

In celebration of 100 years of service to retailers

The South Dakota Retailers Association is very proud to announce that the organization is celebrating the 100th anniversary of its founding. It has been a long journey, full of twists and turns, good times and bad.

It all started with a few letters.

In the summer of 1896, a number of South Dakota business owners began corresponding with each other. They wrote letters



to each other, as well as to editorial columns in newspapers. They felt, as one wrote, that there was "a profound and just discontent with existing conditions, coupled with the desire to change and better the same."

As a result of those letters, when the spring of 1897 rolled around, an Alpena business owner decided it was time for the retail business people of South Dakota to begin doing some serious thinking about establishing a permanent organization to represent their interests. C.C. Issenhuth called together a handful of his colleagues from across the northeastern part of the state to take the preliminary steps toward forming an association. They met at the Spink County Courthouse in Redfield on May 18, 1897. That was the beginning. Within a few months, the South Dakota Retail Merchants Association was off and running.

A firm foundation

The nine founders of this Association had incredible vision - but they probably could not have imagined that 100 years later, their fledgling organization would be the largest South Dakota business organization, still strong, still fighting for retailers.

The building pictured above is the South Dakota Retailers Association headquarters in Pierre. SDRA constructed the facility in 1992, ninety-five years after the Association was founded. The organization that was started by a small, hopeful group of business people 100 years ago has fulfilled all their expectations and more, and is on a firm foundation as it proudly sets forth on the journey through its second century.

Dear South Dakota Retailers Association Member,

This is a proud moment in the history of our organization, as we celebrate the 100th anniversary of the founding of the South Dakota Retailers Association.

This special milestone marks 100 years of progress, perseverance, and hard work. Through the years, we have faced extreme financial difficulties, court battles, challenges from competitors, indifference - in short, all the same problems retailers face. But through it all, we have emerged triumphant - the oldest, and one of the largest state retail associations in the entire nation.

As a committee, we are fortunate to have been chosen to be part of the planning process for SDRA's centennial celebration. In conjunction with that celebration, we decided to publish a magazine to share the story of our history as an Association.

On the following pages, you will find a decade-by-decade glimpse of Association activities from the past century. The information has been gleaned from countless hours spent combing through the handwritten minutes of 100 years ago, dusty old newsletters, correspondence, and newspapers from bygone eras. We think you will be amused by how much times have changed, surprised how little thing have really changed at all, and perhaps moved by the realization of the challenges that were faced by the people who founded this organization and kept it going through sheer grit and determination.

We have much to celebrate as an association. We hope you will join us in a toast: to the nine visionary men who founded this organization in 1897, and to the South Dakota Retailers Association today, as we fulfill the dreams of 100 years ago, and proudly enter our second century of service to the retailers of this great state.

Sincerely, The SDRA Centennial Committee

ack Beverley Dick Beverley Sioux Falls

Centennial Chairman & 1993 Board President

Clark Sinclair Madison

1996 Board President

Elmer Karl Gregory

1997 Board President

mukhasl

Gary Brown

Rapid City 1995 Board President Doug Van Zee

Canton

Board of Directors

Today's leaders

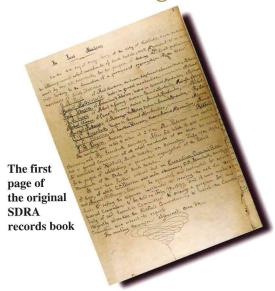


South Dakota Retailers Association Board of Directors

Front row (from left): Brad Drake of Watertown, Steve Hauff of Sioux Falls, Elmer Karl of Gregory, Gary Brown of Rapid City, Clark Sinclair of Madison, Russ Hatch of Mobridge, and Doug Van Zee of Canton.

Back row (from left): Wayne Meester of Watertown, Spencer Gross of Mitchell, Duane Sutton of Aberdeen, Walt Cannon of Rapid City, Greg Gemar of Scotland, Julie Geyerman of Mitchell, Jim Hanson of Milbank, Ken Gaspar of Sioux Falls, Dave Nielsen of Sioux Falls, Wally Thomsen of Pierre, and Kent Baker of Rapid City.

Not Pictured: Marie Ingalls of Mud Butte, Roger Feickert of Aberdeen, Wayne Saukerson of Custer, and Randy Shaw of Belle Fourche.



The decade

The nation was becoming increasingly industrialized, and the Spanish American War marked the emergence of the United States as a world power. There were 45 states in the Union, with a total population of 63 million.

Inventions:

1890: Marconi develops the first wireless telegraph.

1891: Massachusetts physical education teacher James A. Naismith invents basketball.

1897: The first Stanley Steamer has a trial run in Newton, Massachusetts.

Events:

1893: A financial panic begins, leading to a 4-year depression.

1896: The first modern Olympics are held in Greece. Prospectors discover gold in the Klondike region of the Yukon Territory. In 1897 and 1898, thousands of people went by ship to Alaska to make the overland journey to the Klondike.

1897: William McKinley is sworn in as the 25th President, the first successful subway line in the United States opens in Boston, the first Boston Marathon is held, and Bram Stoker publishes *Dracula*.

1898: The Spanish American War officially begins when Spain declares war on the United States.

1890s

It was 1897. Just 21 years earlier, Alexander Graham Bell had uttered the first words over a telephone. Eight years earlier, South Dakota had gained statehood. A scant four years earlier, America's first successful gasoline-powered car had

been built. A year earlier, the first modern Olympics were held in Greece.

1897 was the year when people with visions of great riches headed for Alaska, setting off the Gold Rush. William McKinley was sworn in as President. The nation was emerging from its worst depression to that point. In South Dakota that year, there was relief as a severe, eight-year drought finally came to an end. And a new busi-

ness organization was quietly formed.

A call is issued

On May 18, 1897, nine businessmen met in Redfield to take the first steps toward a goal they had been discussing for a year: to establish a permanent association for retailers in the state. They decided to call a general convention.

Eighty-five business owners gathered at the Spink County Courthouse in Redfield a month-and-a-half later to draft a constitution and bylaws for the fledgling organization. G.A. Wood of Wood Brothers Hardware, Implement and Lumber Dealers in Milbank was unanimously elected the first president of the South Dakota Retail Merchants Association. D.D. Gross of Yankton was named vicepresident. An Executive Committee was also elected: L.G. Ochsenreiter of Webster, H.R. Bartlett of Groton, S.N. Brown of Clark, R.S. Vessey of Wessington Springs, and C.C. Peterson of Newark. Peterson was named Secretary.

First Association goals

The 85 charter members who gathered in Redfield on July 7, 1897 agreed that their aim was to "improve and increase the business now being done by the mer-

chants of South Dakota; this to be accomplished by adopting such new and improved methods as will accomplish this result... By adopting these methods, we feel confident that we can make it of advantage to the purchasing public of the state not to give its patronage to concerns in distant states, but to bestow it upon local dealers, whose interests are identical with their own."

The group was also in agreement that there was a need to lobby the Legislature on behalf of business interests.

Secretary C.C. Peterson was authorized to provide himself with suitable stationery and books for the use of the Association. He was directed to make a personal canvas of the State in the interest of the Association, for which he was to be paid a salary of \$50 plus expenses.

Dues were set at \$3 a year. Membership was not allowed to catalog houses or anyone doing business with catalog houses. The group was confident that organization would force the majority of catalog houses out of the business world for good.

The first office

In May of 1899, the Executive Board authorized Secretary W.J. Healey to pay \$5 per month for room in the First National Block in Mitchell, to be used as head-quarters for the Association.



On July 7, 1897, 84 men and one woman gathered at the Spink County Courthouse in Redfield (pictured above) to form the South Dakota Retail Merchants Association. They adopted a constitution and bylaws, and agreed to set dues at \$3 per year.

1899 - first newsletter



The first Association newsletter was published in November of 1899.

Association leaders 1897-1899

Board President

May-July 1897: C.C. Peterson of Newark

July 1897-June 1898: G.A. Wood of Milbank

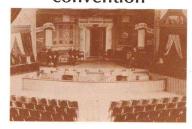
1898-1903: Harvey J. Rice of Huron

Executive Secretary

1897-1898: C.C. Peterson of Newark

1898-1902: W.J. Healey of Mitchell

1898 - first convention



A year after its inception, the fledgling organization held its first Annual Meeting at the Grand Opera House in Huron (pictured above). Fiftyeight people registered for the two-day session.

The nine founders

G.A. Wood of Wood Brothers, Hardware, Implement & Lumber Dealers, Milbank

August Mittelstaedt, Dealer in General Merchandise, Milbank

Emil Johnson of Erlandson & Johnson, Dealers in General Merchandise, Milbank

R.S. Vessey of Albert & Vessey, Dealers in General Merchandise, Wessington Springs

Michael Gorman of Cross & Gorman, Dealers in General Merchandise, Wilmot

August Nottmeyer of Nottmeyer & Miller, Dealers in General Merchandise, Redfield

C.C. Issenhuth, Dealer in General Merchandise, Alpena

C.C. Peterson, with Jonathan Peterson, Dealer in General Merchandise, Newark

T.E. Doyon, Grocer, Redfield

Membership

On July 22, 1897, the records show a paid membership of 16. By November, there were 190 paid members. And in June of 1898 there were 726 paid up members. A total of 833 merchants signed the Association's Constitution in 1897.



In 1899, the Retail Merchants Association lobbied the Legislature for the first time (in the first state Capitol Building, pictured above).

That year, the organization sought a more effective law relating to druggists and doctors, an effective garnishment law, a decrease in the matter of exemptions, a pure food law, changes in the law affecting chattel mortgages, a law against fraudulent advertising, and a decrease in the interest rates to 10 percent.

W.J. Healey, a hardware dealer from Mitchell, had been hired as the Association's secretary in 1898, at a salary of \$30 per month. He served as the first lobbyist.

The first year's legislative efforts saw only one success: passage of the Pure Food Law.

Board President Harvey J. Rice of Huron called it a good beginning. In June of 1899, at the second Annual Meeting, he stated, "Our Association is still in its infancy and we should not be discouraged if great ends are not attained at once. It is by slow earnest labor, overcoming disappointments, still pushing ahead, clinging to what we gain, that all goals are finally reached."

"Blood-sucking claim"

It took little more than a year for the new Association to face its first squabble.

C.C. Peterson of Newark, one of the nine founders of the Association, was the first Secretary. By June of 1898, he had resigned. The Executive Committee rejected a claim from him, and they offered \$25 in full settlement. Committee minutes from December of 1898 show that Mr. Peterson responded by hiring an attorney.

The fight continued on into 1899, with the Executive Committee standing firm.

The only explanation of the fight appears in some remarks made by the second Secretary, W.J. Healey, at the Annual Meeting in June of 1899. He stated: "Some criticism having been directed against the Association by the newspapers of the state caused by the former Secretary using stationery that had been printed outside of the state and which had been donated to the Association, we sent 400 letters to publishers of newspapers acquainting them with the resolutions passed at the last annual meeting requiring that all supplies be bought at home, and proposing to do all in our power to have our members patronize their own home printer instead of the catalogue printing houses outside the state."

During the same meeting, it is recorded: "The claim of C.C. Peterson...was again considered, and as they considered it nothing more nor less than a blood-sucking claim, they decided to again reject it and to stand by the action of the Executive Committee. The conduct of the affairs of Mr. Peterson's office, while he was Secretary, was such that the Association was not inclined to be charitable to him."

The matter was apparently settled within a few months. November 8, 1899 minutes indicate: "A letter from C.C. Peterson was read and considered and ordered filed. Motion was made to settle with Mr. Peterson direct and not through third parties."

Whatever his crimes against the organization, Mr. Peterson from that point fades from the Association records.

Finances

In June, 1899, Secretary W.J. Healey of Mitchell reported to the Board: "The finances of the Association are in good condition as at this time we have \$527.16 in the Treasury besides about \$100 worth of supplies and furniture and fixtures."



The decade

The United States was on the verge of big changes in the early 1900s. William McKinley became the first President to ride in an automobile. The *Literary Digest* said the auto "will never, of course, come into as common use as the bicycle." It was also the era of the muckrakers, journalists who exposed corruption in government and in big business. The nation debated whether large and powerful corporations were good for the nation.

Stats:

There were 8,000 automobiles registered in the United States in 1900, and only about 10 miles of paved road for them to travel on.

Inventions:

Eastman Kodak Company introduced the Brownie Box Camera, which cost \$1. A six-shot roll of film cost 10 to 15 cents.

Events:

1900: The American League is formed, and the Hall of Fame is founded in New York.

1901: President William McKinley is assassinated, and Teddy Roosevelt becomes the 26th President.

1903: Orville and Wilbur Wright's first successful airplane flight at Kitty Hawk, the World's Fair in St. Louis, the first automobile trip across the United States.

1906: San Francisco earthquake and fire.1907: Financial panic and depression.

1908: Henry Ford introduces the Model T.

1909: Admiral Robert E. Peary reaches the

North Pole.

1900s

The South Dakota Retail Merchants Association entered the new century broke.

Records from March 13, 1900 say, "On account of the finances of the Association being exhausted it was moved by the Secretary that no salary be allowed any officer of the Association until such time as the Association could afford to pay for same."

A year later, there were bills totalling \$141.21, and only \$72 cash on hand. So, on April 24, 1901, the Board regretfully voted to sell the furniture and fixtures in order to pay the bills. There wasn't much to sell. The inventory list included one roll top desk, one cabinet, a shelf book case, a flat top table, three office chairs, and a paper rack file.

W.J. Healey submitted his resignation as Secretary of the Association.

This wasn't to be the end of hard times for the Association. The organization found itself perpetually short of funds until the 1980s.

Their day in court

Early Association records are full of venomous speeches about catalog companies. They were referred to as parasites, pirates who were involved in a wholesale slaughter of legitimate commercial trade interests, and even as homicidal companies. Members advised jobbers that they refused to do business with anyone who also did business with catalog companies.

This didn't go unnoticed. Montgomery Ward and Company filed an injunction lawsuit against the Association and its officers in December, 1906, claiming that the firm's business had been materially interfered with and damaged by a boycott and conspiracy entered into by the association and a number of individual merchants.

The Association was not intimidated. On the contrary, they appeared to be invigorated by the fight. The huge national



Montgomery Ward lost.

catalog companies.

In February, 1908, Secretary L.S. Tyler reported to the mem-

corporation quickly found itself

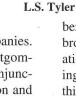
tangled up in a lawsuit with a

feisty bunch of small town mer-

chants who were just itching to

duke it out with one of the hated

bership, "As you well know, a suit was brought against the officers of this association by Montgomery Ward & Co., charging boycott, conspiracy, and many other things, asking the court to enjoin us as a body from acting together... The court in its judgment found that we were not acting as charged, and decided that we had a right to meet and formulate lawful plans to protect our own interests. We have been put to a cost of about \$600 in this case...and the federal judge has ordered that judgment be rendered against the Montgomery Ward Co. for the costs in the case."





First member service

Due to the astronomical cost of fire insurance, in 1903 the members voted to form a Mutual Fire Insurance Company. Other companies promptly reduced their rates.

Name change

In 1904, the organization's name changed to the South Dakota Retail Merchants and Hardware Dealers Association.

HOT TOPICS

Store hours - cash vs credit - special sales

Store hours

In 1903, merchants debated how late stores should stay open.

In a speech at the annual convention, W.H. Ramsey of Sioux Falls said some merchants stayed open late everyday of the week except Sunday. And, he was sorry to say, some merchants even stayed open on Sunday: "It looks to me that this is a backwoods and cross-roads way of doing business in these times. All the larger cities and a good many of the towns, I think, are adopting the plan of early closing."

Ramsey told the group that times were changing, and the general public was willing to allow stores to close early.

"They do not feel simply because a young man works in a store that he should be required to go to the store at seven o'clock in the morning and stay anywhere from nine to twelve at night."

Should retail stores hold special sales?

Whether to hold Special Sales was a big topic of discussion at the 1906 convention.

The group was informed by J.D. Bartow of Plankinton that he had held two such sales. They were so profitable that he had decided to give them frequently. "The object of holding these sales," he informed the assembly, "is to dispose of goods that cannot be sold easily during the regular course of business methods."

On the opposing side: L.G. LeVoy of Webster. LeVoy argued that "Sales did not have a good effect upon competitors, and in that case they were an injustice to other merchants of the same town."

A Bridgewater merchant suggested a compromise: get all the merchants in town together, and hold one big sale.

The coming of dime stores

By the early 1900s, South Dakota merchants were hearing that another type of business would soon join catalog companies in competing for their customers: ten-cent stores.

At the January, 1902 convention, a speaker from Chicago told those assembled that Woolworth had taken New York by storm. South Dakota, he said, was fortunate not to have any ten-cent stores yet. His advice: pray they wouldn't have to face any.

RESOLVED: that we are opposed to the numbering of the rural mail boxes consecutively, knowing that it is urged on Congress purely in the interest of the large cities and foreign corporations and against the interest of retail merchants and of no benefit to the residents on the rural route. We believe that a man should be addressed by the proper name.

Adopted at the 1906 convention

Making customers pay

In the early days, customers generally bought their goods on credit rather than having to pay cash, and the policy was the subject of considerable lively debate. Board President A.F. Grimm of Parkston pointedly argued for a cash system at the 1907 convention: "We should work strictly under business principles... The only thing the merchants of South Dakota lack in putting into force a cash system is nerve. Just have nerve enough and a backbone to run your own business and not let your customers run it."

The retailer as oracle

"(A merchant) is looked upon in his community as an oracle, and the more remote you go into the country, then the more the merchant is looked upon as a man of wisdom and all that and the people look to him and rely on him in certain things to be a leader... Oftentimes the merchant when he is dusting off his codfish or washing his prunes, is called upon for the purpose of settling some great international question or question of law."

J.S. Tyler, Harrisburg

January, 1903 Convention

Association leaders 1900-1909

Board President

1898-1903: Harvey J. Rice of Huron

1903: P.F. Wickhem of Alexandria

1904-1909: A.F. Grimm of Parkston

1909-1911: D.H. Loftus of DeSmet

Executive Secretary

1898-1901: W.J. Healey of Mitchell

1902-1904: Edward J. Mannix,

Sioux Falls

1904-1909: L.S. Tyler of Salem

1909-1918: Nat S. Tyler of Redfield

(son of L.S. Tyler)

Dues reduction

Annual dues dropped to \$1 in 1909

Phones & flying machines



"Twenty years ago, if a man here in Sioux Falls would make the assertion that you will see twenty years hence every town and city in our state connected by a telephone system by which we can communicate as well as though we were standing in speaking distance...the man would have been classed as a lunatic and would have been written up in those days as a fit subject for the Yankton Insane Asylum.

P.F. Wickhem "Twenty years ago if a man had said that the Government would be delivering mail to the farmers in various

sections of this State, and that they would read their daily newspapers and be as well posted as the man in Chicago, he would have been classed as a lunatic.

"I am justified at this time, after 23 years of my experience in this State, in making the assertion that twenty years hence when the merchants of these towns want to go to market to buy their goods, that they will take the flying machine or the air ships."

President P.F. Wickhem, Alexandria January, 1903 Convention



Another name change

In May of 1913, the membership voted to drop the "and Hardware Dealers" portion of the organization's name, changing back to the original form adopted in 1897: the Retail Merchants Association of South Dakota.

The decade

Inventions:

General Motors introduced the electric car starter.

Events:

1911: The first transcontinental airplane flight, from New York to Pasadena. Roald Amundsen's Norwegian expedition reaches the South Pole.

1912: The Titanic sinks after hitting an iceberg in the Atlantic. Woodrow Wilson is elected President. Jim Thorpe is the star of the Stockholm Olympics.

1913: Authorized by the 16th Amendment, the federal income tax first goes into effect.

1914: World War I breaks out when Austria declares war on Serbia following the assassination of Archduke Franz Ferdinand. Thomas Edison connects the phonograph and the camera to make talking pictures. The Panama Canal officially opens.

1917: The U.S. declares war on Germany.

1919: 8 Chicago White Sox players are accused of plotting to lose the 1919 World Series to Cincinnati in return for payments from gamblers. Nevada becomes the 36th state to ratify the Constitutional Amendment for Prohibition.

RESOLVED: "We believe that the establishment of a parcel post, by increasing the work done in large cities and diminishing the business of the small towns, would imperil the health of the nation, and for this reason, besides others, we would ask our representatives at Washington to use their best endeavors to frustrate the efforts that are being made to have our postal department take up the business of a carrier." May, 1910

New foes: chain stores & trading stamps

In a talk titled, "Chain Store Menace," J.A. Murphy of Watertown told the 1912 assembly, "Business is becoming harder every year. Competition is getting keener. The catalog houses have come to stay, and will grow in spite of all the opposition they are receiving. Chain stores will soon exist in even the smallest towns. The problem of retailing is becoming more complex. Only the live merchant, the wellinformed merchant, the merchant who is filled with progressive ideas can survive."

At the same convention, Secretary N.S. Tyler noted: "I believe you will agree with me that the distributing of trading stamps and the giving of premiums by the retailers is not profitable business and every effort should be done by the association towards securing the passage of a bill doing away with these evils."

Serious demeanor during war time

At the 1917 convention, the records show, Secretary E.U. Berdahl "urged that inasmuch as the popular sentiment over the country was to eliminate excessive entertainment, due to war conditions, he hoped that those who were attending the convention would minimize play and make the convention a business talk fest, rather than a feast."

1918 Convention Votes

At the May, 1918 convention, the membership agreed to the following:

- 1. Voted for early closing, and Sunday and holiday closing of stores.
- 2. Recommended cooperative delivery, or elimination of delivery service entirely.
- 3. Recommended that the government compel cessation of the manufacture of all alcoholic liquors.
- 4. Pledged loyal cooperation with all federal and state win-war measures and work.

New member services

Freight auditing

In 1914, the Association began auditing of freight and express bills for its members, as well as looking after loss and damage claims.

Credit collections

In 1919, a debt collection program was implemented.



Electric light safety

Technology was changing rapidly, and merchants had to stay on top of things. Among the new gizmos: electric lights.

Addressing conventiongoers in the summer of 1912, O.M. Thurber of the North

Dakota State Fire Prevention Association told retailers: "It is a well-known fact that electric lights are the safest and most convenient means of illumination known today, and without a doubt the most used, but while the light itself is safe the wires which conduct the current to the light must be properly installed, not for the sake of operating properly...but because if the wires touch at any point there will be a spark which may be enough to ignite any inflammable material nearby."

The automobile

"Too much emphasis cannot be laid on the development of the country and outof-town auto business," said A.F. Moore of Pierre, at the 1916 convention. "The increasing number of autos is one of the most helpful signs to us that there is prosperity ahead for the Central West merchants."

Raising the dues

Short of funds, in May of 1911 the Board voted to change the dues from a dollar a year to five dollars a year. It wasn't much help - by May 21, 1918, there was only \$13.89 cash on hand.

Association leaders 1910-1919

Board President

1909-1911: D.H. Loftus, DeSmet 1911-1913: J.T. Hansen, Canton

1913-1916: W.L. Ware, Clark 1916-1918: J. Ray Cole, Redfield

Mercantile Co., Redfield

1918-1921: Otto Baarsch of McGaan-

Baarsch-Ware Co., Clark

Executive Secretary

1909-1918: Nathan S. Tyler, Redfield

1918-1925: Elmer U. Berdahl, Humboldt Supply Co., Humboldt - first

fulltime secretary

1910 legislative agenda

- Support a net weight law requiring packers and canners to mark the net weight on all packages.
- Support a bill whereby a creditor may obtain judgment in the same county where a debt is contracted in cases where a debtor changes his residence.
- Support a bill giving the food commissioner the power to hold goods at the depot long enough to have proper examination as to their purity and weight.
- Support amending the garnishee law.



1910: A grading crew completes work at the new South Dakota Capitol Building

A retailer's duty in war time



W.L. Ware

At the 1918 convention. former Board President W.L. Ware of Clark explained the merchant's duty to the Government in war times.

"Nothing else is of consequence but to

win the war," he stated. "We must put every ounce of energy into it. Every thought must be as to 'what I can do to win the war.' The country merchant can equip a room for the Red Cross or local women's club; supply electric motors for the sewing machines; can keep in stock war materials and furnish them at reasonable prices. He can help pack the boxes of finished supplies. He should take active part in every patriotic meeting in his trade territory, or organize one once a week in his town. He should take the lead in local war work, organize home guards in every town in the state, and help train the drafted men...Put the war spirit into the sales force. Work on the basis that the war will last 20 years. There will be only one. Tell farmer friends to plant every acre of ground."

Lantern slides highlight of 1917 convention

According to a summary of the 1917 Association convention, "The entire forenoon was given over to an illustrated lecture on Better Business...this consisted of lantern slides, together with many hundred feet of motion picture films."

"RESOLVED: that a restriction should be made upon the business hours of all business places, with the usual exceptions, and that the hours be not earlier than 7 o'clock a.m. nor later than 6:30 p.m., Saturdays excepted, and Wednesdays, between April 1 and October 1, and that they be closed all day Sunday and proclaimed holidays, and that we request the State Council of Defense to take such action in the matter as will make effective the rules, regulations or orders their body might issue...

"As an association we pledge our hearty support to these proposed measures, knowing that they will mean conservation of man-power, saving of fuel and other economies and are in conformity with the plans and desires of our National Government and have proven in all cases to be good business propositions in that they reduce expense." Adopted June, 1918

Association perseveres through war and illness

"Despite the many manifest handicaps of the year just closed, when wartime activities and epidemic of influenza combined to make it difficult to carry on organization work, the results as outlined by the officers in their reports of their stewardship during 1918 signified that marked progress had been made and a great forward stride taken." From the May, 1919 Board Minutes

Secretary's salary

In 1914, Secretary Nathan Tyler's salary was raised from \$600 to \$800 annually. In 1919, Secretary Elmer U. Berdahl's salary was set at \$2,000 per year.



In 1923, the Association issued certificates of indebtedness. This one was purchased by Board Member John Bonde to help keep the organization afloat.

The decade

Stats:

Average cost of a loaf of bread in the 1920's: nine cents. Cost of an average house: \$4,113.

Inventions:

The yo-yo made its American debut in 1929.

Events:

1920: Making, selling and transporting of alcohol is prohibited. 19th Amendment is ratified, giving women the right to vote. Warren Harding becomes President. Commercial radio broadcasting begins in the United States.

1926: Richard Byrd & Floyd Bennett become the first persons to fly over the North Pole. The first transatlantic radio telephone call occurs.

1927: Charles Lindbergh flies alone nonstop from New York to Paris. "The Jazz Singer" starring Al Jolson is the first fulllength movie with sound. Babe Ruth hits 60 homeruns in a single season.

1928: Amelia Earhart becomes the first woman to fly the Atlantic. Alexander Fleming discovers penicillin. Herbert Hoover is elected President. Mickey Mouse makes his first appearance.

1929: October: Stock Market Crash, marking the end of postwar prosperity. The worst American depression begins. The first Academy Awards are held.

1920s

In 1922, the Association celebrated its 25th Anniversary. For the first time, the businesses of West River were represented on the Board. While the "Roaring Twenties" is known for its wildness and gaiety, with flappers reflecting the swinging spirit of the decade, farmers didn't prosper, and bank failures increased. Merchants faced increasing problems with bad checks and unpaid accounts, and the Retailers Association continued to struggle with finances.

Call to action



Year after year, the Association exhorted members to pay close attention to the political process. Typical were these remarks in May of 1920:

Otto Baarsch wor in

"The stress of the war is over, but to us

merchants who have contributed time and money it seems as if our troubles have just begun," said Association President Otto Baarsch of Clark.

"We are in a period of readjustment and it seems as if the merchant is getting the brunt of it. We have income tax, luxury tax, tobacco tax, and every possible other tax that can be thought of. We must and should gladly pay our share and not complain even if we pay a little more, but we also should protect our interests against undue propaganda and being made the goat. You merchants will have to take an interest in politics if you wish to protect yourself against legislation of some things that are not understood by others."

Dealing with deadbeats

Merchants heard some tough talk from M.T. Coogan of Shriver-Johnson Co., Sioux Falls, in a 1920 speech entitled, *How do we drive the deadbeats out of South Dakota?*

"We should give the deadbeat a course of sprouts and educate him," Coogan asserted. "I do not believe in driving the deadbeats out of South Dakota. They move fast enough without any driving, and sometimes are hard to catch. Let us educate them into prompt pay and we are doing a real service to ourselves and more so to the deadbeats."

Bonds issued to pay Association debt

From the beginning, the Association had financial difficulties. In 1921, Secretary E.U. Berdahl explained that there were many times in the previous year that the Association had nearly gone out of business.

By 1922, the Association had struggled with a major deficit for close to three years, and owed Berdahl back pay of \$3,000—a situation which President Lars Fiksdal of Webster called "simply deplorable." In an attempt to wipe out the standing debt, certificates of indebtedness were issued in 1923.

The certificates were for \$10 each, "these to be subscribed for by the members of the association. These will be retired, probably in one year, perhaps in less than that time, or perhaps in two years time, the income from the newly formed insurance department to be used in this connection." The rate of interest: 7 per cent.

The plan didn't resolve the problem, however. The June 10, 1926 treasurer's report shows the Association still \$3,652.85 in debt.

Seminar topics of the 20s

1921: A successful basement department

1924: Whether the grocer should handle fresh meats

1929: "Under the heading of new mediums comes radio broadcasting - What retailers need to know about selling on this new medium"

HOPING FOR BETTER TIMES

Optimism & faith



Lars Fiksdal

"The last seven or eight months have been most trying for the retailer. Unusual conditions have existed and more money has been lost than in any like period in our history. Let us reflect just for a moment.

About a year ago we met in session in the good city of Watertown. A program was laid out, the future was bright, we were all optimistic about the future and about the many things the association was going to accomplish... October came with a heavy break in the market, and since then there has been a regular landslide in reduction of prices on merchandise in general. Not all merchants have been keen to conform to the market and this big mistake has caused stagnation in retail selling to a point that is most embarrassing. This depression in business has had its effect on the progress of our association."

Lars J. Fiksdal, President, June, 1921

Troubling conditions



E.U. Berdahl

In 1920, the Association set out an optimistic plan for getting new members, hoping to hit the 1,000 mark.

A year later, Association Secretary E.U. Berdahl reported the high point had

come with 624 members, but nearly half of the individual members were delinquent in paying their dues.

Berdahl described the discouragement he felt in trying to sell memberships in those troubled times.

"I do not want to hide behind any lame excuses, but I do feel I should mention that almost our entire plan for a membership campaign was broken up by the continued rains of the early Summer. I sat in the office and marked time for two months waiting for the weather to settle down enough so that it should be safe as well as economical to travel by automobile...

"When we were finally able to get into the field, conditions had begun to change and for the first time since I became secretary, we found that we could not make expenses soliciting membership. Merchants were beginning to feel uneasy. They began to see their profits turn into loss. They complained because collections were difficult and because they could not borrow money at the bank. They simply could not be induced to join in the face of those conditions."

Survival of the fittest



John Hammer

In a 1924 speech, Association Vice President John C. Hammer of Volga summarized the feelings of the membership:

"During these five years... we have grown up. We have

gone through the most severe business experience ever encountered by the present generation. We have met and solved some most difficult problems.

"Retailers have had to face unjust attacks levied at them by the government and by the press. We have experienced business depression and a severe deflation in merchandise values. Now we are back with you again, almost every man who was here five years ago being present today.

"The last five years have been a period of survival of the fittest and it is a striking fact that those who have been members of this association have shown the smallest business mortality of any class of merchants in South Dakota during these trying years."



The 1928 convention was noteworthy for the fact that one group flew in by "aeroplane."

No more bad checks

The Association was racking up many successes at the State Legislature in Pierre. Among their achievements: passage of a law making it illegal to write a check against an account with insufficient funds in the bank to cover it.

The law went into effect in 1923, prompting member A.T. Bosland to predict that "with a few convictions the practice of defrauding people with worthless checks will cease."

Other successes: Peddler, Solicitor and Transient merchant laws became effective July 1st of 1925 as a result of four years of effort on the part of the Association.

"This is a day of scientific accomplishments. We have now airplanes that travel faster through the air than the bullets of the service rifles of Colonial and Civil War days. In other words, we are living in a day and age of accomplishment, and it is up to us as retailers to see that we keep pace with progress."

Board Member Arthur Svenby of Lemmon July, 1928

Dues

In 1920, a sliding scale for dues was adopted, with dues of:

\$5 per year for volume under \$50,000 \$10 per year for \$50,000 to \$75,000 \$15 per year for over \$75,000

Association leaders 1920-1929

BOARD PRESIDENTS

1918-1921: Otto Baarsch of McGaan-Baarsch-Ware Co., Clark

1921-1923: Lars J. Fiksdal, Lars J. Fiksdal Co., Webster

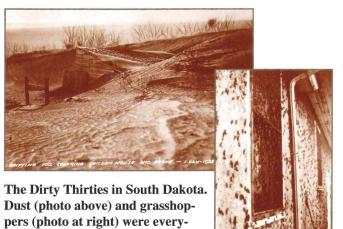
1923-1925: A.S. Fischer, Fischer Brothers, Ft. Pierre

1925-1926: John C. Hammer, Volga

1926-1928: Frank J. Hughes, Food Supply Co., Rapid City1928-1930: F.C. Ackley, Olwin Angell Co., Aberdeen

SECRETARY

1918-1925: Elmer U. Berdahl, Humboldt 1925-1929: Harry L. Kyes, Huron (\$3,000 salary) 1929-1939: W.C. Botkin of Huron



The decade

where, destroying crops and hopes.

New Products

Wonder began selling presliced bread -Nescafe introduced instant coffee -Clarence Birdseye developed a technique for preserving foods by freezing.

Events:

1930: The planet Pluto is discovered. **1931**: Approximately 2,300 banks fail. The Star Spangled Banner is adopted as the National Anthem.

1932: 20-month old Charles Lindbergh Jr. is kidnapped and later found dead. The first self-service supermarket opens.

1933: Adolf Hitler becomes Chancellor of Germany. Unemployment nationally reaches about 25%. Prohibition ends. 1934: Severe drought hits the Midwest. Bonnie and Clyde are shot dead at a police roadblock, John Dillinger is gunned down in Chicago, Pretty Boy Floyd and Baby Face Nelson die in gun battles with

"G-Men."

1935: Dust storms hang over about half of the United States. Congress passes the Social Security Act.

1936: Jesse Owens wins four gold medals at the Berlin Olympics.

1937: Amelia Earhart is lost in the Pacific. The Hindenburg crashes in New Jersey.

1938: The first federal minimum wage is adopted.

1939: Germany invades Poland, starting World War II. The first regular television broadcasts in the United States.

1930s

False hopes

When merchants met for the annual convention in June of 1931, businesses were struggling to stay afloat. But at least one speaker assured those assembled that their troubles would be of short duration.

Charles L. Sommers of G. Sommers & Company in

St. Paul, traced the history of depressions, then pronounced that, "Things are not as bad as they might have been or have been in times past."

In his expert opinion: "There are some indications that this period, like other periods of depression, will be of short duration, that liquidation will soon be about completed, and business recovery will be under way, possibly before the end of the year."

They had no idea of the disastrous economic times that were still ahead.

Keeping pace with the times

In 1931, William Unsgaard, Managing Director of the Thrift Stores of Wyman, Partidge & Co., Minneapolis, told retailers at the annual convention: "Too many merchants are thinking in terms of yesterday to meet competition of today. They have utterly failed to understand the changes that have been effected in retailing due to the automobile, the movie and the radio. These are factors that have changed the buying consciousness of the consumer."

WHEREAS there are 51 state taxes and fees which directly or indirectly affect the pursestrings of the people of South Dakota and WHEREAS any increase in these taxes and fees would add to the distress of an overburdened tax paying public, THEREFORE BE IT RESOLVED: by the Retailers Association of South Dakota that they oppose the imposing of any additional General Public Taxes. *Adopted in 1939*

Seminar topics in the 30s:

1930: Will Main Street Become Chain Street?

1931: How to Buy Canned Corn

1933: Talking Picture Reels: The Very Latest in Merchandising

1936: The Social Security Act - What It Will Cost You Retailers

1937: What You Should Know About Refrigeration and Air Conditioning

Things to See While at Rapid City Convention

This appeared as part of the literature enticing merchants to the June, 1934 convention in Rapid City:

"In the Black Hills is being carved the most wonderful memorial that man has ever attempted to produce. Dwarfing the Sphinx or



the Pyramids, or any of the other ancient wonders that from time immemorial man has used as a basis of comparison are the heads of Washington, Jefferson, Lincoln."

Association leaders 1930-1939

BOARD PRESIDENTS

1930-1933: Web Hill, Bull Hill Dry Goods Co., Rapid City

1933: Henry G. Schwartz, The Schwartz Co., Redfield

1933-1934: Herman A. Plate, Cresbard

Co-op Mercantile Co., Cresbard

1935-1937: Paul Galloway, Galloway's, Madison

Madison

1937-1939: Arthur Svenby, Golden Rule Department Store, Lemmon

1939-1941: Frank E. Hilts, grocer, Pierre

SECRETARY

1929-1939: W.C. Botkin, Huron 1939-1945: Richard M. Pease, Huron

Modern equipment

In 1930, the Association proudly announced it had purchased a mimeograph machine.

Catalog sales tax supported

In the summer of 1937, the membership for the first time officially demanded that catalog companies be required to collect sales tax on purchases made by South Dakota customers. They sent what was to be the first of many messages to the state's Congressional Delegation on this issue:

"Inasmuch as a measure is now before our National Congress which would compel the collection of Sales Tax by Chain Stores and Mail Order Houses without the State in which the consumer lives and compel a remittance of these Sales Taxes to the Federal Government with a return to the State of Consumer Residence; we ask our South Dakota Congressional Members to work toward the enactment of this law."

Icing the competition

At the 1938 convention, Warren Putnam (known affectionately as "Everlastingly-at-it-Put"), Association field man and comic, groused that retailers were too lax when it came to competing against chain stores. He was sure if independent retailers would work in a more united fashion, they could drive chain stores out of the state within two years.

His thoughts on the topic were colorful:

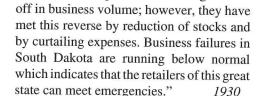
"Thirty-one years ago I started traveling in the Sunshine State and there was not a chain store in it," said Putnam. "But, today, there are close to 200 chain stores and that makes me shudder. I have fought and will fight chain stores until the Hot Place freezes over and then will fight them on the ice."

SIMPLE SURVIVAL

In the 1930s, the state and nation fell under the shadow of the Great Depression, drought, dust storms, grasshopper invasions, bank failures, massive unemployment, and the threat of war. The writings of Association Secretary W.C. Botkin in the 1930s provide a glimpse of the overwhelming despair, fears and forlorn hopes not only of the retailers of South Dakota, but of an entire nation.

Drought

"In serving the retailers of South Dakota I have traveled 25,000 miles during the past year.... Practically one half of our state suffered from lack of sufficient moisture causing a greatly reduced yield of grain. Retailers throughout this unfortunate territory have experienced a falling





"Every source of information leads us to believe that the running point has come, quick recovery is not expected but the arrow is pointing in the right direction and we will go forward in 1932. Let us have a little more determination, do a little more sound thinking, spread a little more sunshine and do a little less worrying

from now on. Anticipate 365 pleasant tomorrows and roll the dark clouds away."

June, 1932

A brave fight

"Looking at the world as a whole it seems that with each revolution new problems confront its inhabitants...

"(In the United States) We find our people bewildered and casting about for leaders who are not bankrupt minded, and then confining the scope to our own state we come face to face with grim realizations which are striking directly at the heart of a generation which has not experienced reverses of as severe nature as those confronting us today... "I am pleased to report that very few of our members have failed and to the few that have gone down under withering fire it is to be said of them that they carried on a brave fight. As we gather here today seeking for a glimpse of a brighter future we picture just briefly a year that is now relegated to history, let us hope that the lessons taught will be of value to those who may follow us." 1932

Forward South Dakota in 1932

"Surely this slogan, which was adopted by your association, is fitting and especially so at this time. Tribute should be paid to the staunch retailers of this state. The small number of failures during the past year is conclusive proof that our retailers have back bone. It seems that almost every conceivable obstacle has been thrown in their path and yet by grim determination they have held the line.

Depression

"We call this thing we have been through a depression. It is a form of insanity. Profit is the life blood of business. Without profit business ceases to be business and becomes public philanthropy...

"Throughout the greater part of the year, the retailer was faced with a declining cost market unparalleled in the history of his time, and had to face merciless competition... Every part of this country has felt the strangling effect of economic depression which emphasizes the fact that no part of our domain can stand alone."

1934

Troubling times in the modern world

"The next two years hold the fate of the United States for many years ahead. Time passes swiftly in the modern world. Events of the coming 24 months will set the course of the Nation either forward or backward.

"Today, men's minds are troubled and uncertain by happenings over the world that were inconceivable but a short time ago. Nations vanish overnight, thousands are lashed from their homes to seek refuge they know not where, and a world sore beset gropes for the way out. Cherished civil and economic liberties face attack. In the United States, citizens are observing the 150th anniversary of government under a constitution that is the ideal of the world. This century and a half has seen the nation grow strong yet poverty exists in the midst of plenty here as elsewhere. The situation must be corrected and responsibility hangs heavily on business." 1939



From the 1948 newsletter: "Push the sale of bonds continuously during the period of the campaign. It's a selling job, and who can sell as retailers can?"

The decade

1941: Office of Price Administration and Civilian Supply is established to enable the government to fix prices to prevent spiraling prices, profiteering and consumer hoarding. First regular commercial television broadcasts begin. December 7: Japan attacks Pearl Harbor. U.S. declares war on Japan the following day, and on Germany and Italy December 11.

1942: The OPA freezes prices of every major item affecting living costs. Great Depression ends in the United States after the country enters World War II. Meat, coffee, butter, shoes and gas are scarce, and rationing begins.

1943: FDR freezes prices, wages, and salaries to control inflation.

1944: June 6: D-Day. November 7: FDR wins unprecedented 4th term.

1945: President Roosevelt dies, and Harry Truman is sworn in as President. August: Atomic bombs are dropped on Japan. The United Nations is officially born.

1947: Jackie Robinson breaks the color barrier in major league baseball. Capt. Chuck Yeager of the US Air Force makes the first supersonic (faster than sound) flight. The first microwave oven is sold in the United States.

1940s

Association finances

A glimpse of the Association's financial dealings in 1940:

In February, there was \$846.55 in the bank, and \$11.83 in the till.

In March, records show the Association paid a total of \$37.06 for the monthly light bill and the quarterly phone bill. Rent for the month was \$30.

In June, the Secretary's salary was set at \$150 per month, with up to \$35 a month allowed for extra help.

1941 Legislative Agenda

- Introduce a bill relative to credit and collections
- Investigate the bad check law
- Introduce a bill calling for a statewide revolving fund for the Food Stamp Plan
- Secretary to attend National Association of Retail Grocers meeting to gain information relative to fair trade and unfair trade practices

In opposition to Saturday bank closings

In 1947, the Association frowned on the trend toward Saturday bank closings, which, Board Secretary Chris Dam said, "is spreading across the country in the wake of the five-day week which has been established for some time in many industries and business offices." Dam added this stern opinion: "South Dakota banks should not consider this as long as other business operates."

Life for residents and retailers in rural America changed dramatically with the coming of electricity in the 1930s and 1940s.



Frozen foods

"Some of the biggest handlers of foods, including large retail chains, say they are moving cautiously into the frozen food business until the volume of better quality frozen foods increases and until better transportation service for such foods has been achieved."

May, 1948 newsletter

Fed up with high taxes



In 1948, the membership participated in a nationwide petition drive. The petition urged the Democratic and Republican National Conventions to work for government economy - tax equality - and tax relief. The petition read, in part:

"High taxes, Government extravagances and unfair tax privileges are driving our Nation into inflation and bankruptcy, threatening destruction of free competitive enterprise. We are over a quarter of a trillion dollars in debt, and Federal spending still continues to rise. The weight of this tax load is lowering our living standards. We are over-burdened with a bureaucracy which interferes with our freedoms. To pay for protection against a possible World War III, which looms dangerously, we must economize at home."

Bad checks

Back in 1923, the Association was instrumental in the passage of state legislation making it illegal to write bad checks, prompting at least one member to predict the problem would soon cease.

They were proved wrong. The warning below was issued in the May, 1948 issue of the newsletter.

"Bankers and police are again urging retailers to increase their vigilance against passers of bad checks. This part of the country is being invaded with increased frequency by crooks who live on the bad check racket...

"Some of the smarter forgers who operate nationally...have payroll checks imitating those of corporations printed in quantities. They produce a check similar in looks to those used by the corporation whose checks are being forged. This includes use of the same kind of a check-writer and imitating of officer's signatures with the characteristics of the genuine."

Association offers new group health program

In June of 1948, the Board approved a group insurance program offered through the Continental Insurance Company, Premiums were deducted from Payroll. The rates: \$5.20 per month for females and \$4.45 per month for males.

Association leaders 1940-1949

BOARD PRESIDENTS

1939-1941: Frank E. Hilts, grocer, Pierre 1941-1944: Frank West, grocer, Sioux Falls 1944-1946: Ray Blauret, Brookings 1947-1948: Wesley Kieffe, grocer, Kyle

1948-1950: Ed Kehmeier, New Hollywood

Shop, Pierre

SECRETARY

1939-1945: Richard M. Pease, Huron 1945-1947: George W. Chitty, Huron 1947-1949: Chris Dam, Huron 1949-1951: Irvin L. Adams, Colome



Hilts Grocery Store in Pierre - 1947

Self service stores

The first self-service supermarket opened in 1932. By June of 1947, the concept was becoming more widespread, and Association members were advised to check into a new publication on Self-Service Food Stores. The book contained "more than 290 pages with practical and usable facts about self-service, and photographs and drawings of up-to-date plans."

Delinquent accounts

Trouble with delinquent accounts? Dealing with them was actually quite a simple matter, according to the Association newsletter from January of 1949. Members were offered this advice:

"Do you have delinquent credit accounts? If so, after other methods have failed, why not place a notice in your window that beginning after a designated future date, you will place the name, date and amount of the oldest delinquent account in your window to be followed each day by adding the next oldest account, until you will have all delinquent accounts on exhibition. Some merchants who have tried this claim that it produces effective results."

Happy days



Chris Dam

At last - a breeze of optimism about the economy drifted through the state. On January 1, 1949, Association Secretary Chris Dam noted, "The old year of 1948 has gone with the wind and somehow, it is

more or less regrettable to think of parting with it. 1948 provided us with good crops, with fair to good prices. Business in all lines has been good. Jobs have been plentiful at fair to extra good wages for those who wished to work. Scarce commodities have been in more plentiful supply."

The threat of Communism

It was in 1946 that Winston Churchill popularized the term "Iron Curtain" during a speech in Missouri. The nation's fear of Communism and of espionage soon found its way onto the pages of the Association's publications, and into its conventions.

Most years, the convention focused on themes such as merchandising, advertising, and other retail concerns. But in the summer of 1948, the convention featured the Countess Maria Pulaski of Poland, a former spy for the British intelligence service. She held the audience spellbound with tales of her thrilling ex-

ploits during World War II. That fall, members received this Na-

tional Security Warning:

"American businessmen, chamber of commerce secretaries, industrial plant managers and others likely to be approached have been alerted by U.S. Army Intelligence authorities against a foreign hunt for strategical information. The data sought, though seemingly of scant military significance and almost encyclopedic in character, could well be fitted into a potential enemy assault or sabotage pattern. That is the view of army experts. Originating for the most part on the other side of the Iron Curtain, requests have been addressed to more than 80 chambers of commerce, scores of industrial managers and others, seeking information on location of factories, roads, transportation and communications facilities, and other potential targets in this country."

Association Secretary Chris Dam issued a further warning:

"The store is a symbol of what many wish to destroy...

"No longer can any merchant regard himself as sort of an innocent by stander of whom nothing is expected except that he continue to serve the public by distributing the merchandise which that public needs... Practically all reformers with peculiar ideologies have seen in the retail store something which must be done away with in favor of some less costly system to achieve the same results.

"Retailers are in the very forefront of the class which the communists wish to eliminate."



The decade

Innovations

Fads include Hula Hoops, frisbees, and Davy Crocket hats. Play-Doh and Barbie dolls make their debut. The first TV dinners are sold by Swanson.

1950: The Korean War begins. The minimum wage rises to 75 cents an hour.

1951: Julius and Ethel Rosenberg and Morton Sobell are found guilty of conspiracy to commit wartime espionage and are sentenced to death.

1953: Dwight Eisenhower is sworn in as President. Edmund Hillary reaches the top of Mount Everest.

1954: Racial segregation in public schools is unanimously ruled unconstitutional by the Supreme Court. Roger Bannister runs the mile in under 4 minutes.

1955: The Salk vaccine against polio is declared safe for use. Rosa Parks refuses to give up her seat to a white man on a bus in Montgomery, Alabama.

1956: Elvis releases his first hit single. The United States officially adopts the motto *In God We Trust*. The Federal-Aid Highway Act is signed June 29, inaugurating the interstate highway system.

1957: The Space Age begins when Russia launches Sputnik I.

1959: Alaska becomes the first new state in 47 years, followed by Hawaii.

1950s

A new product: cellophane

At the September, 1950 convention, businesses attended a seminar on "Selling fruit and vegetables in cellophane."

Promoting the seminar, the Association enthused: "This new field in selling has spread like wildfire and with amazing results in a multitude of lines. 'See what you buy' is being accepted with favor by the housewife. To benefit from this great potential selling force, you will want to know about cellophane and its uses."



War

Writing in the October, 1950 newsletter, Secretary Irvin Adams noted: "With the 81st Congress, business was assured of a substantial reduction in Government spending - one billion from the regular budget and a like amount taken from the excise tax structure. Then on June 25, the Cold War with Russia immediately became a hot war in Korea. How, from here on did the picture change as to the reduction of taxes. Not only did Congress have an excuse to drop the economy program, but an urgent need for additional revenue. In name only is the Korean conflict being settled by the United Nations. Actual participation by the United Nations is 2% and Uncle Sammie 98%."

And this time I really mean it



Irvin Adams

In despair over the low number of members and the poor financial condition of the Association, Irvin Adams attempted to resign as head of the Retailers Association on September 9, 1950.

Included with the resignation was a three-page explanation which stated in part: "The time is near or is it here, when

the retailers of South Dakota must definitely decide if they wish the Retail Merchants Association to continue as a potent organization or to let it for lack of interest fall into disrepute. It is for the retailers to specify what they would have their association accomplish and to create a directive to personnel to see that such objectives are gained, and to provide adequate financing."

The Board asked him to stay, and he reluctantly agreed. For a while, anyway.

Three months later, Adams sent another letter of resignation to the Board, stating, "It is evident that the means of financing has fallen much short of the anticipated revenue required in the budget. At this moment there is no evidence that a change in the finances can be expected... It is my conviction (correct or false) that not sufficient cooperation can be expected from the Directors to carry on successfully as in the past or to revitalize the organization." Once again, he was persuaded to stay.

On July 29, 1951, Adams informed the Board he was through. He explained: "Gentlemen, you have known for almost a year that I have been very restless in this position, as manifested by numerous expressions of my desire to be relieved as Secretary of the Retail Merchants Association of South Dakota. It is not necessary to enumerate the occasions that you have had my resignation presented or is it important that the reasons here be restated supporting this action. I do at this time with all sincerity and with many regrets inform your Honorable Board that I consider my employment with the Retail Merchants Association of South Dakota terminated as of this date."

The name game

On September 17, 1951, the Board voted to change the organization's name from the South Dakota Retail Merchants Association to the South Dakota Retailers Association, and to move the office to Sioux Falls from Pierre.

At the same time, Donald A. Caldwell of Sioux Falls was employed as Secretary at a salary of \$4,000 per year.

Collection allowance

In February of 1950, the Association first issued a call that was to become a regular part of the legislative agenda for the next four decades.

A survey of the members found that 71% of those polled thought retailers should receive a percentage for collecting sales taxes for the state. In response, the Board began lobbying the Legislature tirelessly for passage of a bill to pay retailers 1% of all sales taxes collected to help defray expenses in collecting the tax and filing the returns. It took until 1990 for the Legislature to approve a collection allowance; just five years later, the hard-won allowance was repealed as part of the Governor's property tax reduction plan.

Also on the minds of retailers in 1950:

- 96% said federal spending should be decreased and the federal budget balanced
- 90% opposed a state income tax
- 87% thought the Association should resist further increases in the sales tax
- 77% believed the war excise taxes on utilities, luggage etc. should be repealed
- 56% opposed broadening the social security law
- 55% opposed increasing old age benefits

Legislative agenda

- 1950: Opposed hiring more state inspectors, and opposed an increase in the license fee under the "very obnoxious egg law."
- 1956: Opposed a permanent 3% sales tax, arguing it would put too much of the added burden on those least able to pay, and that it would encourage customers to buy in border states with no sales tax.
- 1957: Supported par clearance of checks at all South Dakota banks - supported anti-shoplifting laws - supported increasing the small claims court limit from \$50 to \$100 - sought repeal of 10 cent per pound margarine tax.
- 1959: Opposed a state income tax.

Blowing smoke

"Before a Congressional election, you may be assured of a multitude of charges and countercharges, investigations and re-investigations, evasive eruption of smoke but not much fire. Any kind of antics to keep the electorate confused."

Irvin Adams January, 1950 newsletter

Cheap, chiseling freeloaders

Year after year, the Association optimistically predicted membership levels would soon reach 1,000. Year after year, membership hovered at 400 to 500.

In December of 1953, frustrated with one business which repeatedly promised to consider joining, Secretary Donald Caldwell lashed out: "As expected, no reply has been received, so it appears this was just another stall so they can continue hitchhiking for free. They are in the same category as [a certain Huron business]: cheap, chiseling freeloaders expecting the other fellow to fight their battles."

He conceded that "a couple of alibis" he encountered for not joining were legitimate: "One merchant was slowly recovering from severe skull surgery at Rochester, Minnesota. Another was understandably unhappy because of the recent death of his wife."

Likewise irked at chain stores that "are getting a free ride on all beneficial actions of ours," in April of 1954 the Board voted to allow out-of-state chain stores to join, and to offer them four seats on the Board.

1950-1959

BOARD PRESIDENTS 1950-1952: B.A. Thomas, Thomas

1952-1957: Glen Rhodes, Presho 1957-1959: Jack J. Verschoor, Mitchell

Food Market, Sioux Falls

Association leaders

1959-1961: Carl Fischer, Ft. Pierre

SECRETARY

1949-1951: Irvin L. Adams, Colome 1951-1966: Donald A. Caldwell.

Sioux Falls

Finances

In the 1950s, the Association's financial footing continued to be less than firm.

Shortly after being employed as Association Secretary in 1951, Donald Caldwell told the Board there had been a deficit for the previous two years.

"For 1949-50," he wrote, "the income was \$10,289.92, expenses \$10,801.39 and the deficit \$511.47."

Caldwell began working out of the basement of his Sioux Falls home, saving \$420 per year in office rent. Also, he noted, "With the only phone service charge the small cost of an extension on the residence phone, there will be another \$75 saved there."

The outlook had improved slightly when on February 1, 1952, Caldwell reported, "During January, cash on hand gained \$106.29 or 38.9%. We seem to be slowly pulling away from the dangerous red ink shoal that threatened last month. Rigid economy is still necessary until a more substantial bank balance warrants expanded activities."

It remained an uphill battle. Former Board President John Bonde recalls that Caldwell frequently slept in his car while on the road, in order to save money. And, in May of 1957, in lieu of a raise, the Board voted to allow Caldwell to retain 20% of the dues collected for any members over 400.

Sunday openings

In June of 1958, one board member noted with disapproval the trend toward Sunday opening of stores. He moved that Secretary Donald Caldwell draft a resolution to the Attorney General asking that the existing law covering merchandise sales on Sunday be enforced "as they are a violation of Biblical Commandments." The motion carried.



John Bonde

Five finger discount

The advent of self-service stores brought a significant increase in the amount of shoplifting, prompting calls for tougher laws to prosecute offenders.

An August, 1957 news release issued by the Association quoted Board Member John Bonde of Lake Preston: "Back in the days before self-service, when there was

always a counter between the customer and the merchandise and when most goods were sold in bulk, requiring wrapping before being given to the customer, opportunities for successful shoplifting were much less than they are now."



plea to members to ask Congress to stop a hike in 3rd class postage rates.

The decade

The 1960s were a time of idealism, activism, social change, and convenience. Microwave ovens were introduced, as were Pampers disposable diapers.

An American U-2 reconnaisance plane is shot down in the Soviet Union.

Russian Yuri Gagarin becomes the first man to circle the earth in a spaceship. Alan Shepard Jr. takes flight in the first U.S. manned sub-orbital space flight.

1962: John Glenn becomes the first American astronaut to circle the earth. Rachel Carson's book "Silent Spring" launches the environmentalist movement.

1963: President John Kennedy is assassinated in Dallas.

1964: The Beatles make their first appearance on the Ed Sullivan Show.

Medicare begins. 1966:

1967: The first heart transplant is performed.

1968: Robert Kennedy and Martin Luther King, Jr. are assassinated.

1969: Vietnam peace talks begin. Neil Armstrong becomes the first man to walk on the moon. The Woodstock Music Festival draws up to 1/2 million people. Sesame Street makes its debut.

60

In desperate financial shape again

In April of 1961, Association Secretary Donald Caldwell wrote to the Board expressing dismay about an inability to attract members and generate revenue: "Overhead has been cut to the bone without loss of efficiency," he said. At the time, there were 474 members.

Two months later, he noted that the cash on hand had been reduced to the lowest point in a decade. Caldwell didn't take his allotted 20% commission, saving \$264 in operating costs.

In the fall of 1961, he devised a solution to keep the Association running, while drastically cutting expenses. As he was eligible to collect both Social Security and benefits as a World War I veteran, Caldwell proposed that the board cut his salary from \$5,400 to \$1,700 a year. He declared it was an "A-1 way to reduce overhead by \$3,700 per year with no reduction in the amount of time spent in the full-time discharge of the duties of the office."

By April of 1962, Caldwell was able to proudly report that monthly bills were down to \$177.70, "Probably the lowest in the Association's history since there was a full-time secretary."

On the subject of insufficient fund checks, Mr. Vance Miller (Board Member from Groton), favored the early application of a jail door, viewed from the inside, as an effective deterrent to repetition." June 11, 1961

Don't confuse them with the facts

In the midst of a long-time battle over oleomargarine taxes, in March of 1963, Secretary Donald Caldwell sounded off about taxes, and about politicians in general.

"In 1964, aside from resignations and deaths, (the state legislators) will all be back - with their heads made up solidly so they do not want to be confused with any facts. There is a big question in my mind if SDRA can accomplish anything with a full-time lobbyist that would justify the cost. Possibly, in 1965, with some new faces, it might be advisable to try again. With the margarine tax repeal bill tabled four times in 10 years, it would look silly to go back and get our teeth kicked out again...

"They care absolutely nothing about the fairness of any tax as long as it produces a nickel's worth of revenue. Many pennypinching acts were justifiable at the bottom of the Depression 30 years ago, but you can't make progress looking back over your shoulder. That is what ruined the Chinese: ancestor worship. Instead we should be looking 30 years ahead - 30 years to try to keep pace with other forward-looking states."

In support of an income tax

In 1968, after earlier opposing an income tax, the Association had a change in philosophy, which lasted several years.

A survey of members in the spring of 1968 found that 60% of those responding favored a state income tax.

A legislative position sheet issued in December of 1968 notes, "SDRA favors a state income tax (based upon adjusted gross) with full credit for personal property taxes paid." It went on to say, "It is our belief that the sales tax, adjusted gross income tax and corporate net income tax best afford opportunities for tax relief and tax reform."

The position sheet also noted the group stood for economy and efficiency in the spending of tax dollars.

Legislative agenda

- 1961: Opposed the proposal to establish a Federal Department of Consumers, "as we already have far too much government interference with private business." The group also voiced support of a proposal to outlaw trading stamps in South Dakota, with certain exceptions.
- 1963: Opposed any increased or new taxes.
- 1966: Supported collection allowance for retailers.
- 1967: Supported stricter enforcement of the bad check law. Supported uniformity in Daylight Saving Time. Supported enabling legislation so counties may put the Food Stamp Plan into their respective counties.

Balgeman hired



hired Ken Balgeman to head the Association. The title

In August

of 1966,

the Board

Ken Balgeman

was changed from Secretary to Executive Vice President, and the office was moved back to Pierre from Sioux Falls. While the Association subsequently rented space in numerous locations in Pierre, it was to be the last time the organization changed cities.

A gradual turnaround begins

For the first nine decades, membership numbers were nearly a constant source of despair to the South Dakota Retailers Association.

When over 800 businesses signed the constitution in 1897, the promise of a large statewide organization truly seemed within reach. But the numbers constantly fluctuated, gradually dropping over the years, until membership finally bottomed out at a mere six dozen in 1966, the lowest in the Association's history.

Under Ken Balgeman's leadership, numbers started a slow ascent. In May of 1969, he stated in his newsletter column: "I've about completed three years with SDRA. Active Membership has increased from 72 to 287. We now also have 39 Associate Members."

While membership numbers were looking up slightly, the money situation was still tight. "Our budget is just under \$30,000, but we raise only about \$24,000," Balgeman wrote. "We've lived within our income, but we should set our sights at about \$35,000 to be really effective."

An old foe becomes a friend

In 1906 when Montgomery Ward Co. was filing a lawsuit against the Association and its officers, neither side could have envisioned a day when the huge corporation would join as a member.

It happened in the fall of 1969 with little fanfare, except for a brief announcement in the newsletter, which made no mention of the battle 63 years earlier: "We are pleased to list Montgomery Ward as a new member of SDRA. Daniel Walker, Montgomery Ward Vice President, speaking at Phoenix, made it very clear a strong state association, such as ours, is needed."



Trading Stamps

Over the years, the Association has fought many opponents on behalf of the membership, including, in the 1960s, companies which gave trading stamps.

In May of 1967, Executive Vice President Ken Balgeman related a conversation he had with one pharmacist. "He told how the retailers of his town were keeping well over \$30,000 each year in their community by mutually agreeing to not give trading stamps. Pretty simple way to handle a tough problem, at the local level. If every community in South Dakota would do likewise, stamps would disappear, and all of that money would remain in the State. Why not give this some thought for your shopping area?"

Association leaders 1960-1969

BOARD PRESIDENTS

1959-1961: Carl Fischer, Ft. Pierre

1961-1963: Tom Abourezk, Abourezk's Store, Mission

1963-1965: Irving Heggestad, Witten

1965-1966: Archie Patzer, Gambles, Watertown

1966-1968: C.M. Galloway, Galloway's Department Store, Madison

1968-1970: John Bonde, Bonde's V Store, Flandreau

SECRETARY/EXECUTIVE VICE PRESIDENT

1951-1966: Donald A. Caldwell, Sioux Falls

1966-1978: Ken Balgeman, Pierre

4% state sales tax implemented but still no collection allowance

From the 1969 Legislative Bulletin:

"We are now faced with a 4% sales tax. Retailers will accept this new tax with mixed emotions. Most of our business is done in cities fairly close to surrounding states. The South Dakota sales tax will now be higher than nearby states. Retailers know that a sales tax hits the low income people hardest. This creates a problem in economics.

"Retailers realize, however, that much of the sales tax comes from visitors in our state and that the collection process is relatively simple and economical. This is an economical system primarily because the retailer does most of the work free. Twenty-thousand retail licensees work the year round, free, as sales tax collectors for the state."

Retailers help draw UPS to South Dakota

The Retailers Association campaigned rigorously for several years for United Parcel Service to extend its operations to South Dakota.

In 1969, Association leader Ken Balgeman told the membership, "Everything points to this service being available to South Dakota retailers early in 1970. Surely SDRA deserves a bouquet for helping make this wonderful service a reality."

Later that same year, he informed the membership that a timetable was in place for UPS to begin service in South Dakota, adding: "It's been a long haul, waiting to have this excellent service brought to our state. Very likely, many more than just retailers will benefit from this service, but let's not forget that your Association was the leading force in obtaining this fine transportation facility. When we started on this project three years ago, it seemed almost hopeless, but persistence has prevailed."

Why women make purchases

"There are eight reasons why a woman buys something: her husband says she can't have it; it will make her look thin; it comes from Paris; the neighbors can't afford it; nobody else has one; everybody else has one; it's different; and because."

December, 1969 newsletter



From the September, 1979 newsletter: grocery stores were exempt from federal air conditioning rules during the energy crisis.

The decade

The era of women's lib. Ecology was a hot topic. A recession contributed to the "baby bust" of the 1970s. Personal computers were launched. Median family income: \$13,719.

1971: A Constitutional Amendment is ratified, lowering the voting age to 18. **1972**: Five men are arrested for breaking into the offices of the Democratic National Committee in the Watergate office complex in Washington, DC.

1973: World energy crisis erupts after Arab oil embargo.

1974: Richard Nixon resigns as President of the United States. Hank Aaron hits his 715th home run, breaking Babe Ruth's record.

1976: The United States celebrates its Bicentennial.

1979: Sixty-three Americans are among a group of people taken hostage at the American embassy in Teheran, Iran by militant student followers of Ayatollah Khomeini. The worst commercial nuclear accident in the U.S. occurs at Three Mile Island reactor in Middletown, PA. The U.S. government bails out the Chrysler Corporation.

1970s

- How to tell the sexes apart now that both are wearing pants: The one listening is the man.
- The reason so many girls wear hairdos that look like mops is because they don't know what a mop looks like.

April, 1972 newsletter

1970s legislative agenda

In 1970, the Association supported: Business inventory tax elimination Eliminating the tax on oleomargarine Retailers collection fee Taxing some exempt property

In 1974, the organization called for: Removing the business inventory tax over a four year period.

Partial reimbursement for collecting the sales tax.

A Retail Credit Sales Act - seeking a rate equitable with other credit lending agencies.

In 1976, the Association strongly supported Governor Kneip's tax reform package, including complete repeal of personal property taxes, with replacement coming from broadening of the sales tax.

Association stats

1971: 420 members

1973: The Board voted for a basic dues increase of \$10, the first dues increase enacted since 1966. Dues were based on annual sales volume, and minimum dues were raised to \$40 per year.

1975: For the first time, the Association began making use of television to carry its message, running public service announcements on bad checks, credit practices, and the free enterprise system.

1977: Over 900 members

1979: The Association installed a toll-free number for the first time.

Profit: not a dirty word

The 1960s and 1970s newsletters reflected an increasing frustration with government intrusion into business, and the public's perception of retailing. This item appeared in the June, 1972 newsletter:

"At no time in history has government been so involved in retailing. Controls already in effect include ones which determine where merchandise comes from, how much it can be sold for, who you can hire, how much you have to pay your employees, etc...

"The business world, to hear some people tell it, can do no right. The interesting point is that it is the same business community which provides the jobs, supports the high standard of living, contributes taxes, produces goods and services, and satisfies consumer and investor. Political oratory to the contrary, that is really not the work of a villain."

The next month, this item appeared: "Somehow, someway, we must get the word to the general public, governmental officials included, that profit is not a dirty word. Profit is the grease that allows the wheels of progress to turn. A profitless business is exactly like a greaseless bearing. Absolutely useless."

Changes in retailing: UPC codes

From the December, 1974 newsletter: "Have you noticed that many food labels now have a box with thick and thin black vertical lines? This is the Universal Product Code (UPC) being used by all major food manufacturers. It is expected that 90% of dry grocery items will bear the code by the end of 1975. The code will make possible installation of computer checkout systems using electronic scanners to replace current manual registers plus providing automatic control and other records."

Nation faces a wage-price freeze

"President Nixon's surprise 90-day freeze on wages, prices and rents enters its fourth week with a mounting volume of government-issued regulations answering many of the questions which retailers have raised about the moratorium. Are price increases that have already been announced to take effect in the future subject to the freeze? Yes. All price increases must be controlled. Are wholesale and retail prices included in the freeze? Yes."

from the September, 1971 newsletter

Don't get kidnapped - it leads to shoplifting

In 1974, 19-year old Patty Hearst was kidnapped by a group which called itself the Symbionese Liberation Army (SLA). The kidnappers demanded that Hearst's wealthy father give millions to the poor. She was later identified as taking part in a bank holdup, and the group was captured in 1975.

At first glance, this national news item might not appear to have anything to do with retailing. However, SDRA found a link, which it published in the November, 1974 newsletter:

"Did you know that the May shootout in Los Angeles that resulted in the deaths of five members of the SLA developed from an attempt to shoplift a pair of socks? An alert clerk detected one of the SLA shoplifting the socks and the confrontation resulted in the police chase and the shootout. All shoplifters don't suffer the same fate, but the incident should serve as a warning of the hazards of shoplifting."

Tips on selling in changing times

"Shoppers are usually referred to as 'she'. This situation is changing. It is no longer unusual to see young men wheeling shopping carts through supermarkets. Some of them are single and run their own households; others are married and are accompanying their wives."

June-July, 1973 Retail News Bulletin

The year retailers smiled... for awhile



Leighton Gemar

From Chairman Leighton Gemar's column in the June, 1976 newsletter:

"If sales in your store are not running above last year by a sizeable percentage, we're surprised!! Sales volumes

are up by double percentage figures in many areas of South Dakota and within most every merchandise line... It is a good year, and a little more rain at the right time will make it a year that retailers smiled."

Three months later:

"I feel the upcoming year will be a year of much greater challenge for our association and for the small independent retailer of South Dakota... All of you are aware at this time that South Dakota has been hit by a severe drought and the total effect on the independent retailer in our state is yet to be determined. One thing we are aware of is that South Dakota, nor any other state, can survive unless our business community stays healthy and progressive."

The next year, the uncertainty continued:

"As we begin 1977, may I take this opportunity to wish all South Dakota retailers a year of good health and prosperity. Some of you may say, 'Who is he trying to fool? Doesn't he read the papers?' Certainly I read the papers, listen to the radio and watch television. I would be the first to admit that there are trying times ahead for South Dakotans and particularly for retailers.

"With the news media blasting the airways with the sad news of the bitterly cold winter, fuel shortages, rising unemployment, water supply problems, possible flooding in the East as well as severe freezing weather in the South, how, you ask, can our chairman be optimistic?

"I am optimistic simply because I feel South Dakota retailers have the courage and the faith to meet the challenge of 1977 by doing what must be done, on their own."

Personal Property Taxes Repealed!

"That's the big story coming out of the 1978 legislative session. For more than a dozen years we have been telling anyone who would listen that it would be good South Dakota economics to repeal the tax on business inventories. This year the Governor challenged the legislators and they quickly accepted the challenge to repeal not only the business inventory tax but ALL personal property... South Dakota retailers are the envy of retailers in many other states where they are still saddled with the tax on business inventory."

February, 1978 newsletter

Association leaders 1970-1979

BOARD PRESIDENTS

1968-1970: John Bonde, Bonde's V Store, Flandreau
1970-1973: John Trumble, Jack's Trading Post, Allen
1973-1975: Ep Sieler, Jones Drug, Gettysburg

1975-1977: Leighton Gemar, Gemar's Market, Scotland1977-1979: Don Carlson, Diamond Shoes, Yankton1979-1981: Don Greenfield, Wass Furniture, Beresford

SECRETARY

1966-1978: Ken Balgeman, Pierre 1978-1980: Steve Boyer, Pierre

> "Congressional approval in May requires that you immediately begin conserving energy by controlling your business's thermostat settings: No lower than 80 degrees in summer months and no higher than 65 degrees in winter months."

> > May, 1979 newsletter

The dollar of the future

Included in the July/August 1979 bulletin was a pamphlet entitled *The Dollar of the Future*. The pamphlet described the rationale behind the U.S. Treasury's decision to eventually replace the dollar bill with the new Susan B. Anthony dollar coin. Retailers were cautioned that the new coin might be easy to confuse with quarters.



Retailers/Newspapers: Way to Grow!



SDPA

South Dakota Press Association

> Ad from 1983 newsletter

The decade

The era of Yuppies and Baby Boomers and the rise of the personal computer. Fads: Cabbage Patch dolls and Trivial Pursuit.

1980: At President Jimmy Carter's request, the U.S. Olympic Committee votes to boycott the Moscow Summer Olympics in retaliation for the Soviet invasion of Afghanistan. Ronald Reagan is elected 40th President of the United States.

1981: Minutes after the inauguration of President Reagan, the 52 Americans who had been held hostage in Iran for 444 days are flown to freedom. President Reagan is shot by John W. Hinckley Jr. in Washington, DC. Sandra Day O'Connor becomes the first woman on the U.S. Supreme Court.

1982: The compact disc is introduced. The unemployment rate rises to 10.8% in December, the highest since 1940.

1983: Sally Ride becomes the first American woman to travel in space. The U.S. invades the island of Grenada.

1986: The Space Shuttle Challenger explodes moments after liftoff.

1988: George Bush is elected the 41st President.

1989: The Berlin Wall comes down. Students and workers hold pro-democracy demonstrations in China's Tiananmen Square. U.S. troops invade Panama, overthrowing the government of Manuel Noriega.

1980s

Association firsts Bankcard Program

In 1980, SDRA announced implementation of a Visa/MasterCard bankcard program.

Radio Reports

SDRA's Legislative Radio Reports started on January 5, 1981, with updates on retail issues at the Legislature.

Membership

In 1981, membership topped 1,000 for the first time, having gone from 400 to 1,700 in one year.

Retailer of the Year

In 1979, Huron businessman Harlyn H. Hedblom of Hedblom the Clothier was honored as Retailer of the Year. However, it wasn't until 1982 that the honor became officially established as an annual



Lynn Feist

award. That year, Lynn Feist, owner of Lynn's Super Valu grocery stores throughout South Dakota, was presented with the first annual Retailer of the Year Award.

Helen Rasmussen

First Chairwoman

Helen Rasmussen, president of DeHaan's Market, Inc. (IGA) Platte, was elected chairman of the Board of Directors at the 85th annual meeting in June of 1982, the first woman to hold that position.

Legislative Lineups

In 1983, SDRA began publishing a *Legislative Lineup* each year with information about the Legislature.

Membership tops 2,000

In 1988, membership topped 2,000 for the first time. Marketing representative Gerry Cutshaw was credited with the rapid growth of the Association, having recruited 1,200 new members in three years.

Scanning: the coming thing

"Most retailers agree scanning is the coming thing. Shouldn't you know more about it? Bill Dustman, the supervisor of Lynn's Inc. of Lemmon, has just completed the installation of scanning units in Lynn's stores around the state. He will have a machine available for your study (at SDRA's annual meeting) as well as some answers to your questions on cost and efficiency."

from the April 1982 newsletter

Promoting mail-order

The founders of the Association were probably turning over in their graves when a February, 1981 newsletter carried the headline: "Promoting mail-order may be the way to expand."

The article pointed out that mailorder was growing at the expense of major retail chains, and that, attracted by an exceptionally high return, corporate giants have greatly stepped up mail-order operations.

"Even though you're a small retailer, you can be highly successful in mail-order," the item concluded. "In fact, the fastest-growing and most successful sector of mail-order is smaller, specialty companies, who now account for nearly

75% of total sales."

White House Conference

In January of 1980, SDRA Executive Vice President Steve Boyer and several board members participated in the first White House Conference on Small Business.



Hard times for retailing

Many times throughout the course of its history, the Retailers Association reported on the ups and downs of the economy, and the impact on retailers. The early 1980s proved to be one of the most trying times for farmers and the business community. Below, a few of the articles which appeared in the newsletter during that difficult period.

"The 1979 4th quarter calendar year sales tax revenues continue to reveal that an alarming trend is beginning to develop for South Dakota's state government... Revenues being collected are not keeping up with inflation. In other words, the recessionary trends now showing up in our economy are beginning to squeeze the state budget more than our worst fears indicated in earlier months.

"Many factors are beginning to develop which indicate major causes for concern in the months ahead. High interest costs are driving consumers away from credit purchasing; the Federal Reserve System's consumer credit restrictions contribute heavily to decreased consumer credit sales demand; home building is nearly at a standstill; agricultural businesses are reporting decreased farm purchasing activity because of the credit crunch; increased energy costs are squeezing consumer budgets and encouraging vacationers to travel closer to home for shorter time periods; inflation continues to hover near the 18% annual level; inventory replacement costs continue to skyrocket; and the Federal Government continues to increase its short-term borrowing at an alarming 25% plus increase above 1979." April, 1980

"While there are admittedly some retailers who are in serious financial trouble resulting from the economic recession, the general consensus is that we are leaning toward a better 1981 and optimism for 1982."

Executive Director Dean Randall September, 1981

"Economists remain confident that the long-awaited, though hesitant, turn-around is upon us... The verdict is yet to be determined though clearly the economic indicators reported in the past two months are much stronger than observed in any period during the past three years."

> Jerry Johnson of the Business Research Bureau, March, 1983

"Even though some retailers are showing healthy increases, we note a high percentage are reporting decreases. It shows that South Dakota may not be realizing the benefits of the current economic recovery as quickly as other parts of the nation seem to be."

Spring, 1984

"South Dakota is in the greatest economic stress its people have experienced at least since the thirties. I don't feel we have seen the end of the difficulties. In fact, I believe the next year will not only be difficult for those in agriculture, but all business, especially those directly dependent on agriculture, will be affected to a much greater extent than they have been to date."

> Board Member Jim Burg October/November, 1985

It helps to be crazy



Myron Johnson

Board Member Myron Johnson, a grocer from DeSmet, summed up the general sentiment among retailers in an article he wrote for the May/June, 1989 newsletter:

"(Retailers are) an intelligent lot. We all know you have to be very intelligent to buy a product for \$2 and sell it for 99 cents. A person of lesser intelligence would never be shrewd enough to accomplish a feat such as this. You don't have to be crazy (to be a retailer), but it surely helps."

Dues

SDRA's last dues increase took place on November 1, 1984 when the minimum dues for membership rose from \$60 to \$100.

Legislative agenda

- 1980: The Board voted to oppose Dakota proposition, saying, "Tax relief can be handled with a more sensible approach without such a drastic burden on our local government and schools."
- 1983: Oppose proposal to have the top 10% of the state's businesses remit their sales tax monthly support giving retailers the right to charge a service fee on all returned checks support elimination of 3.2 beer support local option to allow grocery stores to sell wine in grocery stores no tax increase.
- 1984: Oppose weakening transient merchant law support exempting sacks from use tax support retaining sales tax remittance bi-monthly rather than monthly support establishing Private Enterprise Commission to study government competition with private enterprise support requirement for the state to pay interest on overdue bills support legislation giving the state the right to collect use tax on out-of-state catalog sales.

Association leaders 1980-1989

BOARD PRESIDENTS

1979-1981	Don Greenfield, Wass Furniture,
	Beresford
1981-1982	Hal Bisch, Sears, Huron
1982-1983	Helen Rasmussen, DeHaan's Market,
	Platte
1983-1984	Chuck Chilson, Elevator Store, Webster
1984-1985	Lynn Feist, Lynn's Inc., Lemmon
1985	George Welder, Sears, Sioux Falls
1985-1987	Chuck Parks, Chuck's Jack & Jill, Madison
1987-1988	Howard Owens, Owen's Interstate Sales,
	Spearfish
1988-1989	Bob McCardle, Randall's, Mitchell
	(died Feb. 1, 1989)
1989	Roy Nyberg, Nyberg's Ace Hardware, Sioux
	Falls
1989-1990	Jill Bartlett, Hollywood Shop, Pierre

EXECUTIVE DIRECTOR

1978-1980	Steve Boyer, Pierre
1980-1988	Dean Randall, Pierre
1988-1989	Rex Hammond, Pierr



The SDRA Building is across from the State Capitol in Pierre

The decade

Home video games became a \$5 billion a year industry. Median annual family income is \$38,782. A third of American homes have computers.

1991: The US and allies defeat Iraq and liberate Kuwait. Mikhail Gorbachev resigns as president of the USSR, and the Soviet Union is officially disbanded the next day. Boris Yeltsin is elected and sworn in as Russia's first elected president.

1992: Bill Clinton is elected President. Sears, the nation's third largest retailer, announced it would cease publication of its catalog, a part of American life since 1896. A bomb explodes in an underground parking garage beneath the World Trade Center in New York City.

1993: South Dakota Governor George Mickelson and a group of 7 state and economic development leaders are killed in a plane crash.

1994: A bomb explodes at the federal building in Oklahoma City.

1995: Football legend O.J. Simpson is acquitted of murder charges.

1996: Centennial Olympics are held in Atlanta

1990s

Building for the future

The 1990s have been a time of significant growth for the South Dakota Retailers Association, and that growth promises to continue into the organization's second century.

The SDRA has flourished under the leadership of Executive Director Jerry Wheeler. For the first time in its history, the organization became financially se-

cure. Membership topped 3,000 for the first time. The Board of Directors made it a priority to enhance member services by improving existing pro-

grams, and adding a number of new money-saving services. During the 1990s, SDRA has also built up its level of political activity, becoming a stronger force in the legislative process through the establishment of a political action fund, and by forging coalitions to make sure the voice of business is heard.

One of the biggest steps came with the construction of a permanent headquarters. The location is significant: across the street from the Capitol in Pierre. From its vantage point at the corner of Capitol and Nicolett, the center of state government is always in the line of view for the Retailers Association. And, as then-Board President Terry

Casey noted in May of 1992, "By being right across from the state government, we'll be a constant reminder to the powers-that-be that we're keeping a sharp eye out for the small business owners of the state."

The decision to build a permanent facility was made in 1991 after considerable analysis of options to rent, lease or purchase a building.



Groundbreaking ceremonies were held June 12, 1992 (pictured above), and Wald Construction of Pierre began work soon after.

The building was completed by December of 1992, and a formal ribbon-cutting ceremony was held in conjunction with the opening of the state legislative session on January 12, 1993.

The upper level of the two-story building was rented out to the state Public Utilities Commission and to two statewide associations.

Through rental fees and careful management, the Association was able to pay off the bank loan for the new building within a year, a mark of just exactly how far the organization had come in a matter of years.

Political action committee

For many years, the Association discussed the possibility of forming a political fund in order to help provide financial support

to pro-retail candidates for the state legislature.

In June of 1990, the Board voted to proceed with the formation of a Political Action Committee, and to call it South Dakota Retailers for Effective Government (SDREG).

In August of 1992, the SDREG Committee made its first contributions, to a total of 97 candidates for the State Legislature.

A country at war

Before the 1991 legislative session, Executive Director Jerry Wheeler told members that he was expecting a very difficult session for businesses. "The biggest issue will be taxes, second will be taxes, third will be taxes."

Just a few weeks later, the nation was at war against Iraq. Wheeler noted: "Lawmakers are continuing to shadow-box with the major tax initiatives... I think the war and recession are causing them concern."

Once the session was over, Wheeler offered this summary:

"Thank God it's over' was the expression used by most legislators and lobbyists to describe South Dakota's 66th Legislative Session... The issues of abortion, Lonetree and taxes - under the backdrop of the War in the Persian Gulf - left legislators emotionally and physically drained."

Scholarship Program

In June of 1991, the Board voted to establish an SDRA Education Scholarship Trust Fund to provide scholarships for students enrolled in retail programs at South Dakota universities and vocational schools. The fund was started with seed money from the Association, then continued to grow with memorials and contributions from members.



In August of 1992, the first annual \$1,000 scholarship was awarded to a 24-year old Vermillion woman, Valarie Hower, who was studying Business Administration at the University of South Dakota. The first scholarship was presented in memory of the late Ken Balgeman, who served as the organization's Executive Director from 1966 to 1978.

(Pictured above: Valarie Hower with SDRA Board Member Leon Maggied of Yankton and Eula Mae Balgeman, widow of Ken Balgeman).

Sales tax laws too complex

"Our sales tax laws are reaching the point where they're ridiculous...The number of rules and regulations that retailers have to contend with are mounting rapidly, and each new set of rules seems to be more complex than the last." June, 1990

Jerry Wheeler

In court

Keen competition from catalog companies was one of the primary motivations for 19th century retailers to band together in a state association. They no doubt would have been greatly discouraged had they known that the battle would still be raging a century later.

In January of 1992, SDRA joined together with a number of other groups in submitting an amicus curiae brief in support of overturning a 1967 United States Supreme Court ruling on catalog sales. The amicus brief urged the court to affirm a North Dakota Supreme Court ruling that North Dakota may legally require an out-of-state direct marketing firm to collect use tax on goods it sells to in-state customers.

Noting that purchases from out-of-state catalog companies cost the state millions of dollars in tax revenues each year, SDRA argued that it was time to level the playing field.

The final Supreme Court decision proved to be a mixed bag for retailers. The court ruled that Congress does have the power to adopt legislation permitting states to require catalog sellers to collect and remit state sales tax, but that states could not effect the requirement until Congress acts.

No More Taxes Coalition. The Coali-

SDRA has a long history of encouraging the government to live within its means, and opposing tax increases unless the government can prove the revenue is absolutely necessary.

In 1992, the organization joined together with eleven other statewide associations to form a No More Taxes

tion, which remains active, represents a broad cross section of South Dakota taxpayers, including farmers, ranchers, and business owners.

In 1992 and 1993, the Coalition collected signatures on petitions urging the State Legislature and Congress not to enact any new taxes or increase any existing taxes, and to fund government budgets through existing revenue measures.

In 1996, the Coalition successfully campaigned for passage of a Constitutional Amendment requiring a twothirds majority vote of the Legislature to enact any new taxes.

Association leaders 1990-1997

BOARD PRESIDENTS

1989-1990: Jill Bartlett, Hollywood Shop, Pierre 1990-1991: Ken Fiedler, Ken's Fairway Foods,

Aberdeen

1991-1993: Terry Casey, Casey Drug & Jewelry,

Chamberlain

1993: Dick Beverley, Sears, Sioux Falls

1994: John Clarke, County Fair Foods, Mitchell 1995: Gary Brown, Town N Country Inn, Rapid

1996: Clark Sinclair, Montgomery's Furniture,

Madison

1997: Elmer Karl, Karl's TV & Appliance, Gregory

EXECUTIVE DIRECTOR

1990-today: Jerry Wheeler, Pierre

Changing technology

"Noticing that many supermarket customers come armed with a calculator, a former grocery store owner has designed a solar-powered calculator which attaches to shopping cart handles."

August, 1990 newsletter

Restaurant Association Merger

In January of 1996, the South Dakota Restaurant Association merged with SDRA, becoming the South Dakota Retailers Association/Restaurant Division.

General Store

In 1993, SDRA found a fun way to help promote retailing:

SDRA marketing representative Gerry Cutshaw constructed a small turn-of-the-century general store, then Past President Jill Bartlett coordinated a project to fill the store with miniature old-time merchandise. The General Store has been a

popular feature at the annual Christmas Tree Display at the State Capitol.



100-year old South Dakota businesses

As the South Dakota Retailers Association celebrates our 100th anniversary, we also salute the many businesses which have been operating in South Dakota since at least 1897. Listed on this page are some of the retail businesses which were founded in 1897 or earlier.

Aberdeen

Artz Camera founded in 1896

Alexandria

Montgomery's Furniture founded in 1888

Brandon

Brandon Lumber Co. founded 1890s

Britton

Britton Journal founded 1883 Marshall Land & Title Co. since 1890

Centerville

Schmiedt Rexall Drug founded in 1883

Chamberlain

Simon's Jack & Jill founded in 1800's

Clark

Bockoven's Drug Store founded 1882 Desnoyers Hardware purchased by Desnoyers family in 1892

DeSmet

Loftus Store founded in 1890s

Deadwood

Buffalo Saloon established in 1877 Shedd's Jewelry founded 1878

Eureka

Straub's Furniture & Funeral founded 1894

Geddes

Charles Mix County News founded 1884

Highmore

Pioneer Garage founded 1893 McDonald's Meat & Locker Service founded in 1883

Madison

Montgomery's Furniture founded in 1888

Milbank

Dan's Pharmacy, Inc. founded 1878 Emanuel Furniture & Carpet established in 1881 Emanuel Funeral Home founded in 1881

Mitchell

Fullerton Building Center since 1882 Mitchell Iron & Supply Co. since 1884

Onida

Sully County Land and Abstract Company *established in 1894*

Parkston

Parkston Advance founded 1882

Pierre

Hipple Printing/Capital Journal established in 1881 State Publishing Company founded 1883

Rapid City

Rapid City Journal established 1878

Selby

Walworth County Abstract incorporated in 1896

Sioux Falls

McKinney Allen & Associates founded in 1880
Norberg Paint founded 1885
Argus Leader established 1881
American Federal Bank since 1888
Brown & Saenger established 1889
First National Bank since 1885
Getty Abstract & Midwest Title Insurance
Co. established 1888
Genelli Fine Photography founded 1876
Jordan Millwork Co. established 1887
Look's Meat Market founded 1883
Norwest Bank, founded in 1890 as State
Banking & Trust Co.

Sturgis

H.O. Anderson & Son, founded in 1875 Ingalls started in 1877 as Chase's

Tyndal

Richard D. Ptak Lumber founded in 1890

Watertown

Watertown Monument Works established in 1882
Stony Point founded 1883

Webster

Reporter & Farmer established in 1881

Wilmot

Wilmot Lumber Yard, Inc. founded in 1889

Businesses which were SDRA members in 1897 and are members today

Bowdle

Boschee's Super Valu Founded in 1800's (member in 1897 as H.A. Mason Company)

Erv's Furniture Founded in 1800's (member in 1897 as H.A. Mason Company)

Brookings

Rude's Home Furnishings
Founded 1881
(member in 1897 as
Brookings Furniture)

Canton

A&R Food Mart Founded in the 1800's (member in 1897 as Puckett Brothers)

Freeman

Fred Haar Co. Founded in 1882 (member in 1897 as Guenthner & Haar)

Redfield

Stacey Drug (member in 1897 as Crain Brothers)

Yankton

Fantles
Founded in 1893

Woonsocket

Woonsocket News established in 1883

Yankton

First Dakota National Bank since 1872 Gurney Seed & Nursery since 1866 Luken Memorials founded 1883 Norwest Bank established in 1885 Ray-Lane Funeral Chapel since 1874 Yankton Daily Press & Dakotan established in 1861

Acknowledgements

The South Dakota Retailers Association Centennial Committee expresses sincere thanks to the following individuals and organizations, who have assisted with locating former board members; obtaining photos, materials and information for this magazine and for our permanent files; and compiling information regarding 100-year old businesses:

South Dakota State Historical Society, Pierre

(The following photos were provided courtesy of the State Historical Society: Spink County Courthouse; South Dakota Retailer magazine cover; first State Capitol Building; ad from June, 1900 newsletter; ad from May, 1913 newsletter; grading crew at Capitol Building; grasshoppers destroying crops, grasshoppers on side of building; Mount Rushmore construction; rural electric installation; Hilts Grocery Store in Pierre)

Hal Bisch, Huron
Past President

John Bonde, Sioux Falls

Past President

Chuck Chilson, Webster Past President

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Widow of Board President Lynn Feist

Karl Fischer, Fort Pierre
Son of Board President Carl Fischer

Margaret Figert, Figert Printing, Mission

Iona Galloway, Lakeland, Florida Widow of Board President Bud Galloway

Evangeline S. Jones, Livermore, California

Daughter of Board President Henry G. Schwartz, Redfield

William Lampe, Huron
Furnished photo of Grand Opera House in Huron

Robert Mittelstaedt, Lincoln Nebraska Great nephew of founder August Mittelstaedt

Dave Ninke, Fiksdahl Furniture, Webster SDRA Member

Frank Owens, Sunshine Grocery, Sioux Falls

SDRA Member

Judy Parker, The Barn, Geddes SDRA Member

Beatrice Patzer, Marshall, MN Wife of Board President Archie Patzer

Alfred Pay, Milbank

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Widow of Board President Irving Heggestad of Witten

Clark Sinclair, Madison

Board President

Sioux Falls Argus Leader

Jim Storms, Storms Oil, Winner SDRA Member

Florence Trumble, Kearney, Nebraska Widow of Past President John Trumble

B. Frank Thomas, Fishers, Indiana Son of Board President B.A. Thomas

Yankton Area Chamber of Commerce

Thanks also to the newspapers, radio stations, television stations and Chambers of Commerce throughout the state who helped to publicize our search for information.

The original South Dakota Retailer magazines from 1899 and 1900 are on file at the Cultural Heritage Center in Pierre

SDRA Board & Staff

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