

mark in each and every one of our stores, and the survey was made over a proper period of time, I feel that you would find that for every mistake in price that was found to be in favor of a high-income area, there would be one that shows a lower price in a low-income area, and, in addition to that, I think you'd find that there are just as many that are low, and in most cases there are more prices that are low than there are high.

I can only repeat, Mr. Chairman, that price differentials based on income character of a neighborhood has not been, is not, and cannot be within the marketing policy of my company.

Now let me pass on to this matter of quality. I shall deal with it very briefly because, frankly, Mr. Chairman, the charge that we would deliberately sell inferior quality merchandise in low-income areas for the same or even higher prices than merchandise of better quality in the higher income areas is so revolting that I am reluctant to dignify it with any answer except a simple denial.

Mr. ROSENTHAL. I don't think anyone has charged that, have they?

Mr. O'NEAL. We have been charged with this, but I know that there are always the skeptics. We have been charged with this by the Post-Dispatch.

Mr. ROSENTHAL. Of deliberately doing this?

Mr. O'NEAL. Mrs. Dames—no; not deliberately.

Mr. ROSENTHAL. You used the word "deliberately."

Mr. O'NEAL. She did not say "deliberately."

Mr. ROSENTHAL. No, no; but you say here that the charge of deliberately selling is revolting and you won't dignify it, and I don't blame you, but I don't think anybody said you did it deliberately.

Mr. O'NEAL. Maybe I misunderstood, but I know that there are always skeptics and suspicious doubting Thomases, many of them sincere and well-intentioned people, and to them I should like to point out a few facts that make it practically impossible for our organization with the system that we have developed, in warehousing, to engage in any such discrimination, even if we wanted to.

Our goods are distributed from a large new warehouse. It is just 2 years old. We feel that it is one of the finest, most modern warehouses in the Middle West.

Incidentally, Mrs. Evelyn Buck, who, I believe, is scheduled as a witness here this afternoon, she is the home economist of the University of Missouri, and I believe Mrs. Rose Claman was present here this morning, and there may be many other people in this room who have been through our facilities. I wish it were possible for all of you to go out and take a look.

Let me show you how it is laid out and how it works. I am sure you would soon be convinced, as I believe these ladies were, this was an unannounced visit, I was called 30 minutes prior to their arrival, just to make sure I was there so I could escort them around.

Our warehouse, we have excellent refrigeration facilities, we have all refrigerated trucks for delivery, we operate on a highly mechanized IBM system, computer system, which I am sure many people are acquainted with today and many are not, that pays absolutely no attention to whatever store or whatever item is involved, it deals strictly in numbers. To manipulate or to try to get this machine or this system to send merchandise into certain areas would be economically impractical.