

# Libey Economic Outlook and Secrets of the Catalog Master

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## **Chief Merchandising Officer In a Box**

**Donald R. Libey**

*The third in the series of direct marketing job descriptions, Chief Merchandising Officer In a Box attempts to set down the responsibilities of a top-notch, multi-channel merchant with a strong background in direct, catalog sales, business-to-business and consumer.*

Over the last decade with the convergence of channels, the term *merchant* has become a part of the direct marketing lexicon. In this recent, and comparatively infinitesimally short incarnation, the word has made its way over the centuries from the first trodden paths of African tribal traders to the nighttime safety of the caravanserais of the Silk Road, and thence across the Straits of Dardanelles, connecting the Aegean Sea and the Sea of Marmara, conveying merchant traders with their priceless loads of salt and spices to the eager consumers of Europe and down the rope of time to the New World and, now, to today's raucous online camel market.

Who is this 'merchant' we increasingly hear so much of these days? How different is this 'trader' from the traditional 'marketer' we have all known and loved? Is this a position we should be wary of and should we scrutinize whatever it is they do with well-deserved initial suspicion? After all, aren't these people refugees from . . .aaagh . . . retail?

## **The Differences between Marketers and Merchants**

Merchants are the Masters of Products and Trading. Marketers are the Masters of Markets and Channels. Like it or not, that is the way it has evolved. Or, to look at it in another way, merchants have remained as masters of products and selling while marketers have had to expand into new, uncharted waters. The marketers have had so much to learn and to accomplish in the past twenty years, concentrating on the online channel, retail, wholesale, affiliate, search, electronic creative, circulation, co-ops, database, analytics, warehousing and mining data, some non-specific, amorphous thing called 'CRM' and a host of other technological and market expansions, that they partially abdicated their traditional ownership of product development, management and sales and—not surprising—the product and selling responsibilities were usurped by—you got it—*merchants*. And so, here we are, and there are now merchants among us.

Merchants think differently from marketers. Merchants constantly think about target customers, customer desires, product selection and mix, offers, pricing, competition, sourcing, product forecasting, buy plans, inventory turns, excess inventory, product analytics, life cycles, and a thousand others things almost entirely related to specific customers and specific products. These are focused, specific people.

Marketers think about Big Pictures. They are absorbed with the *Next Big Thing*. The Current Thing is already old and boring (these people have no patience for execution or follow-through . . . hey, that's what 'merchants' do). The only thing that matters is where we're going, not how we get there. Marketers have large wingspans and rarely perch on the Earth's surface, preferring as they do the high thermals and a life of soaring and long views. We can't get along without them because they are the people who forced our ancestors across the deserts and over the mountains, and one of them first wrote the copy that used the brilliant, eponymous name, The Silk Road. Marketers are totally enraptured with lists of millions of names and the big strategies for finding more and better lists and percentages. Merchants are only concerned with one or two people on those lists at a time and the current offer and the current *sale*, not the Next Big Thing. One of these people is right-brained and one is left-brained; I've just never been able to remember which is which.

## **The Differences between Merchandisers**

Casting aside, for the moment my antecedent brotherhood—the marketers—let's look at the Corps of Merchants and their unique differences. There are *very* pronounced differences among merchants.

At the foundation of the merchandising discipline, and ascending in a hierarchy, we find the following positions:

- Product Developer
- Product Manager
- Line Product Developer
- Line Product Manager
- Channel Product Developer
- Channel Product Manager
- Channel Merchandising Director
- Vice President Merchandising
- Chief Merchandising Officer

1. *Product Developer.* One can debate whether this is the entry-level merchandising position. Good product developers are rare; great product developers are worth their weight in saffron (worth far more than gold by the ounce at retail). Product developers understand the specific customers who use specific products. They go to bed at night and when they wake up there are eight new products under their pillows. They commune with the Product Fairies.

The training ground for product developers, in my experience, comes from an affinity with customers. Some excellent product developers came from the call center. These were people with great customer rapport and understanding, perhaps even empathy. They know what the customer wants. That simple six-word sentence is all you need to interview and qualify prospective product developers. What else is necessary?

Varying levels of expertise exist for product developers. Prior to its recent sale to Home Depot, USA BlueBook, a catalog company servicing the municipal fresh and wastewater departments, hired water plant operating engineers with years of experience to develop products and to consult with customers on product applications. These experts knew *exactly* what the customers wanted because they *were* the customers.

My own early merchandising training was in creating business form products. Thirty years ago, I would sit for hours working with one customer to come up with a new invoice form or a new packing slip or a new inventory tag that answered an unserved and unique need. My only tools were a pencil, paper, a ruler and my ears. I learned to listen to customers, to not only their demands, but also *their* solutions. I discovered that nine times out of ten they would actually draw the form they wanted to purchase from me, and so—early on—I began to master letting others do my work for me.

*The Point: Product Developers are first ‘Customer People’ with an empathetic understanding of the customer, the problems of a customer’s specific need, and the ability to create a product solution to meet that customer’s need. They are focused, detailed, meticulous, and interested in specific products rather than ‘worlds of wonder.’ It’s not about education or MBAs or prior training; it’s all about understanding customers and their desires.*

And here is a small tip that was learned the hard way. If you have great product developers who show no desire to do anything else, please don’t promote them to something they are not good at doing. Pay them a lot more, but let them do what they do best: create effective and, more often than not, evergreen products. There is nothing sadder to watch than a Merchandising VP who is totally out of synch and just wants to get back to creating stuff.

2. *Product Managers.* Now and then, a great product developer has the ability to manage a group of products. And that is the critical distinction: product managers were first successful product developers. The succinct difference between the two is that managers actually can *manage* the products and guide them successfully through the product lifecycle.

Product *groups* are generally horizontal product categories. In a business-to-business application like shipping supplies, a product manager may have responsibility for standard boxes; another for taping and sealing products; another for custom containers; and yet another for dunnage, peanuts and air cushioning products. The hierarchy is immediately understood if you think of the dunnage, peanuts and cushioning products manager having three product developers reporting: one creating paper dunnage products; one creating peanuts products (preferably new, static-free peanuts); and the third creating bubble wraps and other inflatable cushions for protecting items in transit.

Suddenly, the product manager has to have some people skills and employee relationship skills. It is not enough that this person is a proven product developer with customer empathy; now *management* skills intrude on an otherwise successful career.

My experience tells me that only about one product developer in ten has the ability to succeed as a product manager. Yes, there is a great deal of specialized knowledge to be learned to become an effective product manager. There really is no school one can attend; it is mostly absorbed from on-the-job experience and effective mentoring. It is possible to serve apprenticeships in product management at the legendary founts of product knowledge such as Procter & Gamble or Gillette, but oddly most direct marketing CEOs I have talked to don't want these 'corporate robots' working for them. It's as if they feel all the individual creative potential has been nullified in the Bath of Conformation that occurs within these product mills.

Product managers are required to have a working knowledge, *related to their product group*, of competition, pricing, channels, sourcing, and the three foundational elements of product management:

1. Sourcing, selection and mix
2. Inventory and sales forecasting and management
3. Product group merchandise performance database analytics

Notice, they do not have to have this level of skill, talent and experience for *total* product merchandising, just for their specific group of products at this point. If a product manager is to continue on the career path to Chief Merchandising Officer, it is essential that the capacity for effectively managing a *group* of products exists first.

As would be expected, there are experienced product managers within specific business-to-business and consumer markets. In office supplies, I know two skilled product managers who have never moved out of their niches. One is in paper (specifically copier and laser printer papers) and another is in office furniture (specifically desks and related products made from wood or laminates). These are top-of-the-line pros. If you need to know anything about the newest developments in laser printer papers or in composition wood bookcases, you go to these product managers. The paper person has three product developers, one for laser papers, one for copier papers, and one for experimental papers. The office furniture person has two product developers, one for wood desks and matching furniture and one for wood seating products.

Again, in my experience (and yours *will* be different), a product manager generally can be effective with about five or six product developers, and no more than eight. If you have sixteen product developers, you will need, minimally, two product managers, perhaps more depending on the complexity and extent of the product groups.

Here, it is important to comment on the natural progression of a multi-channel direct marketing company. If a business is begun as a start-up, products are most often developed horizontally first. A smattering of products are initially developed across the entire product spectrum. As the business grows, there comes a day when most of the product groups have been developed and it is time to begin the vertical expansion of products. This is the point where red ones and green ones, and bigger ones and smaller ones, and double-thickness ones and single-ply ones are all introduced. This is also the time when the emphasis shifts from product developers to product managers. The business is now entering the inventory management phase of its life and will never again look back to the simple days when all it needed was a product genius, a pillow and a few bucks. One of the product developers either is promoted or layered.

Product managers likely would have five or more years experience in product development or management.

*3. Line Product Developer.* The natural progression is towards more and more people. When there are thirty-five product developers, it is effective to separate them into product lines. Twelve people developing a line of papers will ultimately self-destruct if

they are not supervised and controlled. The best paper product developer with the most fertile mind will leave all the others in the dust and you will wind up with a warehouse full of products that don't sell. But, by golly, you'll look like you 'have a line.' Enter the line product developer.

This is a successful product developer and a successful product manager who has the talent and sensibility to move beyond a group of products to an entire line of products while still retaining customer empathy and good people and management skills. The subtle distinction here is that the line product developer is charged with developing an entire line of products and that entails managing a group of product managers who, in turn, are managing a number of product developers. The line developer is taking the product manager experience and turning it back to now developing multiple products to meet numerous, related customer needs. These are unique people. By definition, they must be schizophrenic.

The line product developer's training lies in the building of the discretionary skills of *product mix*. And, for the first time, a comprehensive *line* and *mix* awareness must be applied to the product lifecycle curves for the entire line. *The Point: For the Line Product Developer, the entire line is the product.* And that is an extraordinarily difficult concept to understand and even more difficult to execute. It is essential that this person understands advanced financial analyses and is able to forecast line performance behavior flawlessly. There are many good product developers and a fair number of good product managers, but there are very few good line product developers. If we start with one hundred product developers, we narrow to ten product managers, and further to maybe two line product developers. As you can see, the merchandising talent pool becomes valuable fast.

A line product developer would likely have six to eight years of experience in increasingly responsible merchandising positions.

4. *Line Product Manager.* If the company has two or more line product developers who are primarily concerned with individual line expansion, there arises a need for the management of that process and for the overall line management for a large number of product groups. This is the specialty of, perhaps, the most experienced of the former product managers, the line product manager. This person is capable of managing multiple product groups, both for development and for effectiveness and financial profitability. In the grocery business, this person would have responsibility for produce, seafood, meat, dairy, bakery, delicatessen, and would be known as the Fresh Products Manager. The produce manager, meat manager, seafood manager, dairy manager, bakery manager and deli manager would report to this line product manager. There would be another equal, the Dry Products Manager, responsible for all canned, bottled, paper, household, and sundry products.

Line product managers are eternally balancing the demands of one or more line product developers, especially for total SKUs, catalog pages, website product pages, and price concessions. Often, it seems this person excels because of the ability to say, "No." Maybe that is the key discretionary talent that emerges in a productive line product manager. The ability to understand how the parts influence the whole is essential in this person's background. This manager still has customer empathy, but is working equally for the company's needs (that would be: *earnings*).

Here, it is necessary to state that many of our direct marketing companies only have product developers and, maybe, a product manager. A few are large enough to have line product developers and line product managers, but most kind of jump from product developers to Chief Merchandising Officer. And, that's a problem. You know from experience in cataloging how complex circulation planning and execution becomes. That's why you have trusted advisors—your brokers—who help you with that discipline.

You also know how complex creative is, especially the disciplines of effective photography, copywriting and design. And, you recognize the complexity with operations and order entry and tracking. You invest enormous sums of capital to control those variables and turn them into assets. Yet, because the discipline of merchandising is still a relatively new and not well-understood discipline *within direct marketing*, we assume it can be done successfully by someone who has cobbled together a few products and managed to sell at least half of them. No! If you are going to win the merchandising game, you have to import talent. This is a highly specialized discipline and one that demands the same level of expertise as you furnish for the other foundation pillars of your business. If I had to choose, I would fund merchandising. I can obtain expert circulation and market expansion advice from my broker, but I *must* have the relevance in product development and management that can only come from empathy with my customers, understanding of the product processes, and the resulting product-customer affinities.

A line product manager likely has eight to ten years of experience in increasingly responsible merchandising positions.

*5 & 6. Channel Product Developer and Channel Product Manager.* Only the largest direct marketing companies will have channel merchandising specialists. As an example, there are merchandising specialists for Williams-Sonoma practicing in retail store products and others practicing in catalog products and yet others for online products. By-and-large, this is a channel division of merchandising due to the economies of labor; there is simply too much to do for it to be done on a consolidated basis. In the very largest companies, such as J.C. Penney, Target Corporation, and others, there may actually be full CMOs for each channel. Some would say this is a healthy internal competition, and I might agree having observed a number of companies where the retail channel merchant, the online channel merchant and the catalog channel merchant battled for supremacy and all three had fine-tuned their channel performance to near-optimal efficiency. For some merchants, mastering the merchandising of multiple lines in a single channel is the zenith of the career. Indeed, except for a goodly number of catalog merchants, I can think of only thirty or so true channel master merchants in direct marketing today.

In the direct organization of the future, after we have had ten to fifteen years and more of distinct channel merchandising experience under our direct marketing belts, the Chief Merchants will rise from the small cadre of multiple-channel merchant masters; that is, those senior merchants who have made their way successively from the catalog channel to the online channel and to the retail channel and who can bring to bear the unique experiences, perspectives and 'secret sauces' of all three channels.

A channel product developer, similar to a line product developer, has a responsibility for nurturing product growth both horizontally and vertically. If you think of QVC and HSN, for example, the channel product developers are constantly looking for products that can be promoted, whether it is Estaban's guitars or Chef Tony's Miracle Knives. The developer finds products that work; the channel product manager allocates the time and the exposure, delivering a full schedule of profitable product offerings. Even at this rarified level, there is a very real difference between a developer and a manager.

A channel product developer would likely have a minimum of ten to twelve years experience in increasingly responsible merchandising positions with a solid history in the specific channel.

A channel product manager would likely have a minimum of twelve to fifteen years experience, or more, in increasingly responsible merchandising positions, as well as extensive channel experience.

7. *Channel Merchandising Director*. It is possible to have more than one channel product manager. As an example, QVC might have a channel product manager for jewelry and one for cosmetics, as well as one for women's clothing and another for cooking products. At some point, these businesses get to the size where a channel merchandising director is needed to herd all of the various merchandising cats and get them into one efficient corral. For the multi-channel direct marketing company of the largest size, it is likely that there will be three or more channel merchandising directors and, of course, they all hope to be the next Vice President of Merchandising and Chief Merchandising Officer, replete with equity, large bonuses and a shot at the Big One.

While I've never understood what the term 'Director' involves, I have been one several times and I know it's better than manager or developer. From what I can figure out, it means that you *have* to communicate with the accountants and probably tell them the truth, at least sixty percent of the time. And the parking is better.

A director of merchandising, regardless of channel or the size of the organization, is seemingly out of touch with the actual customer doing the buying. This is unfortunate, but almost always true. Other people are relied upon to get that part of the equation right, and sometimes they do and sometimes they don't. At the level of a departmental 'director,' no matter the size of the company, politics and personalities tend to move center stage. That being said, however, this is a senior management position and deserves the talents and skills of a true Master Merchant. Here are the abilities and experience levels I believe a qualified director of merchandising should possess, and these are what I search for when recruiting senior managers for my clients:

1. Fifteen years or more direct merchandising experience beginning in product development and extending through product management, line management, and channel management, at the minimum.

2. A demonstrable history of product development *and* product management successes, not one or two products, but *lines* of products; and not once, but numerous times, preferably at different companies and in different channels. We are looking for rainmakers here not tap dancers.

3. A fully furnished understanding of the product lifecycle and the ability to apply it to hundreds of individual products, dozens of product groups, multiple lines, in multiple channels. I like it when a person can draw each of those tactical lifecycles on a flip chart and talk about how each is managed while drawing. Sort of warms my heart to see people in action who actually know what they are talking about.

4. A fully furnished and experienced track record with product merchandising finance. The ability to dissect the Income Statement and the Balance Sheet and to explain how they change based on all the potential product-related variables.

5. A demonstrated and consistent, verified history of impeccable people skills, team building and personal and business ethics. No politicians need apply; no theoreticians need submit; no 'closed door isolationists' need bother.

6. A history of selling substantial amounts of a large variety of different products.

7. A complete knowledge of merchandising in the catalog and online channels; others are applicable (retail, wholesale, dealer, affiliate, telemarketing).

8. Experience sufficient to thoroughly and intelligently discuss the following merchandising topics at the strategic and the tactical levels, at the minimum.

The Customer and Products	Product Testing
Business-to-Business Products	Product Branding
Business-to-Consumer Products	Product Positioning
Product Life Cycle	Product Pricing Strategy
Old Products	Product Life Cycle Pricing
New Products	Product Price and Mix
Mature Products	Price Testing
Declining Products	Quantity Pricing
Product Ideation	Price Techniques
Product Research	Price Increases and Decreases
Product Forecasting	Evergreen Products
Product Management	Price Analyses
Product Sourcing	Product Performance Analyses
Product Selection	Margin Performance Analyses
Product Mix	Product and RFM Analyses

9. Experience sufficient to define, describe and discuss, minimally, fifty of the more than two-hundred-fifty known types of offers; in short, a working mastery of product and sales offers and the ability to differentiate them by channel efficacy.

10. A working knowledge of and experience with product sourcing from the following:

Customers	Trade Shows	Domestic Suppliers
Competition	Media Coverage	Offshore Suppliers
Niche Experts	Product Research	Original Ideation

11. A working knowledge and demonstrated experience with the following product strategies:

Adaptation	Adoption	Knock-Off
Extension	Revision	New & Improved
Reintroduction	Resting	Retirement
Close-out	Exclusivity	Scarcity

12. A fully furnished understanding and experience with product procurement, including:

Product Forecasting	Buy Plans	Product Specifications
Purchase Orders	Quality Control	Rebuying
Overstocks	Liquidations	Returns Management
Demand Curves	Response Curves	Cancellation analyses

If these twelve qualification areas can be successfully navigated, a candidate likely possesses the necessary experience and knowledge for consideration as a merchandising director. However, I cannot stress enough the importance of eliciting *proof* of actual experience and success in each of these areas and more than just a facile

textbook knowledge. At this point, the individual is in-training for the top position in the merchandising discipline and this is where only the most talented are allowed to proceed.

8 & 9. *Vice President of Merchandising and Chief Merchandising Officer.* I will combine these two since they are almost always combined in actual practice. We are now at the highest level of merchandising management. Chief Merchants can be expected to have over fifteen, often over twenty, years of relevant experience, all proven and increasingly successful. These are positions that command \$175,000 to over \$300,000 in the small to middle market and \$500,000 and considerably more in the highest segment of the multi-channel direct marketing space. There are Chief Merchandising Officers in the very largest organizations making well over \$1 million annually plus substantial bonuses and other emoluments.

Every one of the experiential qualifications listed in the discussion of merchandising directors can be applied at this level, as well. However, there are several additional qualifications and requirements that are normally addressed. First, CMOs have a substantial financial background, often the MBA. They know their numbers cold and they know them as they relate to product merchandising, as well as to earnings. In fact, they know circulation, creative cost ratios, warehouse fill rates, inventory turns, and all the other numbers necessary to function successfully as a CEO. Yet, there is the need for the insoluble link to the customer and the promise of the product. A CMO must be able to actually *develop* a product; still be able to *conceive* a product; unerringly *find* a product solution to a significant customer need; and—perhaps most important—be able to see holes and know how to fill them. That is the art of merchandising that should *never* be compromised by position and power. As long as this person has that ennobling talent, there is hope for success. Coupled with financial strength, analytic ability, and tempered with leadership, a great Chief Merchandising Officer should result. And, the CMO today simply *must* be a total, proven expert in online marketing, search engine optimization and all things ‘web-related.’ The web is the store and we are all still peddlers. Perhaps that is the *first* realization a good CMO should possess: we are *still* peddlers selling stuff to customers.



## **The First Quarter 2006 Regional Economic Outlook**

As the New Year begins, perhaps we will be spared from further natural disasters and the nation will begin moving back to something resembling normal. The big news that looms fairly large on the economic horizon at the end of November is the apparent end of the housing boom now being reported by a variety of sources, including the National Association of Realtors. It remains to be seen what impact this will have on the economy as a whole, but it could be a significant influence.

The fairly startling (albeit predicted several years ago) evidence that online shopping will grow very robustly this holiday season and retail shopping will be flat or declining points further to the mantra of multi-channel marketing. It seems to be accelerating at a rate faster than the most optimistic predictions. Once again, I am visited at night by the Ghosts of Malls Past. What happens to all those overbuilt retail Cities of the Dead?

At this point, there appears to be nothing (other than a continuing and disturbing drop in the leading economic indicators, particularly consumer and business confidence) to presage either an upturn or downturn in the economy for the first quarter of 2006. All appears satisfactory and the moderate growth rate continues with online and direct marketing filling the lead roles.

The private equity groups with gazillions of dollars continue to devour any multi-channel direct marketing niche and major space they can find to buy. Our industry is attractive and the multiples of earnings are quite frothy in recent transactions. Perhaps this is the top of the market for direct marketing acquisitions. We will have to wait and see. One thing is clear: the smart money is still positive on catalog and online and the money is still flowing and there is *no sign of a slow down in prospecting and growth*. Winston Churchill is alive and well!

### ***Signs of Regional Stability or Status Quo***

Region One (CT, ME, MA, NH, RI, VT)

Region Two (NY, NJ, CT, PR, VI)

Region Three (PA, NJ, DE)

Region Four (OH, KY, PA, WV)

Region Five (KY, MD, TN, VA, NC, SC)

Region Six (GA, AL, FL, LA, MS, TN)

Region Seven (IL, IN, MI, WI, IA)

Region Eight (MO, IL, IN, KY, TN, LA, AR)

Region Nine (MN, WI, ND, SD, MT, MI)

Region Ten (KS, CO, MO, NE, NM, OK, WY)

Region Eleven (TX, LA, NM)

Region Twelve (CA, UT, AZ, NM, OR, WA)

### ***Slower (specific states in this edition)***

**Louisiana**

**Mississippi**

While some may find the above evaluation to be optimistic, the most recent Federal Reserve Beige Book report was actually fairly upbeat on the regional economies, particularly after a period of trauma due to natural disasters. We believe the States of Louisiana and Mississippi will continue to lag, perhaps for many years, and so we separate them from their respective regions and urge you to review mailings into those states almost on a county-by-county basis. Some parts of Florida, Alabama and Texas could also benefit from local mailing scrutiny, as well.

## **The First Quarter 2006 Circulation and Prospecting Outlook and Recommendations**

### **Synopsis**

The short-term economic outlook for the catalog industry continues to be positive if not wildly robust, likely through the entire first quarter of 2006. There continue to be signs of slowing emerging in the leading indicators, but as yet little moderation or slowing of the economy either in the fourth quarter 2005 or predicted for the first quarter

of 2006. The intermediate-term outlook remains positive for the first half of 2006, and the long-term outlook through 2007 remains positive. This outlook is dependant upon the effects of the housing engine short term and any energy shocks during the winter.

### Continue Prospecting

As the year turns, I continue steadfast in my Churchillian position: *Never, Never, Never Give Up*. Continue maintaining growth strategies for circulation and prospecting plans and do not allow new business momentum to falter or slacken without overwhelming evidence of a decided economic change. Eschew timidity and tentativeness in prospecting decisions for the new year. *Mail More!*

### Nation at a Glance

We can now return to a post-Katrina strategy and resume our normal and increased mailing strategies in most of the regions of the country with the lone exceptions of Louisiana and Mississippi. **Changes to circulation recommendations through the First Quarter 2006 and are highlighted in bold italics.**

		Massachusetts	Increase
		Michigan	Normal
Alabama	Normal	Michigan—Up. Pen.	Normal
Alaska	Normal	Minnesota	Increase
Arizona	Increase	<b><i>Mississippi—North</i></b>	<b><i>Evaluate locally</i></b>
Arkansas	Normal	<b><i>Mississippi—South</i></b>	<b><i>Evaluate locally</i></b>
California	Increase	Missouri—North	Normal
Colorado	Increase	Missouri—South	Normal
Connecticut	Increase	Montana	Normal
Connecticut-Fairfield	Increase	Nebraska	Increase
Delaware	Increase	Nevada	Increase
District of Columbia	Normal	New Hampshire	Increase
<b><i>Florida</i></b>	<b><i>Normal</i></b>	New Jersey—North	Increase
Georgia	Normal	New Jersey-South	Increase
Hawaii	Normal	New Mexico—East	Normal
Idaho	Increase	New Mexico—West	Normal
Illinois—North	Increase	New York	Increase
Illinois—South	Normal	<b><i>North Carolina</i></b>	<b><i>Normal</i></b>
Indiana—North	Increase	North Dakota	Increase
Indiana—South	Normal	Ohio	Increase
Iowa	Increase	Oklahoma	Normal
Kansas	Normal	Oregon	Increase
Kentucky—East	Normal	Pennsylvania—East	Increase
Kentucky—West	Normal	Pennsylvania—West	Increase
<b><i>Louisiana—North</i></b>	<b><i>Evaluate locally</i></b>	Puerto Rico	Normal
<b><i>Louisiana—South</i></b>	<b><i>Evaluate locally</i></b>	Rhode Island	Increase
Maine	Normal	<b><i>South Carolina</i></b>	<b><i>Normal</i></b>
Maryland	Increase	South Dakota	Increase

Tennessee—East	Normal	Washington	Increase
Tennessee—West	Normal	West Virginia—East	Normal
<b>Texas</b>	<b>Normal</b>	West Virginia—West	Normal
Utah	Normal	Wisconsin—North	Increase
Vermont	Increase	Wisconsin—South	Increase
Virgin Islands	Normal	Wyoming	Increase
Virginia	Normal		

### ***A Winner! Libey and Pickering on RFM and Beyond***

MeritDirect Press is very excited about the positive response to its first publication, *Libey and Pickering on RFM and Beyond*, hardcover, 360 pages; ISBN 0-9765172-0-5; \$59.00 (Visa/MC). The reviews and letters received have been extremely positive on the contribution the book makes to direct marketing. Copies may be ordered using Visa, Mastercard, or Amex, toll-free, direct from the publisher, at 1-866-405-1300 or online at [www.MeritDirect.com](http://www.MeritDirect.com), [www.libey.com](http://www.libey.com), or [Amazon.com](http://Amazon.com).

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