

# Seabee

## Bulletin

FROM PERSONAL PLANE DIVISION OF REPUBLIC AVIATION CORPORATION

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I'm back from ten days at the National Aircraft Show at Cleveland.

When it opened I thought I had stumbled into a wake. I saw nothing but long faces. I heard nothing but troubles. Newspaper correspondents sent dispatches back home that read like obituaries.

This company was in bankruptcy. That company would fold tomorrow. Another had 293 airplanes on its factory apron. Had I heard about the distributor who was stuck with 28 so and so's?

I looked about me and saw one of the greatest shows ever put together by any industry. I saw products that no nation on earth can equal. I saw evidence in the exhibits of tremendous resources, incredible engineering skill, unsurpassed workmanship and the confidence and faith of all the leaders in every branch of aviation.

I could not get excited that one or two small companies had fallen by the wayside or that others had to pause for breath after their great exertions of the past year.

I could not believe that the distributors and dealers who have undertaken to carry the torch for private flying would flee in panic from the first real challenge they have met since plane production was resumed.

As the show continued the spirit changed. The Gerty Glooms faded into the background. There was a healthy griping about poor attendance and the fact that not too many orders were taken, but while some of the two-place manufacturers took inventory of just where they stood at the moment, the makers of four-place planes reported business as very good with excellent prospects ahead.

Republic's distributors and dealers checked in at our booth in large numbers. We did not have half enough time to talk with everyone the way we wanted to even though we put in twelve hours a day at the Show and many hours at the Carter Hotel.

We did discover all over again that no company ever had a more wonderful sales organization than Republic has in its dealers and distributors.

There was much discussion about the new price of the Seabee and the fact that the increase does not carry additional profit at this time.

Almost without exception, however, all agreed that though some orders would be lost because of the increase, new orders would take their place and that of those cancelled, many would be reinstated later.

All but six of Republic's 48 domestic distributors attended the Cleveland Show. From my talks with them and with scores of dealers and from the flood of fine letters received since my return from Cleveland, I want to sum up what seems to be the general opinion.

#### THE SEABEE IS STILL TOPS

All who saw the Cleveland Show seemed to agree that the Seabee at \$6,000 offers more for the money than any other four-place airplane exhibited. It is two planes for the price of one. It is the only four-place model in which four big men can sit down without touching elbows or taking off their hats.

It is one of the few planes that a woman wearing ordinary street clothes can enter or leave without embarrassment.

For visibility, comfort, baggage space and load carrying ability it offers almost unlimited utility.

#### LET'S DISCUSS PRICE

Some few people who gave you deposits for Seabees did it originally because it was cheap - because you offered a price bargain - something they expected to get for almost as little as a two-place Piper, Aeronca, Luscombe or similar plane. You lost most of those orders on the first price increase and in any case where original cost is a hardship, or when the customer could not afford the operating and maintenance cost of a large airplane, the order is well lost as the Seabee would likely prove too much for him.

Experience is proving that initial costs of all-metal airplanes can be charged off over many years of use but secondhand markets are made by those who can't afford to operate a plane after they buy it.

Most of your Seabee sales were made to people who would not have bought a two-place plane at any price. They wanted the Seabee for reasons that are just as important to them today as they were when they first gave you their order. Price is important to them as it is to all of us but not as important as getting what they want in their own personal airplane.

Some dealers appear much more disturbed at the price increase than are their customers. Some seem to feel they should switch Seabee purchasers to cheaper airplanes. A very few almost invite cancellation like the man who asked Mrs. Jones: "You don't want to buy anything today, do you?"

No good salesman will accept cancelation of a Seabee order or any order without a complete new solicitation. To attempt a switch to any other plane is to risk entire loss of the sale - to kill the customer's interest - to lose a commission you have already earned.

If your customer needs reselling, your best bet is to resell him the Seabee. He had strong reasons for wanting it or he would never have bought it in the first place. If he was worth getting, he is worth keeping. If you fight as hard to keep a profit as you do to make one you'll forget your fear of cancellations and go out to make your orders stick.

The man who has an early priority on a Seabee can probably sell it a dozen times over in early spring. To lose his place now just does not make sense.

It does not cost him any more to keep his deposit good with you. You are not asking for any additional deposit and you will return his money any time he needs it. Tell him wait until he has looked the Seabee over - flown it and decided for himself that it is better than he ever expected it to be and worth all it costs and more.

Fred Bunyan, General Manager of Pierce Aviation Company of Fort Wayne, Indiana writes me:

"Our company does not anticipate too much difficulty in selling Seabees at this new price for once the airplane has been flown by the prospective customer, he will be more sold on it than ever before... regardless of the new price increase."

Harold C. Donner of Pacific Aircraft Corporation of Eugene, Oregon writes:

"No doubt we will have cancellation of orders although I believe we will be able to hold all of our sales after the customer has seen and flown the Seabee. My greatest concern at the moment is not the price increase but how soon can we have our demonstrator."

It's not on the question of price, but I'd like to share with you a paragraph from a grand letter I received yesterday from Macon Petty who operates the Petty Marine Flying Service from off the Mississippi levee at St. Louis. He writes:

"There are a lot of people who can still afford the Seabee and they are the ones we will have to concentrate on. Many of them have had no previous flying time and that introduces a problem.

"We feel better about the whole thing since my experience in flying the Seabee for the first time Monday. Having had two rides, once in the back seat and in the right front once, I checked myself out in it and found that it fits me like an old shoe. All of the ballyhoo about its gliding like a rock, having to land with power, etc. are so much stuff if you have been flying even light seaplanes because they are all that way.

"We decided immediately that any of our students who can do a creditable job of flying our little float planes can handle the Seabee on land or water without much training. Furthermore, we decided that people who have flown our light floatplanes will be more likely to like the Seabee."

#### THE QUESTION OF PROFITS

Because I mentioned \$750 as the present profit of selling a Seabee some of our dealers appear to have overlooked two points I believe to be of interest.

The first is that when the price was first expected to be \$3,995 (without Hartzell prop, cross country instruments and many improvements now included) 15% commission amounted to \$600. So it's now 25% higher than it was then.

Second, \$750 is not the top commission in selling Seabees because on the second five sold it is \$875 and on all sales above ten it is \$1,000 per plane. These are incentive commissions to be earned by any good dealer who proves he is an honest-to-goodness go-getter and not a Doubting Thomas who doesn't believe that selling is big business.

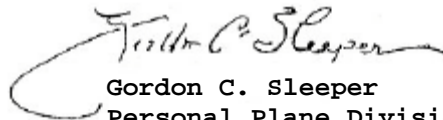
Finally, while deeply appreciative of the fact that our distributors and dealers have both been very wonderful about writing that they are willing to forego extra profit on the amount of the last price increase in order to pass the saving on to more customers, the question of trade discounts can be reappraised when volume production brings normal plant operation.

#### SHIPMENTS TO DATE

Despite a well deserved Thanksgiving weekend holiday, shipments of Seabees for November totaled 60, exceeding the 58 production schedule. The rate for December continues at three a day, all of which are going to dealers. Among recent foreign deliveries are initial shipments to Stockholm, Sweden; Buenos Aires, Argentina; Rio de Janeiro, Brazil; Capetown, South Africa; Paris, France; Reykjavik, Iceland; Montevideo, Uruguay and Mexico City.

#### NOVEMBER SALES REPORT

Many thanks to all of you who have sent in your Special Sales Reports as of November 15th. The information furnished is of very great importance and your comments and suggestions are deeply appreciated. We hope to make personal acknowledgment soon. Meanwhile, if any reports are still not in or if you have mislaid the form, please let us hear from you.



Gordon C. Sleeper  
Personal Plane Division