

Cattermole Library  
Fort Madison, Iowa

LIFE STORY OF W. A. SHEAFFER

6. 2. 1927

Walter A. Sheaffer was born in Bloomfield, Davis County, Iowa, on July 27, 1867. His father, Jacob R. Sheaffer, moved to Bloomfield from Ottumwa, Iowa, after returning from California Gulch in 1854 and entered the jewelry business at that time in Bloomfield, which was only a small town of several hundred people. He was of Holland-Dutch ancestry and his people came from Lancaster County, Pennsylvania. On \_\_\_\_\_ he married Anna Eliza Walton. There were five children born to this union, of which only two remain: Mrs. E. T. Matthews of Grand Junction Colorado, and W. A. Sheaffer.

Jacob R. Sheaffer in the early days of Davis County was a very successful merchant and acquired considerable means and was also very successful in a local insurance company. But through the efforts of outsiders, they were induced to unite with the Great Western Insurance Company of Chicago. In 1871 when the Chicago Fire occurred, it wiped out all their resources and made them doubly liable. Then the panic of 1873 came and forced him to dispose of his jewelry store and everything else he had in order to pay his debts in full, which he did. He later, in 1880, borrowed money to start in the jewelry business again.

These circumstances made it necessary for me to begin work very early in life and I did not completely finish high school. My first job, as a devil in a printing office, paid me one dollar a week. From there, when I was about twelve years of age, I entered a grocery store, earning \$7.20 a month for the summer vacation. Out of the \$21.60 earned during the summer, I saved \$19.00 to buy my clothes for the next winter.

The next summer I started a peanut stand for myself and made in the neighborhood of \$75.00 a month from it. Having piled up this considerable amount of money, it was my first experience in prosperity. I spent money rather freely the next winter, only to find that my money did not last me through the winter. This was a lesson I never forgot. In the future after I had this experience, I always managed to save and have something ahead, even if it was ever so small.

Father had taken a young nephew, who was an orphan boy, into the jewelry store to help manage the business. Therefore, I sought a job in Centerville, Iowa, and stayed there about a year or more, at which time I went and worked for an uncle in Unionville, Missouri, and left father and the nephew to run the business.

54454

Cattermole Library  
Fort Madison, Iowa

In 1888, as the jewelry business was not succeeding, father sent for me and asked me to come home to help him bring the business out of debt. We made a survey of our sales. At this time or at sometime during this period, Montgomery Ward and Sears Roebuck first brought out their catalogs. We kept a sales book which showed the cost and selling price of every article we sold. In the Sears Roebuck and Montgomery Ward catalogs the items which affected our business the most were a 7 jewel Elgin watch, a 15 jewel Walton watch, a Seth Thomas clock, a set of 1847 Rogers knives and forks, and a wedding ring. We found that their prices on these items were as low as we could buy them for and they constituted about 70% of our sales.

*Waltham*

As Davis County had only sixteen thousand people in it; as the town of Bloomfield at this time had a population of only two thousand people who were mostly all retired farmers; as there were more catalogs in the homes than bibles (for every home contained one bible but had two catalogs); and as there were in the two catalogs a 7 jewel Elgin watch priced at \$4.25 which cost us \$4.25 in the silverine case, a 15 jewel Walton watch priced at \$5.25 which cost us \$5.25, and a set of Rogers knives and forks priced at \$3.25 which actually cost us \$3.25, it was rather a dismal picture and our chances of success seemed to be very slim.

*Waltham*

It was just at that time that the Hamilton Watch Company came out with a splendid line of watches which they did not sell to the mail order houses. We took the Hamilton 17 jewel watches and we marked them \$14.00 and \$16.00 in a silverine case and on up to \$45.00 in gold-filled cases. But we had to do something to meet the mail order prices; so, the 7 jewel Elgin watch which cost us \$4.25 we marked \$3.95, or 30 cents below cost; the 15 jewel Walton watch which cost us \$5.25 we marked \$4.95, or 30 cents below cost; and the set of 1847 Rogers knives and forks which cost us \$3.25 we marked \$2.95.

*Waltham*

We then had Holmes and Edwards make us a nickel-silver knife and fork silver plated, which would not turn black on the edges like a silver knife plated on steel. We sold this knife and fork for \$5.00, a price at which we could make a fair profit. I believe it was among the first nickel-silver knives silver plated on the market. But as they were much better and would wear much better than a silver knife plated on steel, we were giving the customer his money's worth.

We took and thumbed down the pages of watches in the Sears Roebuck and the Montgomery Ward catalogs and advertised that we undersold the mail order houses. We instructed the salespeople in the store not to urge the better watch on the customer, but to answer his questions thoroughly and honestly and it would create a desire in the customer's mind for the better watch. These Hamilton watches were regulated very fine, as we saw that they were all running perfectly.

We then put ten of them in a Dennison tray holding 12 watches. The two front center spaces we left for the \$3.95 and the \$4.95 Elgin and Walton watches. We tried to use at that time the profit-sharing plan and psychology in selling. We were sure in presenting these \$14 and \$16 Hamilton watches that they would be the best for the customer and it would be the best for the store to sell.

*Waltham*

When a young farmer would come in and ask to see one of the \$3.95 watches, we never took the \$3.95 watch out of the case and laid it on the plush pad on the showcase. Instead, we took out the tray of 12 watches and then took the watch he called for out of the tray and then laid it on the plush pad in front of it. This psychology made either the sale of a better watch or the loss of it; for if we had adopted the plan of taking the \$3.95 watch out of the case and laying it on the tray and then reached down in the case and got a \$14 watch out which hadn't been called for, then even the farmer boy would say to himself: "He expects to sell me the \$14 watch, but I will show him that he won't." But by reaching down and taking out the tray of 12 watches and taking the \$3.95 watch out and laying it on the pad, we left the other 11 watches right there for him to look at. Doing this helped to create a desire for the better watches and made it much easier to make the sale of the higher-priced watch. The salespeople in the store received extra remuneration whenever they sold the higher-priced watch that we made a profit on and which was better for the customer to buy.

We never allowed the salespeople to take the Hamilton watch out of the tray nor to present it to the customer until the customer first asked about it. Generally the customer would look at the \$3.95 watch and then he would ask about the \$4.95 watch. Pretty soon in all cases he would pick up one of the nicer \$14 or \$16 Hamilton watches and ask about it. When he was told the price, I never saw one of them hold the watch but drop it and put it back into the tray and say it was too high. The answer would be: "It might be the cheapest in the long run." Then we would go back to the \$3.95 watch and start just as though we expected to sell that watch to the customer.

