the end of 1 year we would have 70 percent of those. After the sales representative has remained with IDS for a couple of years, has decided for himself as well as for the company that this is the career he wishes to pursue, then our turnover drops off to less than 10 percent.

Mr. Moss. You have 10 percent after the second year, is that correct?

Mr. LOEFFLER. No, sir.

Mr. Moss. You said after the first year you lose 30 percent.

Mr. LOEFFLER. Yes, sir, and then we lose another 25 percent of the remaining 70 percent during the second year.

Mr. Moss. So you lose 25 percent of the 70 percent.

Mr. LOEFFLER. Of the 70 percent during the second year.

Mr. Moss. In the second year.

Mr. LOEFFLER. Yes, sir, and then that is generally the end of it.

Mr. Moss. Or roughly about 16 percent or 15 percent.

Mr. LOEFFLER. Something like that. Then after——

Mr. Moss. So you lose about half in the first 2 years.

Mr. LOEFFLER. Yes, sir.

Mr. Moss. And from there on you say your rate is about 10 percent a year.

Mr. LOEFFLER. No.

Mr. Moss. Of that half.

Mr. LOEFFLER. It is less than that, sir.

Mr. Moss. Less than that. The figure of 10 was yours, not mine.

Mr. LOEFFLER. I think I said less than 10 percent. I meant to say less than 10 percent, sir.

Mr. Moss. So you have a fairly good turnover in your in-and-outers.

Mr. LOEFFLER. No, sir; I wouldn't call them in-and-outers. They never come back.

Mr. Moss. Let's say the hoped——

Mr. WATKINS. He is trying to break you down. He is clever.

Mr. LOEFFLER. I understand.

Mr. Moss. These are the young hopefuls. Now are they considered, their earnings in the average which you cited for us?

Mr. LOEFFLER. We did not take into the averages which I cited the income of any sales representatives who had been with the company less than 18 months.

Mr. Moss. You took none of the less than 18 months.

Mr. LOEFFLER. No, sir.

Mr. Moss. All right, when does this last 25 percent occur, how much of it in the last 6 months of this 24-month period?

Mr. LOEFFLER. I don't think I could answer.

Mr. Moss. You see, if we are going to use statistics here, I want to use them rather precisely.

Mr. LOEFFLER. We tried to make them meaningful, sir. That was the reason we left out these first 18 months.

Mr. Moss. Yes, I appreciate that.

Mr. LOEFFLER. We subsidize the first ones. We also have a pension program for our sales representatives.

Mr. Moss. And now from the second year to the third year and the fourth year, what is the rate of progression on earnings? Do they continue to show improvement in producing?