

the survey results, it is estimated that for the entire state, *the sales loss may approximate \$42 million for businesses presently using highway advertising. Due to the spending multiplier (i.e., the turnover of dollars in the economy), the ultimate impact of this \$42 million decline could approach \$100 million.*"

It also found (page 2) that the Federal program *"has produced a most peculiar paradox in public policy. Because of the nature of highway advertising and those who use it, the elimination of highway signs will strike hardest at the small, independent businessman."*

More specifically it found:

As to Lake of the Ozarks Region (at page 3):

"More than 80% of the \$5.8 million of all business income reported by respondents is attracted to the area from out of state or other parts of Missouri. Highway advertising is the single, most important means of attracting business to the recreational area establishment. Thirty percent of all promotional expenditures go to support highway advertising."

As to motels (at page 3):

"Motels are heavy users of highway advertising. Fifty-four percent of their promotional expenditures are for this purpose. No other medium is of such proven effectiveness in attracting business."

"Respondent motels expect to lose \$1.7 million, or 13%, of sales as a result of the removal of highway signs."

"The expected 13% decline in revenue will place the typical Missouri motel in the red."

COMMERCE GENERATED BY ONE RBA MEMBER

(A "rural" outdoor advertising company)

James R. Hartzell, then President of RBA, testified in 1965 before the U.S. House Subcommittee on Roads, as follows:

"My company alone has an annual payroll of \$475,000; gives employment to 85 people; annually purchases \$420,000 worth of steel, cement, paint, lumber, and other raw materials; and pays farmers and other landowners \$150,000 each year as rent for sign sites. Yet my operation represents but a fraction of 1% of the industry! *There are more than 15,000 individual outdoor advertising companies in the United States*, a material fact in assessing the damage which the legislation would do to the outdoor advertising industry and to the economy of the nation as a whole. In a survey covering less than 22% of such companies, the annual payroll of the 22% was found by the Bureau of the Census in the year 1963, to be in excess of \$238,000,000!"

MORE THAN 15,000 OUTDOOR ADVERTISING COMPANIES

SIGNS OF THE TIMES,
Cincinnati, Ohio, April 14, 1967.

Mr. PAUL SPOONER,
Counsel, Roadside Business Association,
Minneapolis, Minn.

DEAR PAUL: Our mailing list that includes non-subscribers as well as subscribers adds up to the following:

Outdoor Advertising Operations.....	3,141
Electrical Advertising Operations.....	4,327
Commercial (painted) sign operations.....	7,388
Total	14,856

We realize that there are some of these electrical advertising operations and commercial sign operations who are not concerned with off-premise advertising, but they are a small proportion.

Also, there must be perhaps several thousand individuals across the country who operate some off-premise signs, that is build and paint them, on a part-time basis.

In view of this it is safe to say that there are more than 15,000 off-premise sign operations in the United States.

Cordially yours,

DAVID M. SOUDER, *Editor.*