



The Raphel Report

**Observations on marketing,
advertising, sales and
promotions
by Murray Raphel,
Chairman, Raphel Marketing**

May 2004

Number 60

The Palley -Dali-Paris Birthday Party

Someday there will be a Hall of Fame for the most successful innovative business promoters. When that day comes, among those installed might well be Reese Palley (rhymes with “peace rally.”) He was described in a national magazine as “the reconstituted blend of P. T. Barnum and Mike Todd, seasoned to taste like Bernard Berenson” – an art dealer that established who-he-was with the slogan on his shopping bags: “Merchant to the Rich.”

It began with a \$700 bank loan to open his sophisticated “*objet d'art* shop” on the Boardwalk in Atlantic City’s Marlborough-Blenheim Hotel. The year was 1976 B.C. (Before Casinos). Through the years he created outstanding, original and flamboyant promotions that made him not only successful but garnered him world-wide publicity when he became the only person to rent two 747's to take his best customers to the opening of his new gallery in Paris.

But wait, a little background music first . . .

Reese was easily recognized – a black and white production. His wild shock of crazy, messed-up white hair looked like it was combed with an eggbeater. His black horn-rimmed glasses fronted his grinning elfish face with a small scruffy goatee white beard. He wore a black turtleneck shirt, black pants, black socks, black shoes -- and had one splash of color: a western red bandanna in his back pocket put there “to wipe off my client’s kisses.”

When you asked Reese his philosophy for success he said, “I listen to what people need. It’s easy to sell them what they want.”

Or, in his case, create a “want.”

Summer pedestrian traffic on the Boardwalk past Reese’s new gallery was in the millions of tourists. But dwindled drastically in the winter.

This was before the casinos came to town and Atlantic City hotels had large blocks of empty rooms this time of the year. Reese offered to rent a large quantity of rooms at a ridiculously low price. The hotels agreed, eager to have the rooms filled because of the revenue they’d receive on meals and other hotel activities.

He invited his big spending customers to come to Atlantic City for a weekend house party, “Where you will be my guest at the Claridge hotel...”

More than one thousand accepted and dropped into Reese’s gallery to say “thanks” and, while they were there, browsed and...bought!

Reese offered to send Christmas gifts to “your friends.” As a “special” customer, you trusted Reese’s taste and his merchandise. He offered to “select your gifts better than you can” if you simply described the recipient’s needs and wants.

He gave his best customers free tickets to New York City’s Whitney Museum. His message: “Go. Learn something.” His reasoning: “If you’re trying to sell art, get them in the habit of looking at it.”

Whatever he sold had a story. A chair is not just a chair. Reese's description was a precursor to the romance language of later catalogs from J. Peterman: "You'll experience what an eastern potentate would lounge in to make his daily choice from his harem."

But the biggest, most extravagant, media-grabbing promotion carried in newspaper stories around the world was his "Palley-Dali-Paris Birthday Party." Even in his wildest dreams he would never believe this self-indulgent celebration would make headlines from the Fiji Islands to Fairbanks, Alaska, the *New York Times*, the *Washington Post*, *Paris Match*, three major TV networks, the Voice of America and newspaper stories throughout Europe.

He wanted to celebrate his fiftieth birthday. This would be a good tie in with the opening of his art gallery in Paris featuring American artists.

A few weeks earlier, Salvador Dali's agent had approached Reese with an offer. Dali had made paintings of the face cards in a deck of cards: the four jacks, queens, kings and aces. Dali offered them as a limited edition of lithographs – 170 lithographs of each card. Total: 2,720.

A bright light appeared above Reese's head. He would buy all 2,720. (Well, with an option to cancel if he could not sell them.)

Now he had all the pieces. On to the next step! He created a simple mailer to his customers. The outside headline said, "This one you won't believe." On the first page he said it was his birthday and he was going to spend a day in Paris opening his new gallery. He wanted his friends to be there with him. He described the Dali lithographs saying he would sell them their choice of any lithograph for \$650. This purchase entitled them to a round trip passage to Paris for two for a four-day weekend including jet fare and hotel room.

He guaranteed to buy the lithograph back for the \$650 at any future date if they were ever unhappy with their purchase.

He mailed the invitations and wondered if he could fill the jet he chartered, which had 350 seats.

In four days, he was sold out!

He chartered another jet! In ten days he sold out two 747s - more than 700 people. Never done before. That's 350 lithographs @ \$650 = \$227,500 and that was just for starters...

On the flight over he brought a major collection of artwork by American artists. You could buy one for 10 percent less going over. Or 20 percent more on the way back. (His theme: "Bring something American home from France.")

The plane arrived. Reese insisted no one could leave the plane until they put on a face-sized photographic mask of (you guessed it) Reese Palley! Imagine the shock of custom officials who looked up the corridor and saw, coming at them, 700 Reese Palleys! (A photo that made all the European newspapers.)

Did Reese make a million dollars profit from the trip and the added and future sales? ("Would you like a King of Clubs to make a set with the Queen you bought on the Paris trip?") Well, at least he made, as he says (with a tear in his eye), "a lot of friends."