

REPORTS

I.

STATE SECRETARY FUNK

at the opening of the Continental Advertising Congress

(Extract)

This year Germany has had the pleasure of welcoming hundreds of thousands of visitors from all parts of the world. We are glad that the number of visitors is so large because it provides us with an opportunity of showing them what Germany is really like.

Of course the German people have their troubles, but they overcome them with great and heartfelt devotion and with an unshakable belief in a better future under their present leadership. All the great and beautiful achievements in Germany in the last four years were due to the voluntary collaboration and co-operation of all German fellow-citizens. By enlightenment and propaganda we have achieved something which can never be achieved by force.

II.

REPORT BY PROF. DR. HUNKE

(Extract)

This renovation and reformation of German business advertising is no mere experiment, based, for instance, on an unpractical theory and due to a mania for regular arrangement foreign to reality which takes a special pleasure in making rules. It is nothing else but the recall of the real task and importance of business advertising in national economy, and merely means its restoration in the service of the life of our nation.

Even if the export grants for this last group are not taken into account, the German nation spends about 1,000 million marks every year on business advertising.

Professor Seyffert estimated the cost of advertising in 1924 at 1,026 million marks.

The Institute for the Investigation of Economic Fluctuations calculated the cost of advertising in 1929 at about 960 million marks. Of this, 543 million marks, or 13% of its turnover, were borne by the retail trade, 350 million marks, or 0.5% of its turnover, by industry, 52 million marks, or 0.1% of its turnover, by the wholesale trade and, finally, 15 million marks, or 0.1% of their turnover, by handicrafts.

According to my own calculations, made entirely independently of this, the German nation spent between 1,000 and 1,100 million marks on advertising in 1935, again arranged according to the amounts:

Display window advertising, at least	300—350 million marks
Advertisements in newspapers, periodicals, calendars, and directories	276 " "
Advertising by means of printed matter, distributed along with the mails, business papers, and samples despatched through the German Post Office	250 " "
Advertising through dealers and agents in the form of what are called assistant dealers	50 " "
Advertising by means of fairs and exhibitions	40—50 " "
Film advertisements	26 " "
Permanent advertisements	16 " "
Advertising on means of transport	15 " "
Poster advertisements	15 " "
Plus the expenditure on salaries and fees for business advertisers, commercial advertisers, commercial advertising artists, and canvassers, amounting to at least	50 " "

That means to say, for purposes of comparison, that, even as regards this shorter extract, the amount of the German advertising business is equal in value to the entire production of the German automobile industry. That is a statement which will surprise many people.

The great gift bestowed by the National-Socialist State on German business advertising was that it recognized its pre-eminent importance in National-Socialist economy, paid special attention to it, and provided it with an official guardian in the form of the German Trade Publicity Board.

III.

DR. VON BRAUNMÜHL

Advertising Organization in the new Germany

Advertising has now become a generally recognized branch of business in all civilized countries. It cannot be denied that the unrestricted economic freedom of past decades also produced great results in the sphere of advertising. But the greater the development, the more clearly did the necessity appear of removing excrescences and closing wrong roads. The creation of the German Trade Development Board was due to the recognition of this fact.

The German Trade Development Board is entirely novel in structure. Its members, numbering about 80, are, for the most part, leading personalities in business. It has been invested by the Government with sovereign compulsory powers, and can grant, generally or with conditions, refuse or withdraw permissions to all persons and corporations engaged in advertising. This possibility forms the basis of the legal construction of the Board's announcements. But the Board does not regard it as its task merely to prevent abuses, but is also occupied with the active encouragement of advertising.

With regard to the prevention of abuses, the tasks of the Board extend to the contents of advertisements, the organization of the means of advertising and the organization of the advertising business. Every announcement issued by the Board is based on one of these three points.

In conclusion, Dr. von Braunmühl emphasized the Board's second field of activity, namely the active encouragement of advertising. The Board thus appears as the promoter of the idea of advertising, for it itself canvasses for advertising and supports canvassing for advertising. It also gives its moral, influential, and financial support to joint advertising of