

**Interview with Howard Friedman**  
for the New Mexico Jewish Historical Society  
*(Participants: Noel H. Pugach interviews Howard Friedman)*

Noel: Today is February 5, 2018. I'm in the home of Howard Friedman, and I'm going to interview him about his family. To begin with, Howard, if I may, give me your full legal name, spell the family name, your place of birth, your date of birth and the names of your parents.

Howard: Howard Jeffrey Friedman. F-r-i-e-d-m-a-n. Born December 10, 1950, in Albuquerque, New Mexico. My father's name was Jerald J. Friedman. And my mother's name was Maxine Krohn Friedman.

Noel: Could you spell Krohn?

Howard: K-r-o-h-n.

Noel: All right. And could you spell Jerald because there are various forms?

Howard: J-e-r-a-l-d.

Noel: Okay. Thank you. All right. Where did you go to school? And how extensive was your education?

Howard: Born and raised in Albuquerque so I went to Montezuma Elementary School, Jefferson Junior High, Highland High School. I graduated from the University of Colorado in Boulder. I took a few graduate classes at the University of New Mexico afterwards.

Noel: In what field did you get your degree?

Howard: A double major, finance and accounting.

Noel: Okay. And what year did you get your degree?

Howard: 1972.

Noel: Okay. Let us talk about your family.

Howard: Okay.

Noel: Who was the first on your father's side to come to the United States? I assume, going back a couple of generations, they came from Europe. And some, I know something about your family. Who's the first? When did she/he come? Where did he/she settle?

Howard: I would assume it would be my grandfather. His name was Philip Friedman. P-h-i-l-i-p. He had two brothers, Charles and Ernest Friedman. My grandfather was the middle of the three. I'm not sure which one came to the United States first, second or third. My grandfather was from Lithuania, a little town called Šakiai or Sachee, I don't know how to spell it. Small little town. He was trying to get away from the Russian army. He emigrated to the United States and ended up in New York.

Noel: In what year?

Howard: The mid-1900s. Probably about 1915 or so.

Noel: So that's not the mid-1900s.

Howard: Well, I said mid-1900s, excuse me. Mid-teens is what I meant.

Noel: Okay.

Howard: Mid-teens is what I meant.

Noel: Okay.

Howard: Mid-teens, so probably 1914, '15, '16. I would imagine sometime in that area.

Noel: Maybe earlier because it was hard to get out after World War I began.

Howard: Yeah, I'm not sure if the war had begun or not. He wanted to avoid getting enlisted or whatever they would call it.

Noel: Drafted.

Howard: Getting stuck in the Army.

Noel: Because my father was stuck in Russia during World War I. His father and two brothers had emigrated to New York before. He could not get out. He was the youngest. He was left behind. It's a long, complicated story but he had to wait until after the Russian Revolution until he --

Howard: That's after 1917. But ironically my grandfather ended up enlisting in the United States Army. I don't think he ever ended up going back to Europe. He easily could have been, but he served in the Army for a year or two and then the war was over.

Noel: Well, and it was not uncommon, if they weren't conscripted, there was a lot of pressure on some of them to enlist in the Army.

Howard: And that I actually have a picture of him in his US Army uniform. I'd be happy to share it.

Noel: Do you have his date of birth?

Howard: Approximately July 9, 1892. But we don't really know for sure.

Noel: Okay. So, he was in his twenties when he came here?

Howard: Probably early 20s.

Noel: Was he single at the time?

Howard: Yes.

Noel: Where did he meet his wife and what was her name?

Howard: Her name was Jenny Shapiro. S-h-a-p-i-r-o. Someplace in New York, I think they met at a wedding. They were introduced or something like that.

Noel: And what kind of work did your grandfather do after he got out of the service?

Howard: My understanding is that his father made hats and caps. So, when my grandfather came to the United States, he got into that same business. And he eventually opened a cap manufacturing company with a partner in Syracuse, New York.

Noel: All right. So, how did your father's family get out to New Mexico?

Howard: In the 1930s, as we all know, there was a Depression. Also, there was a major style shift, where men were not wearing as many hats or caps the way they used to. So, Philip Friedman sold his interest in the manufacturing company to his partner.

His younger brother, Ernest Friedman, was living in El Paso, Texas, and so my grandfather, my grandmother, my dad and my Uncle Irving all moved to El Paso, Texas, around 1937. Ernest Friedman had a wholesale distributing company and my grandfather learned the business for a few months in El Paso. Then, they decided they ought to open up another branch because, you know, there's only so much business in El Paso to support one family. So, they had two options: Phoenix or Albuquerque that they could move to. Back in the late 30s, highways were not very good, and Albuquerque was closer, so that's how they decided on moving to Albuquerque.

Noel: You know, that's a very similar story to the Blaugrunds'. Blaugrunds started in El Paso in the furniture business. He wanted to spread his wings -- Manny wanted to spread his wings. He considered cities in the southwest: Phoenix, Tucson, and Albuquerque. Albuquerque was closer. He went to Albuquerque!

Howard: That's what they did.

Noel: You reminded me of that story. I've interviewed the Blaugrund family.

Howard: That's a [inaudible] story.

Noel: Yeah. So, tell me about your mother's side of the family.

Howard: My mother was born in Albuquerque, New Mexico. Her mother's name was Ruby Mattingly Krohn. Her dad was Henry Isaac Krohn. She was born in 1928, September 4, 1928. Her parents did not get along well, and they divorced before she was even born. So, she was raised here in Albuquerque by her mother and her grandparents.

Noel: Oh, so that's how she got to Albuquerque?

Howard: Yeah, she was born here.

Noel: Okay. And Mattingly was her maiden name?

Howard: That's her -- actually Krohn was the maiden name.

Noel: Krohn.

Howard: Her mother's maiden name was Mattingly.

Noel: Okay.

Howard: And the Mattinglys had homesteaded out in Albuquerque in the early 1900s.

Noel: What was the level of your grandmother's education?

Howard: Krohn?

Noel: Yeah. Do you know?

Howard: She had graduated high school. She'd probably taken some additional classes beyond there. I do not think she got a college degree. She was able to do a little bit of teaching for a certain point of her career.

Noel: What was the extent of your father's education?

Howard: My father graduated from the University of New Mexico with a business degree after World War II.

Noel: Mm-hm. And your, okay, so we have your --

Howard: And my mother graduated. She got a degree from UNM and then she went out to the University of California, Berkeley, and worked on her master's degree. But she met my dad and so wedding plans got in the way of her getting her master's.

Noel: They met in Albuquerque?

Howard: Yes.

Noel: Okay. So, tell me about Philip's Mercantile: how it was formed, why it was formed, when did it actually come together?

Howard: So, they moved to Albuquerque to develop a branch of the wholesale distributing company that my grandfather's brother Ernest had. And so, after working and learning the business and developing the business in Albuquerque, my grandfather and grandmother, they knew all the customers. They had built the company. And so, they made my Uncle Ernest a proposition. We'll buy you out, buy your share of the business out. Or you buy us out! And it was really a kind of a one-sided proposition, because if Ernest bought them out, he wouldn't know any of the customers.

He wouldn't be able to run it. So, they bought his share out, and that's how they ended up having the company and they named it after my grandfather, Philip. Philip's Mercantile Company.

Noel: And so what year was that, do you know?

Howard: Late 1930s.

Noel: Okay. And what was the nature of the business?

Howard: Wholesale distributing company that sold primarily to small grocery stores and trading posts and mom and pops. They would sell health and beauty aids, housewares, school supplies, Levi's, some notions --

Noel: Everything.

Howard: -- a little bit of everything.

Noel: Everything.

Howard: No food items though.

Noel: Okay. So, a general store without food?

Howard: But it was a wholesale company. Not retail.

Noel: Yeah, right.

Howard: They sold to retailers.

Noel: Right, they sold to retailers. And their customers were throughout New Mexico?

Howard: Yes, strictly in New Mexico.

Noel: All right, strictly. Okay. Were there any innovations that they made in the business? From what I've heard, it was successful. How do you account for their success? Any changes? Innovations?

Howard: Well, the success was basically just persistence and hard work. My father and his brother, Irving, worked there during the summer and after school during the school year, you know, to help out, whatever. When they got out of the military after World War II, they got degrees. They had a

broader understanding of the world. They were much more modern, forward thinking. My grandfather had never had a real education. But he and my grandmother worked hard, and they were able to make a basic living, that's about all you could say.

So, my father and Irving hit the road, so to speak, and they opened up a number of new accounts. Because they were adults, they had families. They needed to make a living and so they opened up and expanded amount of business tremendously.

One rather interesting note, their warehouse was down on Marquette Avenue, a couple blocks east of the railroad tracks, right next to the Coca Cola Bottling plant. In the early 1960s, the city of Albuquerque was doing some urban renewal and they were going to build some overpasses across the railroad tracks, and they had identified Marquette as one of the streets that they were going to build this overpass on. So, they ended up buying the property, the real estate from my family, so that they could condemn it and then build this overpass. So with that money, my grandmother, grandfather, father and uncle bought about a nine-acre plot of land out off North San Mateo, which was out in the true boonies back in 1963.

Noel: How far north?

Howard: It was about a mile north of Montgomery Boulevard.

Noel: Oh well, when I came, in '68, there was nothing north of Montgomery except Del Norte High School and Uncle Cliff's.

Howard: And this was directly adjacent to Uncle Cliff's to the west. So they built a state-of-the-art warehouse, almost 40,000 square feet with modern racking, you know, for all the shelving and supplies and conveyer belts and a lot of different bays for loading and unloading trucks. They had built-in gas pumps so that they had everything right there. And then, the next big innovation, they were one of the first companies, first wholesalers in New Mexico that put in a major computer system from IBM. And they had --

Noel: What year was that?

Howard: Probably about 1964. The room had to have a raised floor and special air conditioning, to, you know, keep the temperature down. And they had these big racks that held all these punch cards and all the punch cards represented were all the different items in their inventory, and so they were able to have inventory control, do billing, receivables, payables. It was a

major amount of work to get this to run. And my dad almost fired IBM several times, because they had nothing but problems for the first couple of months. There was a very high frustration level but eventually IBM brought in enough people who knew what was going on, and they got the system to work, and that was a major innovation in the business.

Noel: That is very striking. They were ahead of their times in a number of ways.

Howard: In the computer field, for sure.

Noel: Yeah.

Howard: Absolutely. They also were very smart.

So my Uncle Irving was in charge of the buying the health and beauty aids, and my dad, Jerry, would be in charge of buying all the housewares, the batteries, the school supplies, things of that nature.

So they belonged to a couple of national trade organizations. One was called Toiletry Manufacturers Association. So, my uncle was a member of that organization and attended their meetings periodically. My dad joined Service Merchandisers of America, which he would attend, and so, they ended up meeting a lot of people who had similar businesses spread along the country. They were able to negotiate better buying deals, either through their combined buying power or because they knew some little things. They knew how to negotiate better.

One of the things that I learned from them, is that they said, "You make your money on the buy, not on the sale." Well, what that means is if you can get some extra discounts, and buy better, that's your profit. The marketplace controls what you can sell the items for.

So they always knew how to make a dollar. They were always very cost conscious, and they knew how to buy very well. And so, watching their pennies, so to speak, was the way they eventually grew the business and they reinvested back in the business.

Noel: Did they have other people that, let's say, the higher level of management, to help them?

Howard: Not really. They had other people that worked for them who were supervisors, but my father, Jerry, my Uncle Irving, they were the two



driving forces that really built the business after they graduated from the University of New Mexico.

Noel: Okay, that's very interesting. Do you have any idea of how many employees they had at the peak, let's say?

Howard: That's a good question. They had an office staff which was relatively small, maybe three or four people. They had a warehouse crew, which, probably mainly a dozen or so, and then they probably had about a dozen or so salesmen who were on the road or lived in various cities throughout New Mexico. One would live in Farmington. One would live in Santa Fe. Most of the others would live in Albuquerque and then just travel around to various cities.

Noel: So, your father and his brother were equal partners, 50-50?

Howard: Right. Well, first it was 25-25-25-25. My grandfather and my grandmother and father and uncle. When my grandparents died, then it became 50-50.

Noel: Now, did -- okay, so they ran, I gather, a pretty careful ship?

Howard: Yes.

Noel: Careful, you know, expenses and also costs --

Howard: Mm-hm.

Noel: -- were a major consideration. Were they involved in any of the local business organizations and fraternal organizations, Kiwanis, and Moose?

Howard: I believe they were Shriners and --

Noel: The Masons, okay.

Howard: There were Masons. I don't know what other business affiliations they had. I remember my Uncle Irving was part of the local civic business group. I don't remember the name, but he attended that for several years.

Noel: That might have been the Chamber of Commerce?

Howard: I don't think it was the Chamber of Commerce, but it was one of them.

Noel: Tell me about your folks' involvement in the Jewish community.

Howard: My grandparents were Orthodox Jews, coming from Europe. My grandmother was from Falticen, Romania. So, they were observant Jews. When they moved to Albuquerque, there was no real Orthodox synagogue and so, the closest one -- closest to the way they observed their faith, was B'nai Israel, which was a conservative synagogue. And so, from the late 1930s they were regular members. They would attend services on a regular basis. They would close their business over the High Holidays. My grandfather -- he was the driving force in that respect. He would put on tefillin every morning. He made sure all his grandkids got bar and bat mitzvahed. We always went over to their house after the High Holidays for meals, for Hanukah, for Passover. My grandmother was a really good cook, and a lot revolved around Jewish holidays and cooking and food. So, it was a very big part of their life and it got transmitted down to the next couple generations.

Noel: Did they keep Kosher at home?

Howard: Absolutely. They kept kosher, and they put pressure on their two sons, Irving and Jerry, to keep kosher in their homes. So, we would keep kosher at home. We wouldn't keep kosher if we went out to eat at a restaurant or someone else's house, but at home, until my grandfather died, we kept kosher.

Noel: Were your grandparents or your father a member of B'nai B'rith?

Howard: Yes. Both.

Noel: Both? Both of them were?

Howard: Yes.

Noel: Any other organizations, Jewish organizations that they were members of? Was your grandmother a member of B'nai B'rith Women? Sisterhood?

Howard: Sisterhood for sure. I assume B'nai B'rith Women, but that's a guess.

Noel: Hadassah?

Howard: Hadassah, yes.

Noel: Okay. Next question. Were your grandparents, as far as you know, and your parents, Zionists?

Howard: Not that big Zionists. I mean, they always supported Israel, but I never heard much in the way of conversation regarding that.

Noel: So, you don't know if they were members of major Zionist organizations?

Howard: I don't think they were.

Noel: Z.O.A?

Howard: No, I don't think that they were. I know they always kept a little blue box in the kitchen.

Noel: Yes.

Howard: For charity, at least my grandparents did. And so, Tzedakah was a big part of their life. Not only monetarily, but I know during the war and after the war, when they were servicemen here in Albuquerque, and they needed a meal or a place for Passover Seder, or you know, something like that, they were always very generous in helping.

Noel: Okay. Well, the blue box thing, well, the general way of putting the Jewish National Fund.

Howard: Yes, that's right.

Noel: How -- now your grandfather, was Orthodox? He studied, he knew some Talmud, I gather?

Howard: I'm assuming he did.

Noel: What was the extent of your father's Jewish education?

Howard: He went to Hebrew school.

Noel: Here?

Howard: Yeah, here in Albuquerque. And he was bar mitzvahed, and I think that was probably the extent of it. I think he always just had a feeling that this is what you're supposed to do, and he followed it. We never really had much discussion or talk about Judaism other than he knew his place in the

world and this is what you do, and he would go to services periodically and when his parents died, he would always go to services for Yahrzeit anniversary, and he would go to High Holiday services and stay for the whole thing, the whole marathon. I never really talked to him regarding anything about his philosophy of Judaism or life or anything. His focus was primarily his family, one, and his business, number two. But he was very supportive of Judaism and of Congregation B'nai Israel.

Noel: What about your mother?

Howard: My mother converted to Judaism before they were married.

Noel: What was she, Protestant, Catholic?

Howard: Protestant, but not a very observant one. When she was out at the University, of California at Berkeley, she had started taking classes in Judaism from the rabbi out there. I think that was prior to even having met my father or getting involved with my father, so she was a very well-read, well-schooled person. She would probably have been in the top five or ten percent of Jewish people in terms of knowledge of Judaism and why you do things instead of just because or because it's tradition.

So, one of the things that impressed me about her was that she ended up getting bat mitzvah when she was in her sixties. They had a big bat mitzvah class for, I don't know, half a dozen women who later in life went back and studied and they all got bat mitzvah over one weekend. But she was very knowledgeable. She participated with Sisterhood.

She followed my grandmother Jenny's recipes, you know, for all the Jewish holidays and things. She made a cookbook, you know, to capture those family recipes. She was very, very good.

She often talked about when she got married, she thought that they'd be going to Shabbat services every weekend because you know, in Christianity, everybody goes to services every Sunday. She was very surprised to see that our family didn't do that. They mainly go on the High Holidays and things like that, but my father and uncle and their respective families did not go on a regular basis. My grandparents definitely did. They would go every weekend. They would even walk to services over the High Holidays. They would stay at a motel, so it would be within walking distance.

Howard: Yeah.

Noel: And the impact that it had on you. Some people, it has a real impact. Okay, we missed a whole thing which we've got to talk about, because I got off to other subjects. And that is Value House. And so, can you tell me now, okay, so Philip's Mercantile lasted until when?

Howard: About the mid-1980s, about 1985 or '86. So, the story about Value House came about --

Noel: So -- Philip's Mercantile is still around when Value House is established?

Howard: Right. But a couple of things were happening in the wholesale industry, a couple of things were happening. Number one, a lot of the grocery stores that they were selling to, had opened up their own co-op. It was called AG, Associated Grocers. And so, they were buying most of their merchandise from Associated Grocers, which took business away from Philip's Mercantile. The second thing, there was the advent --

Noel: I thought Philip's doesn't deal with food stuffs.

Howard: They didn't, but Associated Grocers sold not only food, but they sold all the housewares, and --

Noel: Paper goods.

Howard: And all the other things that Philip's Mercantile did. The health and beauty aids. There was a pressure on all the Associated Grocers' members to support them as much as possible and everything that they could buy from AG, they should buy from AG, so that was taking business away from Philip's Mercantile.

And the second thing that was happening, retailers around the country, was that there were a lot of bigger companies, national chains that were coming in. They were bypassing wholesalers. They had their own distribution network. Their own warehousing So Irving and Jerry could see the writing on the wall. They could see their market shrinking over time. It was definitely not a growth industry.

I mentioned earlier, that they were members of TMA, and SMA, and they were talking to fellow members, who had these same concerns. Their fellow members were telling them about a new concept. It was called a catalogue showroom. In a catalogue showroom, you have very nice

showrooms where you have all your items displayed. You have a warehouse in back and then once or twice a year, you put out a four-colored, glossy catalog with 300 or 400 pages, and so this is a unique concept. Sears Roebuck had had a catalogue out there, but their stores were totally different.

The big change for catalogue showrooms is that, number one, they were nicer than discount stores. Kmart was the big player in those days. And number two, they would discount off of the manufacturer's suggested retail price. Back in those days, they had something called fair trade laws. When a manufacturer would sell an item to a retailer, they would have to sell it at this price, and the cataloguers came in and they would discount and there was a lot of lawsuits around the country because the traditional retailers didn't like this. But meanwhile, the marketplace said otherwise. The customers were knocking down the doors so to speak, because they're getting huge values, whether it be in jewelry, watches, appliances, stereos, typewriters, and luggage. Across the board, you had a name brands like Samsonite or American Tourister or General Electric or Panasonic or Sony. They were selling all these things at big discounts. And so, in 1968, the first Value House store was established right next door to Philip's Mercantile.

Noel: Up on San Mateo?

Howard: Right off San Mateo.

Noel: Yeah, I know, I --

Howard: It was an industrial neighborhood. It was not on the main street. Horrible visibility and yet, people flocked to the store.

Noel: But then they moved?

Howard: Right. So afterward, business was so good, they said, "Okay, let's move up and get better visibility in a bigger store." So, they moved up to 4700 San Mateo which is just a block north of Montgomery on San Mateo. It was a much bigger store, and business just continued to grow and accelerate. They opened up another store up on Eubank, just south of Indian School. They opened up a third store in Fair Plaza Shopping Center on the corner of Lomas and San Pedro. They opened up a store in Santa Fe. They closed the store in Fair Plaza and opened up a store on the West Side off Coors Road. And then they opened up a jewelry store in Winrock Shopping

Center, so they had about five full catalogue showrooms and one jewelry store. That was probably the peak of Value House.

Noel: So, by the way, were they influenced by Fortunoff in New York?

Howard: No.

Noel: Because they did their --

Howard: Fortunoff was back in New York. They were very famous for their jewelry.

Noel: Very famous --

Howard: They were big. One of the big things about the catalogue showroom industry is that we were a member of a national buying group called Mutual Merchandising and it was composed of a dozen or more companies similar to Value House, spread around the country. And so, we had a lot of buying power. So, if we bought from General Electric, we're not just buying as one company, Value House, but as a combined collective. And so, we were able to get really good buying power when dealing with manufacturers. That would be in the jewelry industry, the appliance area, whatever. But that made a huge difference in being competitive. And also, we would sit on various committees with other members and put together the selection of items that would go into the catalogue. So, we would know what we would be selling for a full selling cycle during the year.

Noel: So, you used the term, the pronoun, "we." Were you actively involved in the Value House? You? And by the way, did you have any siblings?

Howard: Yeah, I have a brother Bob, sister Karen, a brother Don, and a brother, Mark. So, there were five of us.

Noel: You didn't talk about them.

Howard: Yeah. My brother Bob is a doctor. My sister is an x-ray technician, and massage therapist. My brother Don and Mark came into Value House with me. I came into Value House right after I graduated from college in June of '72, and I started out working in the stores. I started out as an assistant manager. I felt really stupid because even though I had a double major in college, I knew nothing about retail. And I learned from the ground up, and I learned pretty quickly. When we had one manager leave at one of our stores, even though I was only about 23 years old, I got to be a manager. And over my career, working as an assistant manager, manager and as a

buyer of jewelry and cameras. I was in charge of advertising. I did a lot of the hiring. So, I was pretty involved in the company. I didn't do anything in the back area of payroll or administration, of payables, any of that. But I was more involved in buying and working at the store level. I was there for 20 years until Value House finally closed, the beginning of 1992.

Noel: And why did it close?

Howard: Two major reasons. Number one, the retail marketplace got saturated. There were just way more stores than the population to support it. The other was, some of the competition. Walmart came in. They were huge. And Costco came in. It used to be called Price Club and it changed to Costco. And so the price advantage that we had kind of disappeared. And there were so many more stores that the marketplace was getting divided. It didn't make it worthwhile to stay open.

Noel: So what was your role in the end at Value House? Had you become the owners, you and your siblings?

Howard: My dad, Jerry, and Uncle Irving were the two owners. They controlled the company. I was an employee.

Noel: Okay. You didn't have any interest –

Howard: No. Family interest, but no equity interest.

Noel: So what year did it close?

Howard: At the beginning of 1992.

Noel: So, then you had to make a decision, what to do?

Howard: What do you do when you grow up, when you're 41 years old?

Noel: Right. By the way, I -- when did you marry? The full name of your wife. Your children, and so forth.

Howard: I've been married twice. My first wife's name was Deborah Specter and we were married in November 1980. We had one daughter. Her name is Dana. We were divorced in February of 1991. I remarried in February of 1997 to Debra Wechter Friedman and we're still married today.

Noel: And where did you meet Debra?



Howard: Here in Albuquerque. I knew a man who was head of the Jewish Federation of New Mexico and he knew I was divorced. So, he gave me the names of three women that I ought to call for a date.

I had just started a new career. I was a financial advisor with Prudential. I was more concerned about building a financial career and generating an income than the dating scene. So, I ended up calling Debra. Joel Brooks was the head of the Federation who'd given me her name. She needed some health insurance, and so I ended up selling her a policy. I stayed in touch with her, and to see if everything was going okay.

Totally out of the norm, I never dated or called any other clients for a social purpose. I asked her if she wanted to go out on a date, and she said no. And I called her another time and she said no. Finally, the third time, I said, "Okay, this is it. If she says no, that's it." But she said yes! On our first date, we went to see a production of Fiddler on the Roof, and the rest is history. We ended up getting married about a year later.

Noel: You have children from Debra?

Howard: No, I only have one daughter, Dana.

Noel: Was Debra married before?

Howard: No, I'm her first husband.

Noel: First and only?

Howard: First and favorite, she says.

Noel: And favorite. Okay, so how did you get into the insurance business? How did that begin?

Howard: So, as I said, what do you do when you have to change careers? I looked at my background which was finance and accounting and I had an aptitude for finance. I also had my real estate broker's license. I knew I didn't want to be a stockbroker. I didn't want to be tied to a --

Noel: Yeah, a stockbroker's license?

Howard: Right. Yeah.

Noel: Not a real estate.

Howard: I have a real estate broker's license.

Noel: Okay.

Howard: And so, I could have gone into the jewelry business again, but I didn't want to be tied to a retail store again, and the hours. And so, I ended up applying with four different insurance companies: Northwestern Mutual, Equitable Life, New York Life, and Prudential, and of the four, I ended up joining Prudential in June of 1992. And I've spent a career there, over 25 years. I did a lot of continuing education. I have a lot of professional designations, chartered life underwriter, chartered financial consultant, certified estate planner, certified long-term care, retirement and income certified professional. I also qualified for 16 years in a row as a member of the million-dollar roundtable which is an international group. It represents about the top three percent of people in my industry and it recognizes people who maintain good ethics and the high standards but who, more importantly, are very successful in terms of sales. So, I was very proud of all my continuing ed as well as my financial success that went along with it. I think the two were tied together.

Noel: And you enjoyed the work?

Howard: Yes.

Noel: You're still involved?

Howard: Semi-retired now. Winding down.

Noel: You're winding down. I got a hint that you were stepping back.

Howard: Yeah.

Noel: Okay. One minute. Could you talk a little more about yourself? Your interests, hobbies, and so forth? And then your involvement in the Jewish community?

Howard: I've always been pretty active. I won't say athletically, because I'm not a jock, but I've always been active. I've enjoyed jogging, hiking, bicycling, I've been skiing for fifty years. So, I like that. I've also been big into reading. I like to do that. In terms of music, I'm very fond of jazz and classical music.

Noel: Do you play an instrument?

Howard: I know how to turn the radio on and off. That's the extent of "playing." And in the last couple years, as I've been winding down my career, I've been dialing up playing duplicate bridge. So, I'm doing very well with that. I like that, and I've been successful.

In terms of the Jewish community, I got involved probably right after I was married initially. Probably in the early 1980s, I was at a brunch one Sunday morning. And somebody says, "Well, do you want to be on the board of B'nai Israel?" And everybody around said, "Yeah, you ought to get on the board," so I say, "I don't know. Why not?" So, I got on the board. And I worked my way up the ranks. I was a board member and I served in a couple officer positions, and then they said that I could become vice president, which was a stepping stone to president. And so, in 1987, I became president of B'nai Israel. I was probably one of the youngest, if not the youngest president there. So, I probably served over there for, I don't know, between being on the board, at least 10 years or more.

When I got off the board, I was involved, with the Federation. They had me on a couple of committees, and I worked over there on special assignments. And I just, I always thought it was something that was important to support. You can't always just sit back and wait for somebody else to do it, so I've served on so many committees. And then I got involved with the Jewish Community Foundation of New Mexico. I served on that board for about 4 1/2 years. I'm on the finance committee at this time. So, I just tried to give back in certain ways. I try to have the balance in life between work, family, hobbies, but you also have to do something for the community as well.

Noel: Are there any things you wanted to do, but didn't?

Howard: In my life?

Noel: Yes.

Howard: Oh, a number of things. Some of them relate to travel. You know, is always the so-called bucket list. I'd like to go to China. I'd like to go to India. I'd like to go to Africa. Those are superficial things. Over time, you know, I'll get to do that.

In terms of career-wise, I don't really have any problems with what I did. You know, I was extremely fortunate to be born into a family that had good values, that had a stable relationship that allowed me to go to college. So, I mean, that was very good. To go into a business and learn about the fundamentals of business, so I have no regrets in that area.

There's a favorite quote of mine by Winston Churchill. Something to the effect that, "You make a living out of what you get but you make a life out of what you give." So, I'd like to, when I leave this world, have people say that I made a little bit of difference, a little bit of improvement in this world. So, I focus on giving back and I've been -- my wife and I have been supportive of the Jewish Community Foundation of New Mexico, the Albuquerque Community Foundation, and a lot of the organizations under that. It's good to provide for your family and give them something to help them build their lives. But I think you also have to give back to the community and the country because we're blessed and very fortunate, you know, to come into being in this country in this time, this century.

Noel: How involved was your dad in the Jewish community? Do you know?

Howard: He was supportive, I think, more financially. I know he served on some committees and things. I know my Uncle Irving was president of B'nai Israel. I know his wife Edith was president of the Sisterhood. I believe my father Jerry and my mother Maxine were both very supportive on committees and things, although I don't think they ever held any presidencies.

Noel: And have you been to Israel?

Howard: Twice.

Noel: Did your parents go to Israel?

Howard: No.

Noel: Did your family, growing up, and I often ask this of just about everyone I interview, did the family ever talk about the Holocaust?

Howard: Not very much that I recall, no. I remember one thing -- this is not --

Noel: When did you find out that

Howard: When did I find out --

Noel: About the Holocaust, any idea?

Howard: I can't really remember. It's kind of vague. Probably in high school. I was going to say, I know of one impact Israel had with Albuquerque and the Jewish community, was the 1967 war because B'nai Israel congregation had outgrown their space, and they had bought a piece of land up on Indian School, and --

Noel: Washington?

Howard: Washington.

Noel: Good.

Howard: They were doing a big fundraising drive, and all of a sudden the war in Israel breaks out. And so, all the money that was going to get pledged to B'nai Israel got redirected towards the state of Israel and helping them. So, I remember my family talking about that aspect with Israel. And you know, they were basically supportive. It delayed starting that new building.

Noel: It was a wonderful thing by Congregation B'nai Israel to do that.

Howard: Yes.

Noel: Where was I? That was right before I came here. I came in '68. But I heard about it.

Howard: Yeah.

Noel: Is there anything else that you would like to add that I may have omitted that you think will be worthwhile, interesting, important?

Tell me about your daughter. What does she do? How old is she now?

Howard: My daughter, Dana, is 32. She and her husband, Zach, live in Denver. They have two children, one son, Danny, who is almost two and they just had a new daughter, Zoe, who is a week old.

Noel: Oh, congratulations!

Howard: Yeah.

Noel: Mazel tov!

Howard: She graduated from the University of Colorado. She was in the Journalism School and she met her husband, Zach, at her sorority. He was a hasher. I think he helped cook and clean up. He was the smartest guy around because he knew to hang out in the sorority house and you'd meet all these good-looking women. So, that's how he and my daughter Dana met. She moved back to Denver after a brief job in Dallas, and they got married. She had a number of jobs and she's a full-time mom now.

Noel: You said something to me when the recorder was off, about your close-knit network of family in El Paso.

Howard: Yeah, as I mentioned earlier, my grandfather Philip had a brother Ernest in El Paso. Ernest had three daughters and they had a bunch of kids, and so we were really very close with them. We would go down there for vacations or bar mitzvahs or weddings. They would come up here for our bar mitzvahs and weddings. So, we just did a lot of things together and we still maintain those relationships today. Now, those people have kids and then those people have kids, and it's just kind of nice.

Debra and I were up in Santa Fe at Ten Thousand Waves this past weekend, celebrating our anniversary and we ran into some additional cousins, which was very nice. That was just -- it's extended family. I've never seen a family that close, you know, for so many years and still have pretty good relationships so I've enjoyed that.

Noel: Hi, how are you doing, Debra? So, anything else you think we should talk about?

Howard: Not right now.

Noel: All right. I will listen to it and perhaps I will think of things, areas that we might want to go over.

Howard: Okay.

Noel: Maybe, you know, about Value House. Were there any other comparable companies like Value House opening at the time?

Howard: Not in 1968. But as the industry matured, there were two competitors who moved into Albuquerque. One was called Service Merchandise Company, and the other was called Best Products. Best Products was over on Menaul,

near San Mateo and Service Merchandise was up on Wyoming, just south of Menaul. They were very strong competitors. They ran good operations, but eventually, as Value House closed, so did Service Merchandise, and so did Best Products, all within a few years. The same trends that were affecting us here on a local basis was affecting the whole catalog showroom business on a national basis.

Noel: And finally, I often ask this of people. What does Albuquerque mean to you? What does New Mexico mean to you?

Howard: Well, it's home. I've done a lot of travelling. I've seen a lot of countries as well as cities, and I've often considered, well, if I wanted to relocate or retire someplace, where would I go? And I haven't found any place better yet. We have a great climate, traffic situation isn't horrible, good selection of restaurants, cultural activities, outdoor activities, cost of living is reasonable. So, we don't foresee ourselves moving anytime soon.

Noel: Howard, if I could follow up on a few things. First of all, was your family involved in politics at all?

Howard: No. Not really. On my mother's side, her uncle was the Republican state chairman, in the 1960s, and helped get Richard Nixon elected.

Noel: What was his name?

Howard: Max Mattingly.

Noel: Oh, okay.

Howard: Then he subsequently was given a job back in the Washington, D.C. area, and he worked, I think, for the Defense Renegotiation Board. They would renegotiate contracts and review things like that.

Noel: Were your parents Republicans or Democrats?

Howard: One of each.

Noel: Oh.

Howard: My dad was from a strong Democrat family and my mother was from a strong Republican family.

Noel: Okay.

Howard: But my dad, in later years, always identified as a Democrat but started voting Republican.

Noel: Okay. You said you were heavily involved in Jewish youth activities?

Howard: Yeah, I was. I went through Hebrew school, Sunday school, bar mitzvah school. I was confirmed. Then, in high school, this was really somewhat positive for me. I joined AZA and was part of the B'nai Brith youth organization. We got together for monthly meetings and it was really fun. I had just gotten my driver's license and I could drive. We would go out for pizza afterwards. Then, they would have regional conventions and we would meet people, other Jewish kids from Colorado Springs and Denver primarily. I became president of the local AZA chapter, and became regional secretary of AZA. And so, because of that, I met a lot of Jewish people in Denver. When I went away to college in Boulder, Colorado, obviously there were a lot of people from Denver, and I ended up pledging a Jewish fraternity Pi Sigma Delta, which later became Zeta Beta Tau. So, I was very involved there.

Noel: Okay. So, is there anything else you wanted to add? All right. Thank you.

So, Howard has a vignette to add.

Howard: So, this is a story about my grandparents. During Passover, they wanted us to keep kosher for Passover, and they happened to live across the street from the junior high school that I attended, Jefferson Junior High. So, my cousins Barbara and Nancy, and my brother Bob and sister Karen, and I would run across the street to my grandparent's house for lunch. My grandfather would be pushing her from the office, "Come on Jenny, we've got to leave, we got to go home and get lunch ready for the grandkids." And so, during that week of Passover, we had the best lunches ever. Always had matzah and chicken soup and all the leftovers from the prior Passover seders. But I still remember those three years of junior high, getting to go to lunch at my grandmother's.

Noel: Well, that's great.

Noel: So, today is February 12, 2018. I'm sitting again with Howard Friedman and I have some additional questions I'd like to ask him. So, we'll take a few minutes before we go on to his dear wife.



So, I found out that the family was very generous to B'nai Israel and gave a lot of money so that the main synagogue, the main sanctuary, is named for them. Would you elaborate when that happened? Why it happened?

Howard: I can't tell you when, but I know that the congregation, B'nai Israel, periodically needed money for a variety of reasons. My father and uncle made a significant donation in honor of their parents, Philip and Jenny Friedman. The congregation named the main sanctuary after them because of the size of that gift.

Noel: And you don't recall just when?

Howard: No.

Noel: Okay. Also, I was told, that the family had a connection and were also benefactors of Sandia School for Girls.

Howard: My mother went to Sandia School when she was a young girl and then some of her grandchildren went there as well. My parents made a sizeable gift to the school, I think, they named the gym after my folks because of that donation.

Noel: And do you know when?

Howard: It was probably in the last ten to 15 -- probably in the last ten years.

Noel: Did the school reach out to your parents or ... ?

Howard: I think, yeah, they did. I think they maintained good alumni relations. They probably cultivated that relationship with my parents and my parents turned around and made the donation. They made other donations of pretty good size to the University of New Mexico. They both graduated from UNM.

Noel: And was there any specific purpose for that donation?

Howard: It was to endow a presidential scholarship in honor of my mother's mother.

Noel: Very nice. And do you know when that occurred?

Howard: Many years ago. My mother was the president of the UNM Foundation back in the 80s or 90s.

Noel: You never mentioned that.

Howard: I mean, she was a very talented lady. She was very involved in numerous civic organizations here in Albuquerque.

Noel: So, what other civic organizations do you -- you didn't fill me in completely.

Howard: Well.

Noel: We're trying to paint a picture.

Howard: My mother raised five children. My father, you know, earned enough money so that she could be a stay-at-home mom, but she was very smart. She was involved with Junior League. She was very involved with Kappa Kappa Gamma. I don't even have a list of all the other organizations. She had a friend here in Albuquerque by the name of Eleanor Seligman.

Noel: Oh, yeah.

Howard: They were both go-getters. I used to kid them that they had an unofficial competition, "who could be president of the most organizations" And so, they both did a good job for the community.

Noel: I know about Eleanor. Eleanor was involved in the Experiment in Jewish Learning. She was on the board of directors for a number of years, so I got to know Eleanor quite well, and Randy.

Howard: Yeah. Now another talent that my mother developed, she was a very fine calligrapher. She used to do the wedding documents, the ketubahs. I believe in the sanctuary above the ark at Congregation Albert there's some big lettering that she did back in the 80s.

Noel: Did she take classes? Calligraphy?

Howard: I'm sure she did. She was multi-lingual. Spanish, French, Portuguese.

Noel: Wow.

Howard: Yeah. She was a very talented woman.

Noel: You have every right to be proud of her.

Howard: Absolutely.

Noel: I don't recall if you said much about Irving's children, and if you were very close to them and what they've been up to?

Howard: So, Irving had three children. The oldest was Barbara. The next one was Nancy and the youngest was Richard. Barbara became a school teacher and taught here in Albuquerque. Nancy got married after college and lived in Tucson, Arizona. She met a man by the name of Bob Dorson who was in the furniture business. Then Richard stayed here in Albuquerque. He married. His wife is Sheri, they had three children. Nancy and Bob had two children.

Richard was in the business with my brothers. He was more the back-end type of person. He handled the computer and the programming, and you know, running reports and things like that. So, he was involved with Philip's Mercantile and Value House in the computer area.

Noel: Did your father and Irving split -- when they ran Philip's, any particular way?

Howard: Sure. They were both very strong, outgoing people. My dad was more in charge of the sales and marketing. He kind of supervised the sales force. I think my Uncle Irving was more in charge of the administration, the accounting and the bookkeeping type of things.

They were both very active after college, probably for at least 15 years, out on the road, selling during the week. Then, they would come in on the weekends and get caught up on paperwork and administrative duties as well. They finally built it up to a certain level where they could afford to hire people, so they didn't have to do that.

Noel: I was wondering if your father ever told you any very interesting stories about travelling about New Mexico that you recall?

Howard: His territory went out to Gallup and the Farmington area and my Uncle Irving did mainly north of Santa Fe and Las Vegas and Taos. I know he used to stay at the El Rancho Hotel in Gallup. He used to take me a couple times and I would accompany him. He knew a lot of people in Gallup. He ended up buying my mother quite a few very nice pieces of Native American jewelry, you know the turquoise and silver.

Noel: Mm-hm.

Howard: They had a thing for baskets and rugs and kachinas.

Noel: And your uncle's wife, her name again?

Howard: Edith Friedman.

Noel: Okay. Edith. Did she have any particular talents, did she do anything?

Howard: She was very involved with Value House in the bookkeeping area. She handled the payables and receivables and counting money from the stores on the daily basis as they closed out the cash registers and things like that.

Another thing that she did that was of interest, probably back in the 60s or 70s, she got involved with the blind people and she learned braille. She would type out things in braille for the blind people. She was involved with the Sisterhood as well at B'nai Israel. I'm pretty sure she was president of the Sisterhood.

Noel: There was something else that I missed. Okay. So, the date that Value House opened was in October?

Howard: October of 1968.

Noel: '68, okay. Maybe I'll go through the newspapers, the *Journal*, see if they made the coverage.

Howard: That's close enough.

Noel: Do you know of any articles that you clipped, or your dad clipped on Philip's and Value House?

Howard: They did. I don't have that scrapbook though. My brother Mark might. I can check with him and see.

Noel: Sure, that would be helpful.

Howard: What are you looking for?

Noel: Well, I'm just wondering what the newspaper said about the enterprises and the family. I mean, generally, I know from my covering other families and the like that they often give quite a bit of attention to the businesses and advertisers. So, there's an ulterior motive here and you know, I did study

the Jews in downtown business and so forth, and the *Journal* covered, you know when so and so went on a trip and what he bought and things like that, and of course, they covered all the big sales and they were promoting them, the book. The newspaper always promotes local business.

Howard: Sure.

Noel: Right?

Howard: I know there was an article that I recall that featured my grandfather and Value House being the consummate retailer, so if I can find that --

Noel: Oh, that would be good.

Howard: Yeah, I can get it.

Noel: Something like that.

Howard: I'll tell you just a cute little vignette about Philip's Mercantile. They were a significant force in the wholesale industry. To tell you the size and the amount of business that they did, here are just one or two examples. The manufacturers that they dealt with would have promotions and Phillips Mercantile would buy so much Aqua Net hairspray, or so many school supplies that the promotion prize that they would win would be automobiles. My uncle got a Lincoln Continental. My cousin Barbara got a Ford Mustang. I got a Chevrolet Impala. This is indicative of big numbers.

Noel: Yes.

Howard: Big volume. Batteries was another huge thing, especially out on the reservation. They sold a lot of batteries out there. So, they did a lot of business in the 50s and 60s and 70s.

Noel: Did they get free trips to Las Vegas?

Howard: They got trips. Value House got trips based on some of our purchases. Some of the local TV stations, KOB TV, for example, had trips if you spent enough advertising dollars with them. Trips to Japan and Hong Kong. I got to go on some trips, on some Caribbean cruises based on the amount of purchases we did with Olympus Cameras. These were some of the perks of being in business. You know, there were a lot of responsibilities, but these were some of the perks that we were able to enjoy.

Noel: Do you know, when you were active in the business, if there were any connections to the governors, state governors, in any particular way?

Howard: I'm not aware of anything in particular. They had some friends who were state legislators, but I don't think they had a major connection in the state capitol.

Noel: Okay. Bruce King, was he ever --

Howard: Bruce and his wife Alice were very good customers of ours, of Value House. They spent a lot of money in our store.

Another famous guy who was a customer of Value House that I waited on was Bobby Unser, the famous Indianapolis race car driver. He bought a nice ring set for one of his girls or girlfriends or wives, or whatever, I'm not sure. Value House was very well known, and a lot of people shopped there for many, many years.

Noel: Okay. Good. I think I have it. Again, once I interview Debra and we have it typed, then I'll probably have some more questions and you'll definitely get copies you can proofread and should correct.

Howard: Well, then.

Noel: All right. I'll turn to the other half.

Noel: All right. Today is May 15, 2018. I am back with Howard Friedman and Debra Wechter Friedman and we are going to ask them a few more questions, fill in some gaps. So, Howard, you mentioned in passing to me, that you had to take a quick trip to Israel and it involved the jewelry business.

Howard: Yes. In about the first ten years of my career at Value House, I was involved as a manager and I had moved up to Colorado Springs for a few years. When I moved back, I became the jewelry buyer for Value House. We sold more jewelry, more fine jewelry, than probably any other retailer in New Mexico.

One of the things that I did early in my retail career was get additional education and training in the diamond business. I took a class in diamonds through the Gemological Institute of America. And then I went out to Santa Monica to the Gemological Institute of America's headquarters for a

diamond appraisal class. And so, I would end up buying a lot of finished jewelry, but I also ended up buying a lot of loose diamonds. With the diamonds, we would have our own jeweler on the premises and we would have the ring mountings and earrings and pendant mountings and then he would set the stones. By putting the jewelry together, we had more quality control and we had a better profit margin in it, so it was a very good situation.

I developed a very good relationship with a couple diamond vendors. They were from all over, primarily in New York, but some from India and some from Israel. This one vendor, his name was Gagi Kaplan. He was from Israel and he had an incentive program once. He said, "If you end up buying enough diamonds from me for the year, I will send you to Israel for a trip." And so, I made sure that I bought enough merchandise to qualify for his trip. In February of 1986, I flew to Israel with one other customer of his from Detroit, Michigan.

There were a few other people who qualified who decided not to go because there was some violence in the Mideast. When we flew into Tel Aviv, there were Israeli jet fighters on either side of the TWA plane that we flew in. And so, when we were in Israel, we did the tourist thing but more importantly, we went to Gagi's office.

Noel: May I stop you? What year was this?

Howard: February of 1986.

Noel: Okay.

Debra: You said '96, I think.

Howard: And --

Noel: '86 or '96?

Howard: '86.

Noel: '86.

Howard: And so, we went to his office and he just brings out papers and papers full of loose diamonds. I was able to look at the stones. I knew the quality that I liked. I knew the size I needed. I knew the price range, and I bought a lot of diamonds. He said it was very amazing because he said, "Most people,

the first time they look at all these stones, they're intimidated, or they feel insecure about what they're doing." "But," he said, "I knew exactly what I was doing."

I bought all these diamonds, and he shipped them back to Albuquerque. You know, when we got back, I didn't carry them on the plane going home obviously. We ended up making a very nice additional profit because I had gone directly to the source, so to speak. In Israel, that's where they end up cutting and finishing a lot of the stones, so...

Noel: Did you watch them?

Howard: No.

Noel: You saw them before in New York.

Howard: I saw them sort them. I never went to the cutting factory, though, no. So that was very exciting.

Another thing that I would do regularly would be to go to New York City, usually the beginning of August. They have the National Jeweler's Show at Javits Center. They had two or three levels full of diamond jewelry, watches sold by people not only from the United States but all over the world. That was very exciting to develop new sources and just see what was out there.

One interesting story I thought of. I was at the Rolex booth and I overheard a man talking to the president of Rolex. And he said, "So tell me, how's the watch business?" The president of Rolex says, "I wouldn't know. We're not in the watch business, we're in the prestige business."

Noel: That's so true.

Howard: You don't buy a Rolex just for the timekeeping ability. So, that always stayed with me.

Then I had some very interesting relationships with people in the jewelry industry. There was a man who came to Albuquerque. I still remember his name. His name was Mr. Gold. He was a Hasidic guy. He came to my office. It was the first time we had met. So after the, you know, breaking the ice, so to speak, I said, "Okay, show me what you got!" And so, he takes his hand and he sticks it in his pants and I didn't know what he was going to pull out, but he pulls out a big parcel of loose diamonds.



I said, "Oh well, this is very interesting. That's a very interesting place to carry your diamonds." I said, "How did you happen to come up with that?"

He said, well, it's an interesting story. I had a client in Puerto Rico and he was a good client for several years. One year, he called me, and he said, on my next trip to Puerto Rico, he wanted to buy like over a million dollars worth of diamonds. So, my eyes lit up and I was excited.

So, in order to sell a million dollars worth of goods, you have to have two or three million dollars' worth to bring, because people don't buy everything that you show them. So, I'm in his showroom in Puerto Rico and going through the stones and he's buying, but I'm feeling that something is wrong. He's not buying like he's buying a million dollars' worth of goods.

And so, we finish our business, he signs the bill, I pack up everything. I go downstairs and there's a taxicab right outside of his building. I get in the taxicab and all of a sudden, behind me, on the side and the front, are armed people with guns. The driver in the taxi, and is pointing a gun at me and he said, "Give me your briefcase." I said, "You've got it, take anything you want, just don't shoot." And so, I gave him my briefcase, I got out of the cab. The cab left with the three cars that were surrounding the cab, and they took off. I said, "Oh, so you lost all your diamonds." Mr. Gold said, "No, I lost a briefcase and a calculator. All my diamonds that I had left were in my pants." This is the way I travel.

If people know that you're in the jewelry business. You're very susceptible to robbery. This is how I operate, so I don't lose everything. I always thought that was a wonderful story.

Noel: It is.

Howard: Yeah.

Noel: You mentioned that you took a leave for -- or went to Colorado. Why and when?

Howard: Well, Value House was in the catalog showroom business, as I had mentioned earlier. And there's another company that held a single location up there in Colorado Springs, called Ardells. They didn't have the size and scale and ability to manage it and grow. So, they were either going to sell it or close up.

So, we ended up buying the store. I moved from Albuquerque to Colorado Springs in July of 1977. I managed that store for two years until the end of June of '79.

Noel: Okay. Anything else you want to add?

Howard: I think --

Noel: Did you spend time looking around Israel that time?

Howard: Oh yeah. It was a full guided tour with two couples plus our host. It was a first-class tour. It was exceptionally nice. I thoroughly enjoyed Israel.

I still remember what they had is called -- it's called the fresh Iraqi pita bread, and we had fresh pita bread and we also had the goose liver pate. Delicious.

Israel was one of the main exporters of goose liver pate, and I think France was one of the main consumers of this. So, this is one of the things that I always remembered. It was a very good trip and I developed good relationships with a lot of good suppliers in the industry.

Noel: So, you kept up the association?

Howard: Oh yeah.

Noel: So how much of the Value House business was really tied to jewelry?

Howard: I don't have the exact percentage, but I would say easily over a fourth of our volume was in the jewelry business.

Noel: And maybe more of the profit?

Howard: It was -- almost all the profit was in that department. Because the catalog showroom business was a very low margin business. You virtually gave merchandise away. Sell it for a dollar above cost, two cents above cost. I mean, you can't stay in business, selling for cost or a little bit above cost. So, you needed the higher margin goods. And so, you get your blended margin from all the categories to come up with an average margin to stay in business. Without the jewelry, we wouldn't have been able to survive.

Noel: What else contributed to that? What other departments?

Howard: I'm not sure about your question.

Noel: In other words, jewelry was a major source of the profit?

Howard: Yes.

Noel: Was there another area of -- sporting goods, was that a big profit area?

Howard: No. You have your imported gift items: crystal, silver, those type of things. Those are nice things, but the competitive things, the name brand things, like the appliances, the televisions, the cameras, that kind of merchandise. Good volume brings a lot of people in the store. You know, razors, you can't make money on selling something for \$1 profit. So, you have to get the gift items and the jewelry items, the watches, in order to bring your profit up to survive.

Noel: That's very interesting.

Howard: Yeah.

Noel: Okay, I'm glad you thought of it and added it. Okay.

*[end of recording]*