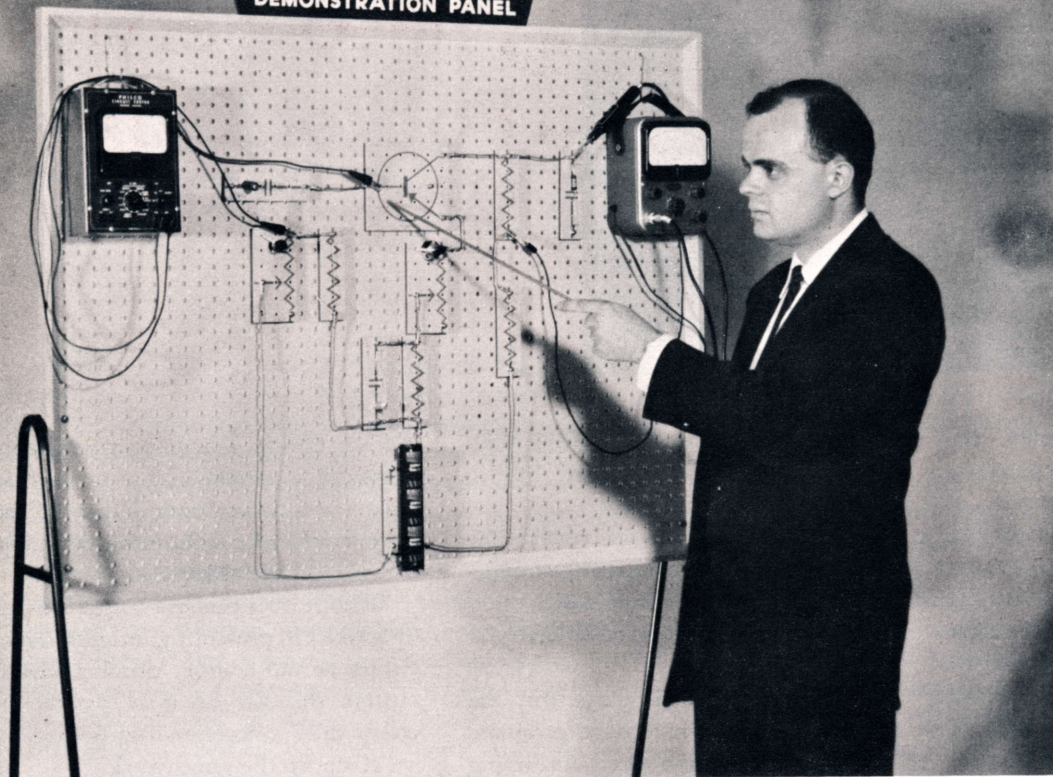
Dan Sanderson  
Northwestern Auto Supply  
Company  
Billings, Montana

Look at the list above, Dan, and you'll see that *all* your prayers are answered.

\* \* \*

► Philco Service Pocket Guides will be made available to every serviceman requesting them. Except for the "carry home" titles, all Pocket Guides will be included automatically with PFSS mailings; some will be available at your distributor's parts department.

**PHILCO TRANSISTOR  
DEMONSTRATION PANEL**



**TRAINING AID  
SIMPLIFIES  
LEARNING  
TRANSISTORIZED  
CIRCUITRY**

To be used by Philco distributors in the late Summer and Fall, this new training device will make it easy to learn the circuitry of Philco's new Perma-Circuit panels. The panel is blown up to giant size, with each component represented by a separate

board bearing its electronic schematic symbol. The "components" are easily removable and repositioned in new locations to illustrate different circuits. With pointer is Don Spiller, Technical Writer, Electronic Education Unit, Philco Corp.

THE BULLETIN OF THE  
NORTH CAROLINA FEDERATION  
OF ELECTRONIC ASSOCIATIONS, INC.

# THE PRINTED CIRCUIT

MAY 1959 No. 5

Vol. 1 Federation Office 520 E. Main St. Durham

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**PRESIDENT'S LETTER**

I was indeed very happy to see each of you who attended the mid-year Federation meeting in Winston-Salem. We missed the boys from Asheville, Wilmington and the others who were not able to make the meeting. Hope they will be represented at our annual meeting in September. Let us extend my thanks along with the other representatives to the host ETA and to their President, Archie Bartlett.

For those who did not attend a report of the meeting is elsewhere in this issue. Since this is being done no copy of the Minutes will be mailed to the individual Associations unless specifically requested. Your officers and directors were very pleased with the results of the meeting and hope that all will be happy with them. The educational program now will be more practical than before. Let us urge all to take these exams and courses - it will be a step in the right direction.

Our membership program has been lagging badly. Fellows, let us get out and work at forming your territory as assigned - and by the way if humanly possible. We set our goal for 20 local associations in NCFEA by the September annual meeting. The director for your section of the state will assist in any way - just call on him or the officers.

Your Secretary and I are looking forward to seeing the boys of the Catawba Valley and Caldwell NCFEA groups at a joint meeting in May. It has been our goal to meet with each Charter Member group this year and I think we'll be able to make it.

Committee recommendations accepted as Federation policy during our meeting are being acted upon as rapidly as possible. Results will be published each month in THE PRINTED CIRCUIT. We can reach our goals only by united effort from all. If we really believe in our future lets get behind our policies and act.

**TRADE ASS'N  
BULLETIN**

This informative and well-planned 8-page booklet is the bulletin of the North Carolina Federation of Electronic Associations, Inc., edited by Jim Hornaday, High Point, N. C. Garland Hoke, Durham, N. C., is president of the Federation.

**'Noiseless' Air Conditioners  
Deserve the Name**

Philco's "Noiseless" series of air conditioners didn't just happen to get that way by accident.

There are two ways to obtain a lower noise level. One is just by reducing the fan speed. Of course, this method results in lower cooling capacity—so it was not the way chosen by Philco.

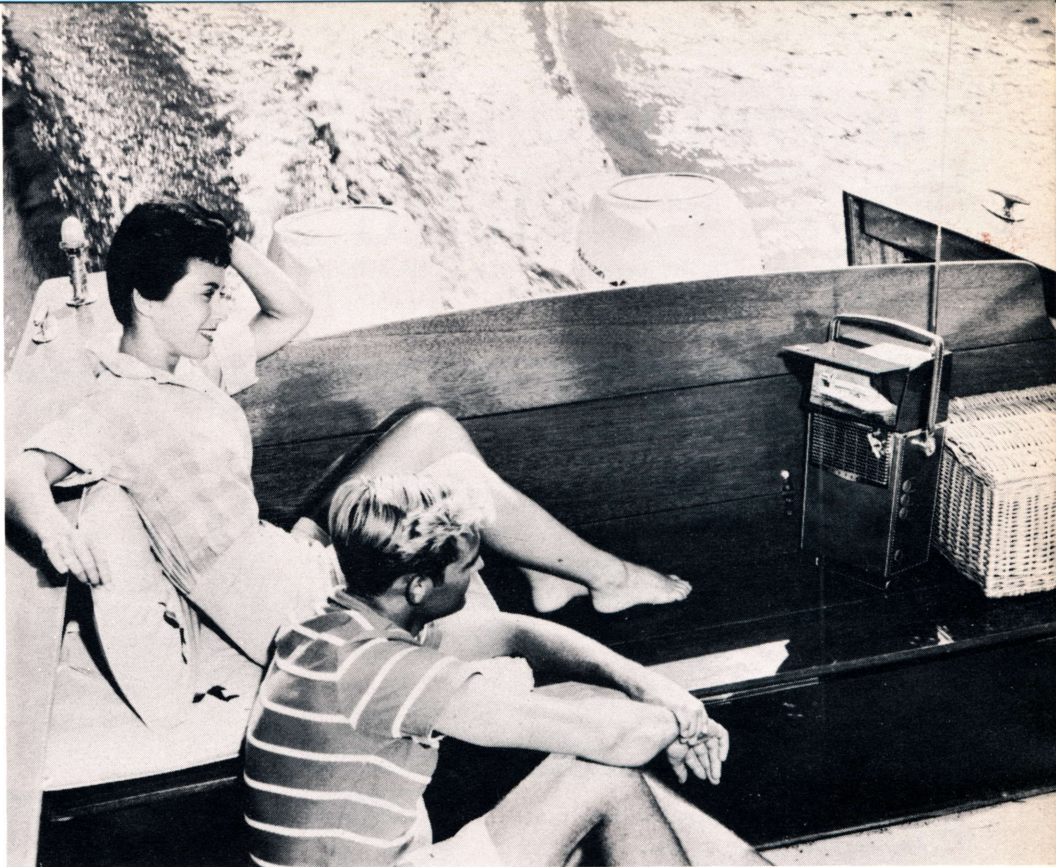
The other method is to redesign the blower system aerodynamically so that air noise is reduced to a minimum while the air movement capacity is maintained at a maximum. This was accomplished with an ingeniously designed evaporator fan that has individually set-in blades, instead of being made from a single stamping, as with other blowers.

Part of the "noiseless" story is also centered around the use of 8-pole motors, instead of the usual 4- or 6-pole motors as used by most other manufacturers.

As a result, Philco offers truly "quiet" air conditioning units that really deserve the name "noiseless."

## TELEVISION AFLOAT

Television viewing now has an entirely new dimension added through the complete portability of the fabulous new Safari.



# PHILCO

## FIRST WITH CORDLESS, TRANSISTORIZED, PORTABLE TV

The "surprise" product that we hinted at in last month's PHILCO SERVICE BUSINESSMAN caught the industry not just by surprise, but in open-mouthed astonishment. The new lightweight, fully transistorized portable television receiver weighs only 15 pounds including battery and can go anywhere—even on "safari" as its name implies.

The Safari is only 8 $\frac{3}{8}$ " wide, 16 $\frac{5}{8}$ " high and 5 $\frac{1}{2}$ " deep. This new concept in portable television by Philco will have already reached the market when this issue of PHILCO SERVICE BUSINESSMAN reaches you, so it should be a signal to you to get all the training you can so that you can service it properly when needed.

### Technical Analysis to Appear In Philco "Electronic Supervisor"

Watch for an informative article on circuit description of the new Safari in the near future. PHILCO ELECTRONIC SUPERVISOR, one of the publications in your Philco Factory-Supervised Service monthly package, will carry the article.

Although the actual image appears on the receiver's two-inch cathode ray tube, it is magnified eight times its original size. The ideal distance for viewing the Safari's full picture is up to four feet away.

In appearance, the Safari looks very much like a reflex camera. The visor, or hood, plus Philco's use of the optical principle described above, makes possible glare-free reception out-of-doors. Prior to the introduction of the Safari, viewing television outside was virtually impossible, due to the glare from the sun. The set has an adjustable tilt mechanism to adapt it to the viewer's eye level and eliminate reflections.

"No matter what time of day it is, or how brightly the sun shines, anywhere there is a television signal in the air, you get a perfect picture on the Safari," says Henry E. Bowes, Philco's Vice President—Marketing, who announced the new receiver to the newspapers of America.

"No trailing, plug-in cord is needed," he added. "The Safari brings a completely new dimension to television viewing. It can be used in automobiles, on boats, on trains and even in airplanes. It is the first television

receiver that can be used where regular electrical service is not available, such as in a ball park, on picnics, or on the beach."

Behind this unique new television receiver are years of Philco research and engineering. The 21 transistors used in the Safari Perma-Circuit panel account for a major part of its successful development.

Through the cooperation of Eveready Company, a special rechargeable dry cell battery was developed for the Safari. The battery is characterized by great power, long life and ease of recharging, despite its small size. Its power cycle permits four full hours of operation before recharging is required. Recharging is accomplished by simply plugging the battery into the usual household outlet.

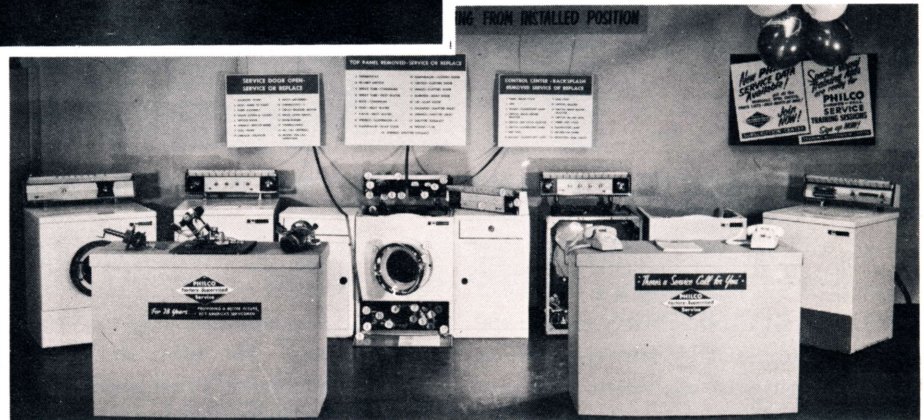
The battery is replaced through a special "trap-door" in the bottom of the case. A special "charge" function switch is built into the set for convenient overnight recharging. The Safari may also be operated on standard AC house power, like any radio or usual household appliance, by merely plugging into a regular household outlet.

*Continued on Page 8*

# In Preparation for Philco Service Open House

In order to prepare properly for the Philco Service Open House held by each distributor, Philco Service Headquarters actually set up the entire display as it was intended to be used in the distributors' showrooms.

These were some of the "Product Centers" that thousands of servicemen were visiting throughout June and early July all across America. Top to bottom, Refrigerator-Freezer display, Laundry display, Electric Ranges, Air Conditioners.



## **SAFARI** *Continued from Page 7*

### **SAFARI FEATURES**

Safari is handsomely designed in rich, top-grain cowhide with a leather handle for easy portability.

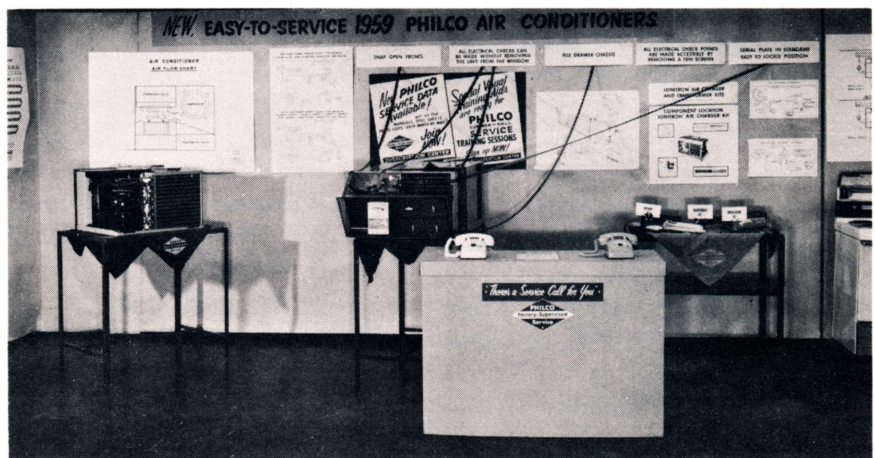
Built-in telescope antenna at top of set pivots 360 degrees.

Full set of controls for picture adjustment and channel selection.

Fine tuning control.

3-position range switch.

Manual, "hours-in-use" dial for the battery.





## LETTERS TO THE EDITORS



Dear Sir:

"I wish to comment on your apparent interest in the independent and retail service technician.

"I think your interest is very keen and I am sure the sincere boys appreciate it.

"To list a few of the outstanding moves you have made that especially came to my liking are:

"President James M. Skinner, Jr. letter to the IDEA on service policy. Your Pocket Guide on the "G" Line TV's, and the series of articles on "Electronic Fundamentals." Good review for the old timers and wonderful for novices.

"My only purpose in writing to you is to let you know I am one of the members that realizes what efforts you are putting forth.

"Not to belittle the efforts in the least of any of Philco's previous service to the technicians, it's always been good and I think it is getting better. These are growing times in every respect.

"Keep up the good work."

Raymond L. May  
6527-18th Ave.  
Seattle 22, Wash.

Dear Sir:

"I am, and have been a member of Philco Factory-Supervised Service for a number of years. I always read the literature which you send every month. I often see articles with which I do not agree, but I have never commented on any of them, but when I read the article on page seven of the May issue of PHILCO SERVICE BUSINESSMAN, I just had to comment on it.

"In the tenth paragraph from the beginning of the article, it states: "I do know that in every Philco set the fuse is right on top and easily accessible." Now you should know that this statement is absolutely untrue. You may be putting fuses on top now, but what about the thousands of Philco sets with the fuse under the power supply chassis?

"Your writer also comments on what a cinch it is to service Philco's Perma-Circuit panels. Apparently, this man never tried to service a printed board set. Regardless of one's familiarity with modern servicing techniques, servicing printed circuits is no cinch.

"Why don't you stop trying to kid the public and go to making good television sets like I know you can do, as some of the older sets Philco made in the past are hard to beat. Sorry I can't say the same about what you are building now."

A. J. Toney  
1825 N. Broad Avenue  
New Orleans 19, La.

*Editor's Note: The article quoted out of context was a quote by one of Philco's factory reps. While he didn't specifically say so, we feel sure that he was referring to Philco's new line, in which all fuses are readily accessible. We cannot agree with Mr. Toney that Perma-Circuits are "no cinch" to service, but we happily print his comments.*

Dear Sir:

"After reading your 'Letters to the Editor' in your BUSINESSMAN of May, 1959, about a 25% call-back ratio, it indicates that either 25% of the public are wrong or that 25% of the service work is lacking.

"In the first place, a service organization can hardly remain in business if the customer dissatisfaction is at a 25% level, or 25% of the calls have to be repeated without compensation.

"Of course, the technician is the middleman between the receiver (manufacturer) and the customer, but he is also the one who should receive a profit for his work and retain a satisfied account. Few people complain when they receive satisfactory work.

"The qualifications of a technician

should include good judgment, experience and know-how, and if all of these are met, there should be little to complain about.

"... during my thirty-seven years of experience in this business, back calls have never been a problem to me, being about 1/2 of 1%.

"Back calls can be the fault of management, or how the dealer-customer relationship is handled. Both the customer and the receiver have to be analyzed, since either can give the technician trouble, and then the technician has to analyze himself.

"Then, too, some of the late receiver design is not readily adaptable to a proper service procedure, yet the public buy into these situations.

"I can recall where a transit account wanted his receiver focused, but after some conversation I had discovered that he had used a booster for 6 months and that the set had not been properly serviced in a year and a half. What could I do for a \$5.00 service call when probably half of the tubes, including the picture tube, were weak? I spoke in terms of \$90.00 to avoid an unwanted situation.

"Good accounts should be acquired as a foundation for a good service business, and when such people place their confidence in the better grade of work, the service dealer is made.

"You may either reply or publish this article."

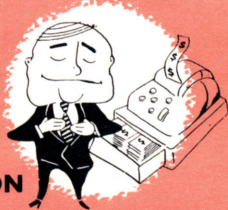
Edward E. Emich  
1764 E. Joppa Rd.  
Baltimore 4, Md.

Dear Sir:

"Enjoyed your May issue very much, especially where 'Philco Defends Independent Service in Legislature.' However, I was greatly disturbed by the article on page 7 of the same issue.

"I can appreciate your factory representative's excerpts and rebuttal and do agree with him almost one hundred percent. Now, I said almost. Either he has not worked on the older Philco's, or he may have recently gone to work for Philco, because he pulled one terrific boner when he made the statement—('in every Philco set the fuse is right on top and easily accessible').

*Continued on Page 11*



Like a woman,  
you can't live with it,  
and you can't live  
without it, but you gotta ...

## Know Your Overhead

You have seen articles on how to cut your overhead expenses, and have been given tips from time to time in **PHILCO SERVICE BUSINESSMAN** along the same lines. And there's no doubt that determined efforts can help trim unnecessary costs. The fact remains, however, that you'll never *eliminate* overhead. The cost factors that combine to make up overhead are realistic expenses without which your business could not survive.

► The important thing is to *know* your overhead ... to know just where the money is going *before* it is spent. The only way to do this satisfactorily is to establish a good bookkeeping system. Sounds discouraging? It need be only as elaborate as you want to make it. The smaller the business, the simpler the bookkeeping needs to be. As the business grows, you may want to engage a bookkeeper, and the occasional services of an accountant.

In many service shops, the bookkeeping is done by the office girl. A periodic check by the accountant usually is sufficient to keep the books in good shape.

The smaller operator can often accomplish the desired result with a simple notebook or ledger. All this requires is a daily listing of expenses and income. Then, at the end of the month, all the items can be entered in their proper place in another, more

permanent record. This record would be known as a Statement of Income, and should include the following items:

### INCOME

1. Installations—including antenna erection.
2. Service charges.
3. Service contracts — amounts received from any contracts you may have with manufacturers.
4. Sales of Parts and Tubes, less their cost.

The total of the above items is called **NET SALES**.

### INSTALLATION AND SERVICE COSTS

1. Wages of *servicemen*.
2. Depreciation — truck and shop equipment.
3. Shop supplies.
4. Car allowances, *servicemen*.
5. Auto and truck rental.
6. Auto and truck expenses.
7. Garage rental.

► These items, when added, become **TOTAL INSTALLATION AND SERVICE COSTS**. By subtracting the resultant figure from **NET SALES**, you arrive at your **GROSS PROFIT ON SERVICE**.

### OTHER EXPENSES

1. Wages, other than *servicemen*. Be sure to include yourself. You should pay yourself a fixed monthly salary and include it as an expense item. Don't

draw too heavily on profits in a good month without being protected for the lean months which could follow.

2. Depreciation of office equipment —determine the amount to be taken and keep it in a separate account. Use it only when new equipment must be purchased.
3. Office expense. Paper, billheads, envelopes, etc.
4. Rent.
5. Heat and light.
6. Postage.
7. Telephone.
8. Advertising—we stressed its benefits last month. Include all advertising costs under **OTHER EXPENSES**.
9. Insurance.
10. Dues and subscriptions—trade associations and trade magazines.
11. Taxes—payroll. Be certain that you don't overlook city, state and federal taxes where applicable.
12. Permits and fees.
13. Leasehold improvements — this includes repairs to your building and other permanent improvements.

► Total the above items as **OTHER EXPENSES** and subtract it from **GROSS PROFITS ON SERVICE**. The remainder is your **NET PROFIT**.

This procedure is followed each month. By keeping collective records of the month's figures, you have a clear picture of your progress over the year to date. This is your **STATEMENT OF INCOME**.

## BETTER BUSINESS

### STATEMENT OF CONDITION

By keeping a running record of your assets and liabilities, you know exactly how you stand financially at any time. This is known as your STATEMENT OF CONDITION. It should list assets and liabilities as follows:

#### CURRENT ASSETS

1. Cash on hand.
2. Accounts receivable.
3. Inventory—parts and tubes.

#### FIXED ASSETS

1. Truck value.
2. Office and shop equipment.
3. Building—if you own it.

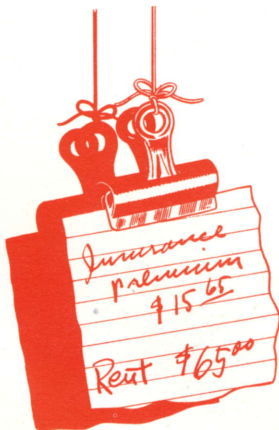
Less reserve for depreciation, this becomes TOTAL FIXED ASSETS. Add the CURRENT ASSETS and FIXED ASSETS to arrive at TOTAL ASSETS.

#### LIABILITIES

1. Loans payable.
2. Accounts payable.
3. Accrued wages.
4. Advance payments on service contracts.

Added, they become TOTAL LIABILITIES. The difference between TOTAL ASSETS and TOTAL LIABILITIES is the NET BUSINESS WORTH.

► By using the foregoing outlines, you can establish a bookkeeping system which will give you a very clear picture of exactly where your money is going for overhead, and how your business shapes up financially. If one or two items seem to be out of line, perhaps a slight change in methods will pay off in increased profits. In any event, you can certainly make your service operation much more business-like if you *know your overhead*.



## LETTERS (Cont'd from P. 9)

"That statement, gentlemen, gave me quite a jolt. Now, either we have been getting foreign made Philco TV's, or your rep. was asleep when he made that statement. I happened to be working on a D1 power chassis from a 52T2106, and that fuse IS UNDERNEATH THE POWER CHASSIS, and the chassis must be removed to replace the fuse. Now, there are many more models and chassis made the same way, and if I had the time, I would most certainly look them up for your benefit, but I dare say my good friend, Mr. Ed. Burke [factory rep.] could look them up without looking the models up in the book.

"I believe that I should add a point here now regarding the printed wiring. I must agree that this system has its merits and will no doubt be the ultimate answer some day. Now, I do not mind working on strips that have the wiring printed on one side only. But, the manufacturer that builds them with the printed wiring on both sides of the strip is really asking for trouble. Specially in auto radios. Even with the technical information at your fingertips, high powered lights and probes, it is still one H— of a job locating an intermittent in one of these small radios. I will not mention names or condemn the makers of the sets in this letter, but I would like to make a statement at this time.

"If all manufacturers could and would consult the qualified serviceman in the field when he is changing models or design, he would find invaluable and 'cheap' help and aid in bettering his products. After all, gentlemen, we live with these products long after you have forgotten what they look like, and I believe we can help you in making more money for you and ourselves in making products simpler and easier to service."

Harold D. Niver  
Niver's Radio Shack, Inc.  
801 Columbia Street  
Hudson, N. Y.

*Editor's Note: We appreciate Mr. Niver's thoughtful letter, even though he points out an error by one of our spokesman regarding the accessibility of fuses in all Philco sets. In self defense, however, let*

*us call attention to the fact that the model he used as an example was built in 1952. Obviously, our spokesman was referring to later models.*

*In answer to Mr. Niver's proposal that the manufacturer consult the serviceman in designing new products and models, we call attention to our article in this issue called "Philco Introduces New Perma-Circuits" on page 2. This is a good example of how Philco works with servicemen to manufacture products that are truly easy to service.*

Dear Sir:

"Permit me to compliment your organization on the highly efficient manner in which you keep the technician informed in the servicing of your products. I especially like the handy 'Philco Service Pocket Guide' covering your line of televisions.

"I am submitting a service tip which I find most helpful in preventing damage to equipment, test leads, etc. resulting from burns from the hot tip of the soldering gun. The only material necessary is a piece of plumber's tape an inch or so in length. This is secured to the rear of the gun above the handle in such a manner so that the gun can be hung on an L-shaped hook screwed to the bench. To install hanger, the plastic housing is removed and a notch the width and thickness of the tape is filed into one side of the housing at a point where a bolt can be run through the hole in the tape."

Frank H. Heinze  
Frank's Television Service  
3975 Foothill Rd.  
Santa Barbara, Cal.

## Complete Report on Service Open House

Next month's issue of PHILCO SERVICE BUSINESSMAN will carry a complete report on many of the Service Open House affairs that were scheduled at Philco Distributors' during June and July. From advance reports received to date, this looks like it will be the greatest single event ever held in the name of service!

Watch for the complete story and pictures in the August issue of PHILCO SERVICE BUSINESSMAN.

# Service News

IN PICTURES

C. E. Ray, left, Radio Equipment Company, Indianapolis, Ind., and factory rep. Ralph Gruber at refrigerator-freezer and air conditioning service training meeting held by the distributor.



A view of the attendance at Radio Equipment Co.'s refrigerator-freezer and air conditioning service training meeting.



Television star Dean Fredericks, who is known to millions as Lt. Col. Steve Canyon, U. S. Air Force, receives a desk model of the Sidewinder air-to-air missile during a recent visit to Philco. Presenting the model is George Masurat, production superintendent at Philco's Government and Industrial Division plant, where the deadly infrared guided missile is manufactured for the Air Force. Looking on is Lt. Col. Carl C. Cameron, of Air Force recruiting.



Don Smith, Electronics and Shop Manager, Radio Equipment Co., explains new Philco compressor service policy at the same meeting. 24 servicemen attended the meeting.



Ralph Gruber, factory rep., shown at a refrigerator-freezer and air conditioning service training meeting held by distributor Tri-State Distributing Co., Cincinnati, O.

