



REPUBLIC AVIATION CORPORATION

FARMINGDALE, LONG ISLAND, NEW YORK

Telephone Farmingdale 1100

September 21, 1945

BULLETIN XIII

MORE ABOUT DEALER FRANCHISE

Because floods of mail continue to pour in from everywhere asking what dealer sales areas are still open, it is becoming of urgent importance that you get in to us quickly the complete details of commitments you have made which you now want approved under Republic Dealer Sales Agreements.

To gain time and save double correspondence, please observe the following procedure:

1. After you have settled in your own mind whom you want as Dealer for any given key point and you have agreed with him on territory, quota and deposit, go over with the Dealer the entire standard Republic Dealer Sales Agreement and be sure he understands it fully.

2. Now draw up the one-page contract and after you and the Dealer have both signed it, please send all three copies to us for approval.

Note 1. Please under sales area give population figure of county and specify in all cases: "Exclusive for" or if not exclusive, state exceptions clearly.

Note 2. The minimum quantity called for in the second paragraph on which a cash deposit is called for should not be less than five, but the Dealer's "Quota" may be a larger quantity without a larger cash deposit if you so desire.

3. Before mailing us Dealer's contracts, please attach and send in the same envelope, a copy of the Republic application for Dealer Franchise or pin a note to the contract saying that we already have an application on file. If you send the application without the contract, it means holding it in suspense until you do send the contract. If you send the contract without the application, then we have no information on which to base our approval.

ANALYSIS OF DEALER PROFITS

Many Distributors have asked for a copy of our analysis of Dealer profits offered under Republic's sliding scale of discounts.

	<u>Discount</u>	<u>Cost to Dealer</u>	<u>Profit</u>	<u>Percent in Cost</u>	<u>Total Profits</u>	
First 5	15%	\$3400	\$600	17.6%	\$3000	First 5
Second 5	17½	3300	700	21.2	3500	Second 5
All Over 10	20	3200	800	25	<u>4000</u>	Third 5
					\$10,500	

(Note: For easy figuring the above figures assume a \$4,000 list)

As given above, it shows a profit of \$3000 on five Seabees, \$6500 on ten, and \$10,500 on fifteen. Note that the Dealer really makes from 17.6% to 25% on his investment.

If he makes ten successive sales on an inventory of one Seabee, his percentage of profit on his investment is ten times his average profit of 19.4% or it is 194% on his money. What counts in the Dealer's cash register is not the discount, but the dollar profit per sale and what counts still more is the turnover on sales. If you teach Dealers to count dollars on Seabee sales, you won't have to talk competitive discounts. Better a hot line at any discount than any discount on a dead fish.

RETAIL SALES BY DISTRIBUTORS

All Distributors are requested to report what sales areas they are reserving for their own retail sales. All are cautioned that in the opinion of Republic, no Distributor's retail sales should exceed 25 per cent of his quota.

Excessive retail sales by Distributors can only breed ill will on the part of responsible Dealers and in the long run may prove disastrous to both Distributor and Manufacturer.

Republic is not impressed by large sales in limited areas but does insist that all Distributors apportion their quotas to give broad Dealer coverage throughout the Distributor's entire sales area. Only by such a policy can foundations be laid for permanent sales success in years to come.

The good Dealer who is denied a franchise or denied deliveries in a year of easy selling is not a good prospect for sales in a year of difficult selling.

SELLING DEALERS IS PROFITABLE

The table below shows how profits mount when good dealers really get rolling. Little dealers selling only one or two planes each contribute only headaches and red ink, but good Dealers travel under their own steam and the profit of their business justifies the incentive discounts you offer for quantity sales.

Some types of planes, like sugar and salt to the corner grocer, should be sold to every sand lot operator, but it seems to us that only big league operators should be given Seabee Franchises.

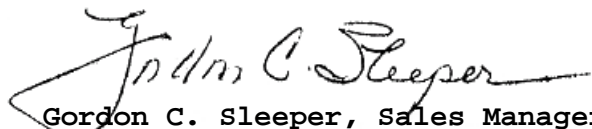
ANALYSIS OF DISTRIBUTOR PROFITS

	<u>Discount</u>	<u>Profit</u>	<u>1 Dealer</u>	<u>5 dealers</u>	<u>10 Dealers</u>	<u>15 Dealers</u>
First 5	15%	\$400	2000	10,000	20,000	30,000
Second 5	17½	300	1500	7,500	15,000	22,500
Third 5	20	<u>200</u>	<u>1000</u>	<u>5,000</u>	<u>10,000</u>	<u>15,000</u>
		<u>\$900</u>	<u>\$4500</u>	<u>\$22,500</u>	<u>\$45,000</u>	<u>\$67,500</u>

(Note: For easy figuring, the above figures assume a \$4000 list price.)

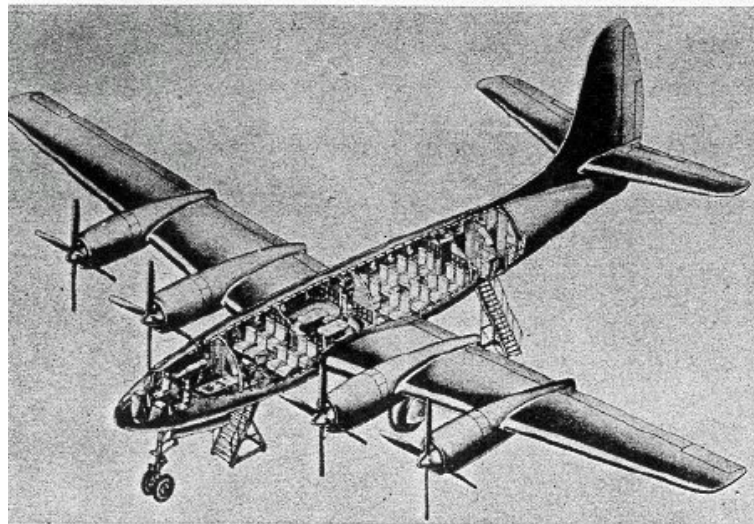
REPUBLIC CONVERTS GIANT AIRLINER

Most of you know that Republic has for over a year been developing its own giant four-engine transport for the Army Air Forces. Now comes the announcement of the "Rainbow" as the commercial version of this 400 miles an hour stratosphere ship. Enclosed is Gill Robb Wilson's story as it appeared in the New York Herald-Tribune.

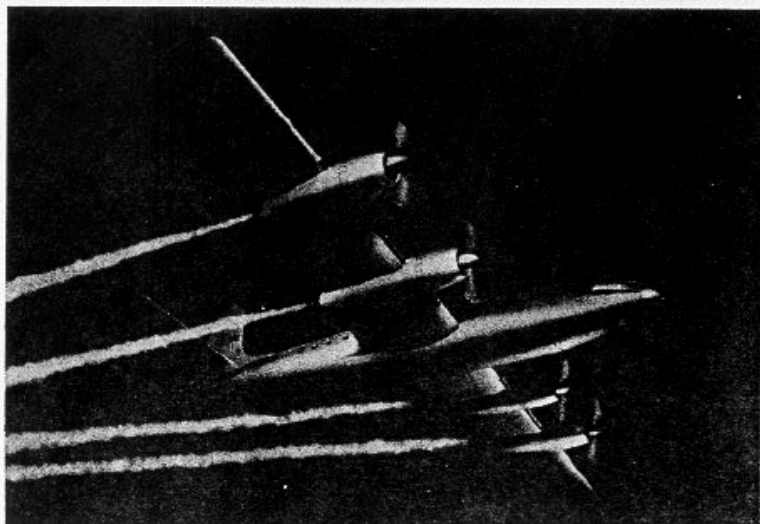

Gordon C. Sleeper, Sales Manager
Personal Plane Division

Enclosure

Republic's Rainbow, Which Will Arch World Skyways at Nearly 400 Miles an Hour



Cut-away drawing showing interior of Rainbow: Cockpit, navigation and radio room, passenger quarters, lounge-restaurant, passenger quarters, vestibule and rest rooms



Model showing aerodynamically clean lines of air giant

New Luxury Transport Plane To Cruise at Nearly 400 M.P.H.

Republic Rainbow, Thunderbolt's 4-Engine Sister, Has Pressure Cabin to Seat 40 Passengers; Could Fly to Moscow in Twelve Hours

By Gill Robb Wilson

Bidding for a place on the horizon of post-war air commerce, Republic Aviation, of Farmingdale, L. I., builder of the famous Thunderbolt fighter, announces development of its global transport, the Republic Rainbow.

The Rainbow, a four engined pressure fuselage, long range aircraft seating forty passengers, and manned by a crew of seven, is said to have a cruising speed beyond any transport ever created. In addition to passengers and crew, pace and lifting ability provide for several tons of baggage or mail.

Fred Marchev, president of Republic, stresses that the Rainbow was created to meet commercial specifications as evidenced in the developing pattern of world civil aviation. In other words the engineers did not build the Rainbow and ask air commerce to find a use for it but rather asked transportation what it required and then built an aircraft to meet those requirements.

Since long-range flying usually

Twelve Hours to Moscow

One of the requirements specified was over-night linking of Europe and North America. This meant an aircraft capable of cruising close to four hundred miles an hour. The Rainbow will cruise New York to London or Paris in nine hours, New York to Moscow in twelve hours, San Francisco to Tokyo in sixteen hours. Applying the same yardstick we can join Washington to Rio de Janeiro in twelve hours, to Mexico City in five hours, or the American coast in less than six hours. Miss Nellie Bly, who once set a round-the-world record of forty-five days, could now make the same trip in forty-five hours.

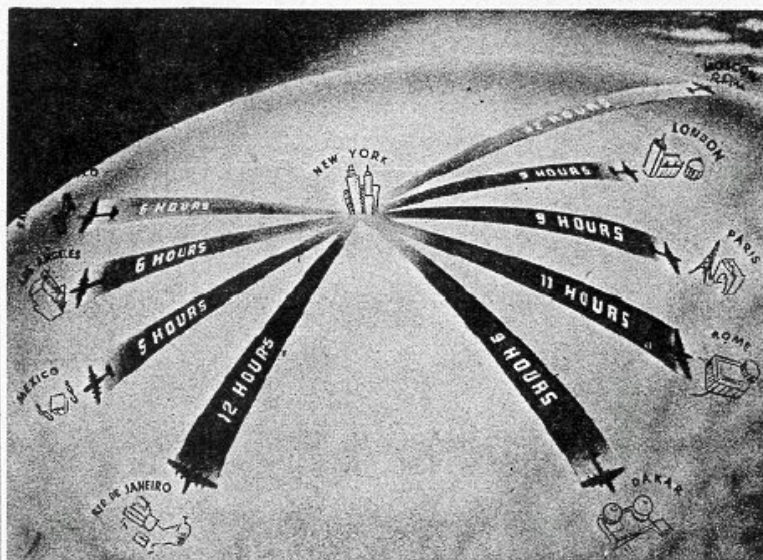


Chart showing times required to fly from New York to several of world's principal cities

will involve variable weather conditions, the Rainbow is engineered to fly over or around a storm. This accounts for the high altitude power plants, the air-conditioned fuselage, and the phenomenal range of the Rainbow. While statistics are not available I judge the

Rainbow can travel non-stop the full span of either great ocean.

From a passenger comfort standpoint, so vital in long-range flying, I note pressurization, sound proofing, space for moving about in the aircraft, fluorescent lighting, plane-to-shore telephone serv-

ice, cooking facilities, provision for the showing of moving pictures and reclining seats as attractive features.

Watching the Rainbow in process of development over the last several years, I have been intrigued by the thought that here were

four Thunderbolts harnessed together. So big are the engine nacelles of the Rainbow that each is almost the size of the phenomenal fighter plane, and the transport gives that same impression of speed and sturdiness as conveyed by the terror of the Reich skies.

New Control Features

From an airman's standpoint the Rainbow offers features which as yet unobtainable, bid fair to make for new standards in ease of control throughout the full speed range. De-icing will be excellent, instrument panel as intercommunication arrangements are good and crew quarters comfortable. I especially like the pilot engineer set up and the navigational facilities.

The Rainbow looks aerodynamically clean. Skin rivets are countersunk, gear fully retractable, windows flush. Wheel bearing surface is double tread. One could surmise that had war continued this long-range speedster might well have had considerable military utility for certain purposes.

However, it is as an agency of peace that the Rainbow now interests us. Built for commerce as comfort, the aircraft is happily named for its function in arching the skies of the world.

NEWS RELEASE

REPUBLIC AVIATION CORPORATION
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FOR IMMEDIATE RELEASE

Sept. 19, 1945

AMERICAN AIRLINES CONTRACT SPEEDS REPUBLIC'S CONVERSION PLAN

Republic Aviation Corporation, wartime builders of the P-47 Thunderbolts, today disclosed that work has already begun at the Farmingdale, L.I., plant on a large air transport conversion contract with American Airlines which will launch Republic into the commercial aircraft field months ahead of schedule.

Republic's contract with American calls for the complete modification of at least 50 of the Army's big C-54 four-engined military transports, and their conversion into fast, comfortable airliners capable of accommodating upwards of 60 passengers each.

Alfred Marchev, president of Republic, announced that the airlines project will fill the production-employment gap from now until the output of Republic's own postwar offerings gets into full swing early in 1946. The first of these are the 400-miles per hour Republic Rainbow, luxury airliner for global airlines use, and the four-place amphibian Seabee in the personal plane field.

The C-54 conversion schedules will require at least 1,500 more production employees at the Farmingdale plant than previous operation

-more-

programs had called for during the plant reconversion period, according to C. Hart Miller, executive vice president and general manager Republic.

American Airlines announced its plans on Monday of this week to utilize 50 or more of the huge Army transports to expand passenger service 300 per cent. No mention was made, however, at that time of how the conversion work was to be accomplished. Announcement of the contract award to Republic followed today, with the disclosure that the first of the C-54 transports already have been delivered to Republic and the work begun.

Deliveries of the completely modified, outfitted and converted passenger liners to American will begin in December, under terms of the contract, and deliveries of the original 50 planes must be completed by next May.

"We feel that the contract with American Airlines is a fitting trail-blazer for Republic's much heralded entry into the field of commercial aviation," Vice President Miller said.

"After a corporate lifetime devoted to the designing, developing and building of superior combat planes, for our own and other national governments, we welcome this immediate opportunity to apply the same high standards of production to commercial aircraft.

"Aviation has a right to expect much of us, and we are confident of our ability to meet the ever-increasing requirements of peacetime aviation just as we were successful in meeting the special and ever-changing requirements of war."

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