January 10, 1955

Mr. G. S. Barnes 3001 Overlook Drive Minneapolis, Minnesota

Dear George:

During the past two or three weeks we have, like most businesses at this time of year, been recapitulating the results of our past year's work and trying to plan our program for the coming year. Our thoughts can be classified under four main headings (although I can't say that we have managed them thus systematically, nor are the departments necessarily in any order, valuewise or otherwise!). They are, roughly, the three areas in which we already have a fair toe-hold, and a fourth class of new areas of development.

- 1) Feed division activities, of course, still constitute our big department as far as volume is concerned. This will be the subject of a separate letter, but in brief we plan, as perhaps Joe has told you, to bring one or two new acts to the February meetings. Our hope for the coming year is that we may be able to provide a small, compact, relatively inexpensive unit for the dealer's store, which will be easy for the salesman to transport, and which will provide for customer participation. We think we have the answer to this one in "Henda" which we showed at Detroit. Then we plan on a separate, automatic, continuous, more elaborate and showy act for the fairs. This one is still in the experimental stage, but we hope to be able to show something outstanding by February.
- 2) Keller Breland Associates. Part of this letter is in the nature of a considerably belated report on my experiences at the National Association of Amusement Parks, Pools, and Beaches (NAAPPB!!) last month. The audience of convention visitors was, I have no doubt, the toughest in the United States because of their sophistication in the show business. In spite of this, Casey's impact, as exhibited by the reactions of the audience, was, to put it very mildly, terrific. People dragged others in to see it, and exclamations such as "How much is it?" "Where do we buy it?", etc., were standard. I believe a considerable volume of sales should follow from such enthusiasm and willingness to buy as was exhibited there.

With regard to the fair and park business, I would like to interject a small warning note: I feel that here we should be prepared for the possibility that we may have to move fast and hit hard. There may be considerable danger of being scooped by some sharp promoter if we are not able to move fast enough.

In the convention and department store field, we were pleased to see from Lloyd's recent memo that he has lined up quite an impressive list of exhibitors for the early months of 1955. The experiences of the past 6 months have provided us with a great deal of valuable information and contacts which should certainly serve us well in the future.

While the field could still be called new, I believe our experience has now been sufficient to allow us to expand at a much more rapid rate, and I'm sure we are all hoping for this.

- 3) Dog food. It seems increasingly unlikely at this point that General Mills Grocery Products is planning to proceed with the dog program in any fashion which would be mutually profitable, either with regard to the trainer or to the over-all program. Hence I am casting around for a likely route to travel with this aspect of our operations. Naturally I would like to resell the whole program, including premium rights to the trainer, as soon as possible. I would certainly appreciate any suggestions you might have in this regard. We have had some new ideas which might serve as the basis for a new dog food promotion.
- 4) New areas. This coming week will see the grand (we hope) opening of the I.Q. Zoo. I am enclosing a handbill. We are in the thick of last minute preparations and of course have run into many new problems. It is going to be a very interesting project, and should serve as a valuable proving ground for new acts, both for KBA and for feed division. It should also be useful to them both as a source of publicity. And of course we hope it is going to make some money, or at least pay expenses! We will keep you posted on our progress, or regress, as the case may be.

Partly as a sideline to the I. Q. Zoo, and partly as an independent project, since it is in itself an enormous field, we plan this year to get a toe-hold in the pet industry. This has become since the war a multi-million dollar business, with an impressive list of suppliers and distributors, and a rich market for new pets, gadgets, supplies, and ideas in general. Still it is in a fairly uncrystallized stage, where a small beginning can mushroom rapidly. We hope to begin to crack this field with kits, booklets, gadgets, and even trained pets.

At the NAAPPB show, there was exhibited a very lively interest in coin-operated live animal acts for amusement parks. We hope to set up and test some coin-operated acts at the I. Q. Zoo as soon as we get the basic units in operation and have a little more time to work out the special problems of coin operation. With regard to the administration of this field, when we do get ready to exploit it, it is my feeling at present that the fields of convention, department store, and fair business constitute a large enough area for KBA, when operating under full steam, to net optimal taxable profits. It is likely that coin-operation will be a very large field indeed and because of its potential earnings should be separate for the long pull. Hence I think it would be prudent to separate the fields from the very beginning and not use coin operation at all under KBA as it is presently constituted. Here again I would much appreciate having your thinking on the subject.

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We are certainly looking forward to hearing from you and welcome most heartily your discussion of and advice on any of the points I have mentioned. I feel we have laid a solid foundation for a rousing take-off into a very big thing indeed. It will be a pleasure to see you again next month.

Our best regards to you and Loretta for the coming year.

Sincerely,

Keller Breland