

**~Other Speakers G-L: Sermon Illustrations II:**

ears and Roebuck is the best known name in American retailing. It's 103 years old. Roughly there are 875 stores. The Sears Roebuck catalog is one of the traditions of American culture for the last century. 60 million Americans hold Sears credit cards. And yet Sears doesn't know where it fits. . . . .

. . . . . doesn't know its place in the marketplace . . . . .

finds itself on the horns of a dilemma. A total volume of \$48.8 billion.

"That sounds successful," you say. I didn't say profits. . . I said gross revenue. . . and that includes three other divisions: a brokerage firm, an insurance firm, and a real estate firm. But most of that from retailing. For about six times, Sears has tampered with its fit. It has tried to upgrade its prices and its merchandise. In doing so they have arrived at a mid price range. In the US. . . at least today. . . people want it deeply discounted. . . or expensive. Nobody's looking for mid-price stores. . . or mid-priced merchandise. "Sears built its reputation on good quality products at low prices," you say. That's right. And then, thinking that's not quite where they fit, they shifted their prices and their products upward. And K mart. . . founded by a dime store chain. . . in a period of less than 15 years

took the place that Sears vacated along with Sam Walton of Wal-Mart, who became the wealthiest living man in America. Merchants would say: "They ate Sears' lunch!" But they would also say: "It's because Sears didn't know quite where it fit." So now, they're a takeover candidate. . . for those that know nothing about merchandising to come in and buy them out. To prevent that they've restructured. They decided to . . . . buy back 10 percent of their own stock. . . to sell the tallest building in the world, (Sears Towers in Chicago) which was their pride and joy. . . move out 8,000 employees from that building . . . sell off part of their real estate division . . . and to go back to discounting. . . meeting competitive prices at the lower end, rather than mid-pricing their products. (You probably heard the ads on the radio about this last month.) Sitting in a restaurant, a man was overheard to say, "You know, I'm kind of like Sears. . . I've got to restructure." What did

he mean by that? What he meant was. . . he didn't know where he fit. And that's not quite a new dilemma. You know the smartest thing about Sears? They didn't wait until they failed. . . until an outsider came in and bought them out and took them over to realize: "We're a misfit where we are. We want to go back to the basics. We want to go back to what made us famous, to what gave us our position in the history of merchandising."