

This book is affectionately dedicated to
the present and future employees of the
Kalamazoo
Vegetable
Farchment
Company

Written by Jacob Kindleberger

JK - Born 2-27, 1875, Died Jan. 1, 1947

This book has been typed from carbon copy #3 found by
Lucy Kindleberger Myers. The location of copies 1 & 2 are
unknown.

Written in 1934

INTRODUCTION

It occurred to the writer that a short history of the Kalamazoo Vegetable Parchment Company would be of interest to the present and future employees of the Company, and especially are we interested in doing this because of the erroneous stories that are constantly afloat concerning Industries as well as individuals. To obtain the true facts from one who knows the facts might be of interest to the present as well as the future generations.

The history of the Kalamazoo Vegetable Parchment Company is interesting from the beginning. It will tell of the struggles and the bloodsweating the pioneers of this Company went through in order to establish the business.

It is not without its humorous side, and some of these humorous incidents are mentioned.

It is true that the history will be similar to histories of other industries, where they are written, but there are some peculiarities that stand out and make this company just a little different from others. We expect to bring out all such subject matter in the various chapters.

It is the writers hope that you will not get weary in reading to the end this little story.

Sincerely,

The Writer

A hand written note was attached to this page, believed intended to be included in - or the start of - the above first paragraph. This note is believed to have been written by Harold De Weerd, Secretary to Jacob Kindleberger. The note reads -

The writer believes that a short history of the Kalamazoo Vegetable Parchment Company will prove of special interest to the present and future employees of our organization. We are particularly interested in writing this brief history, because of the misstatements constantly made concerning industries and individuals. To obtain the true facts from one who knows the facts, should be of interest.

** CHAPTER I **

Conception

The idea of starting a Parchment Mill in Kalamazoo was conceived in the mind of a man by the name of Harry Zimmerman, formerly of West Carrollton, Ohio. He had come to Kalamazoo after leaving Ohio with the thought in mind of interesting Capitalists in starting a Parchment Mill.

He lived in Kalamazoo about two years, working in the various mills at such work as he could obtain. He wrote me from time to time asking if I would come to Kalamazoo to help him get such a mill started.

I advised him it would be impossible for me to do so as long as I was in the employ of another concern. Only when I had severed my connection with the old concern would I then take steps toward helping to create another one.

'A sense of loyalty to the Company you are working for' has been part of my religion, and all through the years I have religiously adhered to this principle.

In the Fall of 1909, circumstances so shaped themselves that it was thought advisable to sever my connection with the West Carrollton Parchment Company. Immediately I wrote to Mr. Zimmerman that I was now free to come to Kalamazoo and assist in getting a new mill organized.

I left Dayton, Ohio on Sunday night, and arrived in Kalamazoo early Monday morning and immediately got in touch with Mr. John McLarty, who was the man Mr. Zimmerman had picked out to sell stock.

After meeting Mr. McLarty, he suggested we visit Mr. J. J. Knight, a well known capitalist of Kalamazoo, and also local Manager of the General Gas Light Company. We arrived at Mr. Knight's office about 10 o'clock Monday morning and briefly explained to Mr. Knight that we were dead sure of our ability to run such a business profitably on account of our many years experience in the business, not only in the manufacturing end but also in the selling end.

After some cross questioning by Mr. Knight, he finally agreed to subscribe the first \$10,000.00 toward this new business. Mr. Knight's reputation in Kalamazoo was of the very highest and his name on any paper of this character practically assured the success of the project.

Mr. McLarty then took this subscription paper, headed by Mr. Knight, saw other capitalists, and \$50,000.00 in cash was soon subscribed.

One of the outstanding blunders of the Company was the small amount of capital. We should have had \$150,000.00 instead of only \$50,000.00, but in our eagerness to get the mill started, Mr. Zimmerman and I promised that this thing could be done with the amount above mentioned.

For several years we paid very dearly for this blunder.

A hand written note - believed to have been written by Harold De Weerd - attached to this page reads -

I would use "In The Beginning" for this chapter. Some of your evil minded competitors might say, "He should have used a contraceptive".

** CHAPTER II **

Organization

After the money had all been subscribed, a meeting of Organization was held in the back room of the Michigan National Bank, now the First National Bank, and the name of the Company and the officers were selected at this meeting.

It was agreed that the name of the Company should be The Kalamazoo Vegetable Parchment Company, incorporated for \$50,000.00, and the Officers were as follows:

John McLarty -- President & General Manager

A. A. Wheat -- Vice President

C. S. Campbell -- Secretary and Treasurer

The site for the Company was selected on the River Road, 2 1/2 miles North of Kalamazoo, on the site of an old, defunct, sugar beet factory. Perhaps it was selected more because the site was owned by Mr. Knight.

When we first looked over this site, we were confronted with the first big obstacle of cleaning away the old foundation and rubbish of the old sugar beet factory. Weeds! Briars! Blackberry and Raspberry Vines! Sand burrs by the million!

We were so eager to get the building started that we felt sure any little obstacle like a pile of wreckage could soon be overcome.

Mr. McLarty, the first President and General Manager, proceeded to hire the Contractor. We did not have money enough and neither did we feel it was necessary to hire an architect to help plan the buildings. It was more or less guessing at this and at that, and of course everything was done just as cheaply as it could possibly be done.

This we record as our second big blunder, as many of the things done at the beginning had to be done over.

The Writer then moved to Kalamazoo, and the only available house near the plant was the one which used to be the office of the old sugar beet factory. For three or four years Mr. Zimmerman also lived in one part of this house, so we could both be close to the Works both day and night. This was not a blunder but proved to be of much value.

CHAPTER III

Construction Period

There was a building still standing on this site, with walls about 8 feet high, which were charred a little bit by a fire. It was decided to put a few feet on top of these walls and sort of straighten them up.

This building was about 70 feet wide by 110 feet long. A cheap roof was put on trusses made from 2" planks bolted together, and the roof was covered with tar. The floors were made of cement.

The building was not large enough to divide into a machine room and a finishing room, so we were very much handicapped right from the start, as the Machine Room should be separated from the Finishing Room.

This was Blunder No. 3 and cost this Company quite a sum of money.

During a hard rain the roof leaked like a sieve. During the hot summer days, the tar would come through and ruined much of our paper.

The only partition in this building was a little wooden partition in one corner, which we had for an office.

The Acid Buildings were of the cheapest construction. First a hole was dug and an ordinary tank, such (acid) as we found on tank cars, was buried in this hole to store our acid. It wasn't but a very short while until the acid ate through the tank, ate its way down through the sand, clay and gravel, and the foundations began to sink.

A smaller Acid House was built for reclaiming our Acid. This also was built unscientifically. This acid handling equipment was a source of much trouble and expense for several years until we had the means to build more scientifically and economically.

One 250 horsepower boiler was installed, together with a 50 horsepower steam engine with a generator attached to make power for lights for the plant.

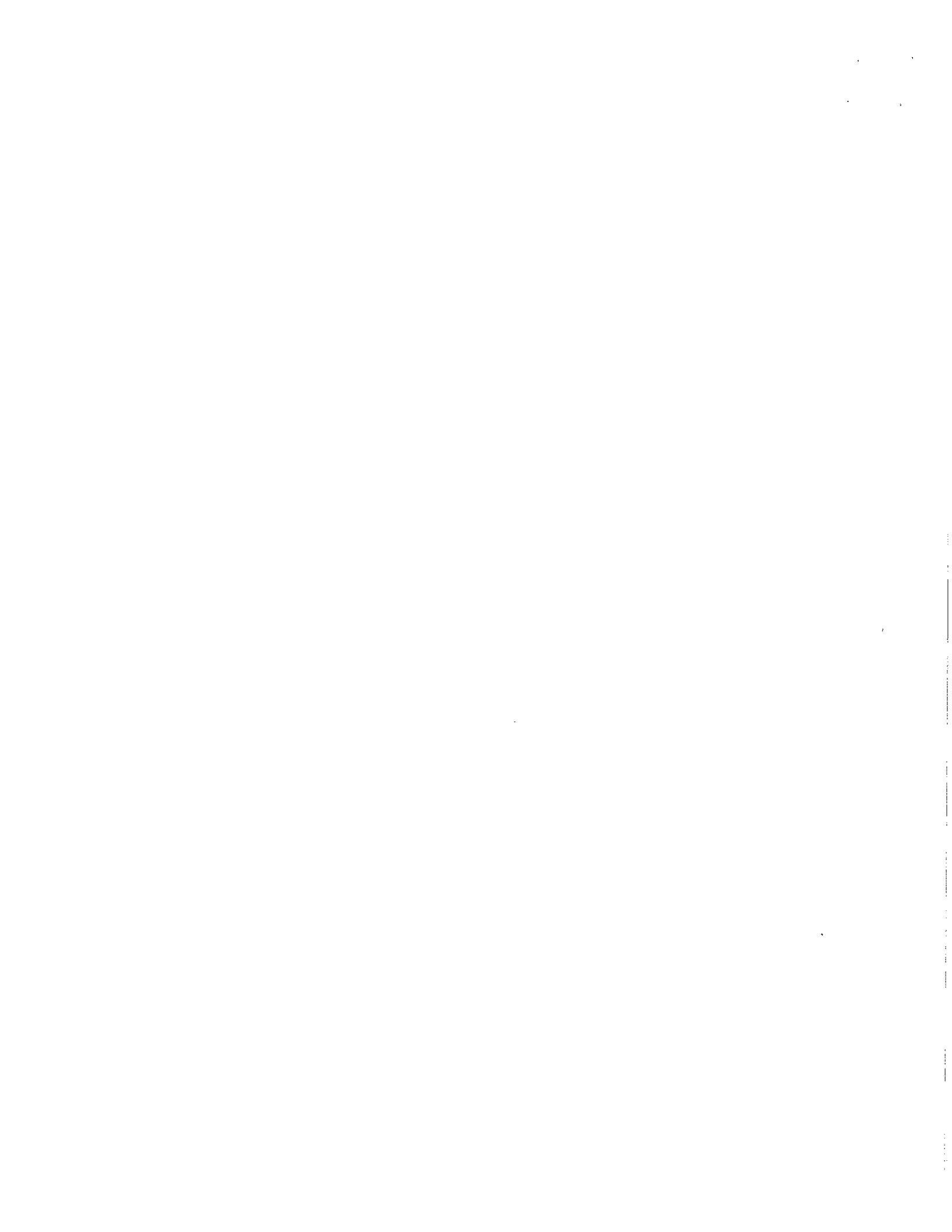
The contract was lent to an irresponsible man who put in the plumbing and piping. The piping that was put underground leading from the river for our wash water did not have the proper joints -- they were leaky -- and we spent days, sometimes weeks, getting up enough vacuum to start our pumps. We never discovered this until we took up the line and found the poor joints.

Our President and General Manager said that the money was going so rapidly that a ruling of exceedingly strict economy was installed.

We didn't have money enough to buy a keg of nails, so we bought five pounds at a time. All of the tools that we had about the place were furnished by the men or by the writer, who brought some tools from Ohio. Much time was lost by various men waiting until the other man got through with the hammer or monkey wrench.

The lesson which the writer learned during this early "Construction Period" can never be forgotten, as we have a very vivid picture of what false economy really is. We saved at the spigot and lost at the bung hole.

Scotch Economy is to be highly commended, provided you do not lose a dollar by saving a penny.



** CHAPTER IV **

CONSTRUCTION PERIOD Continued

The first domestic trouble occurred in the matter of policy, whether to work on Sunday.

We had a large pile of gravel on the outside of the plant and it looked like it was going to rain and snow. Our superintendent hired some men on Sunday to shovel this on the inside of the building to keep it from freezing up.

The writer objected to this principally because it wasn't necessary, and especially because we didn't want to start our new concern by working any of our men on Sunday.

The principle of not doing any unnecessary work on Sunday has been strictly adhered to up to the present day. It is bad enough to do necessary work on Sunday, but never unnecessary work.

The brick work and carpentering was done in the midwinter. It was a very hard winter. It began to snow the day before Thanksgiving and we did not see the ground again until about the first of April. So all of our construction work was done in the most unfavorable weather of the year.

The writer still has the felt boots worn and the shovel used to turn the first sod on the southwest corner of our Acid plant.

All during the time of the construction, of course, we were planning our campaign of manufacturing and selling, and we were very, very eager all this time to get started making paper instead of laying bricks and floors.

From selling paper to the Jobbing and Packing Trade, which I had been doing for many years, to wearing felt boots and a sweater, using the shovel, pick and trowel, was quite a change; but I enjoyed the experience tremendously.

** Chapter V **

Installation of Machinery

When we were ready to install the machinery, we looked around for as much second-hand machinery as we could find. You understand it was a matter of having the money to pay for this equipment.

We were criticized time and time again because we did not install more modern machinery right in the beginning but you can't buy a Packard Automobile on a Ford income. So we bought the kind of machines that we had money to pay for.

The installation of this machinery, as I look back on our experiences, taught me another wonderful lesson -- that it doesn't pay to purchase nor install machinery without the consultation of experts. We had to undo many of the things we did because of the lack of proper knowledge.

By hard work, practically day and night, we overcame the difficulties; and the lemons that were handed us or that we purchased, we squeezed hard and made into lemonade.

One old trimmer we had was made by the Sheridan Company 45 to 50 years ago. I shall never forget this Sheridan Trimmer! It didn't cut accurately within about a quarter of an inch, and then it was a daily affair for it to be down two or three hours for repairs.

We had a heavy lead weight on it and it would dig a hole in the floor every time the knife came down. After we saw the quality of work, we immediately negotiated with another Company for a brand-new trimmer, for which we paid \$1,200.00. This trimmer did fairly good work.

The Parchment Machine was ordered with about half as many dryers as it should have had. This also was a handicap to us.

Soon after this experience of installing the machinery, we took a solemn oath that we would never again have anything to do with the installation of any Department unless it was properly laid out, thoroughly discussed, and figured out, as we found that there is enough trouble in starting a new Department without being compelled to overcome such troubles as come to us from wrong installation.

The price of an Architect or Engineer we have found to be a great economy.

** CHAPTER VI **

Difficulties of Location

The Company experienced difficulty right from the start on account of the Mill being located so far out from the City.

There were no street cars and very few "Flivvers" in the country -- even if there were, the roads were so bad in the Spring and Winter Time that the River Road was almost impassable. While the Writer had a Bicycle, this Bicycle could be used only on certain stretches of this road.

When the road was open, it would take from forty-five to fifty minutes to walk from the City to the Mill, or from the Mill to the City.

About four families put up tents near the Mill and lived in the tents. There were no houses, and walking back and forth to the City was a day's work in itself. So, the river bank close to the Mill had every available spot taken with tents.

For a period of from ten to twelve years we received no relief from either the township, county or city on the condition of the River Road; but we finally put on a truck and hauled all of our cinders from the Mill on to this road. Eventually we so conditioned the road that it was fairly passable.

Most everyone that lived here or worked here walked. The first means of transportation, as stated above, was one bicycle, a second-hand one at that. This bicycle belonged to the writer and was brought to Kalamazoo from Ohio. Any special messages were taken to the city on this bicycle.

Our next mode of transportation was a little pony. The name of this pony was Elizabeth. Elizabeth was not so very reliable. She had spells like a human being -- perfectly good and willing and kind one day; the next day she would be quite treacherous, and when she got to the good stretch of road, she was liable to run away.

Elizabeth absolutely refused to be anything except a Passenger Horse. When we hitched her up to a Spring Wagon to haul up a couple hundred pounds of paper, she absolutely refused to go. It was apparent that it was quite an insult to her to be hitched to a Spring Wagon.

One day she fell and broke her leg, so we begged one of the neighbors to come and put her out of her misery.

We then purchased another horse. This horse was sold us by one of our good friends who lived on the East Side of Kalamazoo. He brought her down one evening and she appeared to have an abundance of life and strength. We thought we had run on to a pretty good bargain.

The next morning, when we went to the stable, we found the new horse had a spell of the "blues" and looked like she was getting over a hard winter. We had heard about Horse Traders injecting ginger or some other vitality producing medicine, but we did the best we could, and she did the best she could.

We would hitch her up to the Spring Wagon and many times she would fall down in the midway. After she would fall and be permitted to lie for three or four minutes, then with a little coaxing and patting she would get up again. But we got the horse cheap and felt that it was better than nothing.

This horse remained with us for about four months, when we traded for another one. The third one was a beautiful animal, and was named Colonel. He had been spoiled by having a woman drive him. He was so used to being fed sugar lumps and patted that he also refused to be hitched up to a Spring Wagon.

We found we could not use this horse so we made arrangements with a nearby family to use their team to do our hauling.

The matter of transportation for employees was still a very serious one. Mr. Knight suggested that it might be a good thing to get a hotel bus. I knew a Hotel Man in Fort Wayne who used to be in Kalamazoo, and who had an old "Tally-Ho". We made arrangements to have this Tally-ho brought to Kalamazoo, but we found it was built for four horses instead of two, and there was no team close by that could pull the bus through the muddy road. So, the bus was not paid for and we returned it.

Then an old wagon was rigged up that hauled the small group back and forth. In the winter time we had hay and straw in the wagon, with a lot of horse blankets, and it was a jolly crowd that went back and forth everyday on this old hay wagon.

After the hay wagon, the writer bought his first Ford. We would send this Ford to town every morning to get the office crew, and send them back in it every night. This Ford would hold eleven or twelve people, but how they all got packed in, on the sides and on the back, was a miracle. It was quite a sight to see our office crew come to work in the first "Kindleberger Ford."

The next step in our transportation evolution was the Interurban. We all felt that we were getting quite citified to have an interurban run right through our little town right beside our Mill.

This interurban helped tremendously in the matter of transportation. From that time on, the matter of transportation has not given us any trouble whatsoever. Second-hand cars soon came upon the market, and today practically every employee has a car of one kind or another.

We are no worse off than any other factory located at a distance from the city, and we think we are better off than factories in the city, as all the people have room to park their cars while in the city they are limited for space.

** CHAPTER VII **

In Swaddling Cloths

It is quite fitting to compare an Industry to an Ordinary Human Being. It is conceived in the mind of some man, and in due time it is born, and then comes the period of nursing carefully the new born infant.

For an entire year our diet consisted of milk; and our garments, swaddling clothes. The few that were here considered the new baby the most wonderful baby. No Mother was ever more proud of her infant than we were of our young Industry.

As we look back upon the scenes of our earlier days, we just can't help laughing out loud. Sure, we were very proud to display the baby! We repeated all the new little tricks it did, paraded it out before folks to make its first speech, had its picture taken quite often, looked eagerly and longingly for the first tooth to appear, were very anxious during the colic days, and its period of measles and mumps and whooping cough.

Not a few who gave the new baby the "once over" said it would not survive; but by tremendous faith on the part of the Mother and good nursing, the babe did survive.

The first shock the little one received was a drop in the price of Parchment Paper on the day that we made our first sheet.

The writer took the samples of the first run and hurried to Chicago to see what could be done to sell the product from the new infant. It was with fear and trembling that we approached our first prospective customer, and the first customer that I saw gave me an order. Years afterward, I asked this customer why he was so kind as to give us an order immediately, and he said, to my astonishment, that my enthusiasm did it.

In describing our new Industry and our first sheet, it was spoken of in the most glowing terms. If anyone praised his wares, I did.

The end of the first week out saw me in St. Louis. I wired back to the boys at the Mill to immediately order another machine, as it looked very much like we would sell out immediately. On my arrival home, after an absence of about three weeks, I found that they had taken my telegram more as a joke and asked me what I meant. I informed them I meant just what I said, that we could sell the Parchment Paper from two machines instead of one.

Your humble servant was overruled and the more conservative element ruled the day.

After the first month, the profits were eagerly looked for; but no profits could be detected by our clerical force. And because of the fact that no dividends could be paid the first month, our first manager sort of felt that it would be a good business to get out of instead of stay in, and so arrangements were made to hire a new Manager.

A man by the name of Frank Blair was hired by the Directors. In a few days Mr. Blair arrived on the scene. He had never, of course, seen a Parchment Mill and knew nothing about either the manufacturing or the selling; but he arrived every morning about nine o'clock all dressed up, walked around and looked wise.

At the end of the first week, he informed the writer that he wanted to be informed of everything that was going on, how to figure prices, what the prospects were, etc. We were so busy trying to get orders and also trying to make the stuff that we weren't aware that the new Manager was around. We didn't have the time to explain over and over again all the workings of this business.

He got pretty much disgusted, told his story to the Directors, and they paid him a year's salary and released him. So, at the end of the second month, the duties of managing the business, as well as acting as Sales Manager, fell upon the writer.

** CHAPTER VIII **

Our First Domestic Difficulty

The Company was unfortunate to have among its key men some very pronounced and radical socialists, and our Superintendent was also imbued with the Socialistic Spirit.

This socialistic prattle was paraded around our little factory to such an extent that the writer saw it was going to seriously effect the efficiency of the plant unless it was stamped out.

So, little by little we raised our voice strenuously against men taking the Company's time to spread the socialistic doctrines, and we let it be known in no uncertain terms that this was fundamentally wrong, and it would eventually undermine the foundation of our industry. By working through the Superintendent, who was imbued with this spirit, we succeeded in quieting it to some extent.

The next difficulty came in the matter of whether our Mill would be known as a quantity or a quality producing Industry. The new Manager took the side of Quality, and the Superintendent took the side of Quantity. Many a little quarrel occurred when quality was sacrificed.

We knew from our years of experience in selling that quality would win, and would remain the chief cornerstone of our success, when quantity would long be forgotten. This trouble existed and was with us constantly for several years.

The climax came one day when paper was rejected because of being made wrong. It was not washed properly. So the resignation of the Superintendent was accepted. From the day he left the employ of the Company, the business grew by leaps and bounds, and the motto from that day to this has been, "Quality First".

Our second source of trouble in the first few years was that quite a few of our employees were drinkers and brought their whiskey with them in big bottles. This was especially true of our Fireman and Engineer. A good deal of our inefficiency in manufacturing occurred on account of bad whiskey that seemed to be very plentiful in Kalamazoo at that time.

It got so bad that eventually we issued an order that no man who drank could work for this Industry. We have religiously adhered to this principle.

No matter how brilliant a man may be, if he drinks, he is unprofitable to you.

** CHAPTER IX **

Our Marketing Problem

The Company, as stated in the previous chapter, was inadequately financed, and left no working capital. So we had no money for railroad fare or traveling expenses. It was even difficult to get enough money for postage stamps to send out our circular letters; but we went over our list of prospective customers very carefully and just used stamps on such letters that we thought would bring in an order.

When the writer went to Chicago, he would take the early train which left Kalamazoo about five o'clock in the morning, get off at 63rd Street, get a breakfast of a sandwich and hot coffee, and then proceed to the yards. He would arrive at the yards about nine o'clock, work all day, and take the evening train back to Kalamazoo.

No, we did not ride in parlor cars. No, we did not get our dinner on the train. We would buy a sandwich or two before getting on the train, and this, with a glass of water, would suffice until we arrived home.

Our letters were written, folded and gotten out, with the samples, at night with the help of Mrs Kindleberger and my Sister, Mrs. Zimmerman. It was a pure case of practicing economy and frugality from sheer necessity.

Our payroll fell due on Friday. With no money in the bank and other bills due, it was my job to find someone in the city to sign a note to cover the payroll.

There was also afloat in the land a great deal of propaganda against us. Our Competitors had a lot to say about our paper, and they also prophesied long and loud that we would not remain in the business very long. The prices kept dropping and had gotten close to the danger mark.

It was then that we conceived the idea of our Specialty Line of Ice Blankets, Nursery Blankets, Maternity Blankets, Cake Liners, Jelly Protectors, and Household Parchment Paper. Some of these items received a lot of free publicity. We applied for a patent and got it on our Ice Blanket, Maternity Blanket, Nursery Blanket, and various Magazines and Journals wrote nice articles concerning the value of these new Specialties.

This gave us the needed publicity, and from this day on our financial situation took on a new aspect.

** CHAPTER X **

Our First Additional Building Program

The over crowded condition of our plant entering into the second year of our existence forced us to consider putting on a little addition, so a building was designed about 70 by 80 with a basement and first floor. This part was known as our Cutting and Finishing Room. Heretofore all finishing was done in the Machine Room.

We had no architect or engineer on this job, thinking we could save a dollar or two by doing this work ourselves. When the material arrived on the place, the timbers were all two feet too short. Nothing fit. At this particular point we learned another lesson which we haven't forgotten --You cannot get something for nothing. The most economical and safest way to proceed is the right way. From then on we always hired a reliable architect and engineer.

We were exceedingly proud of our new little addition and felt quite 'chesty' over the growth of our little Company. We were very grateful to the Directors and Stockholders of our Company who showed by their consent to this addition that they did have some faith in us.

This spurred us on to new efforts and we were perfectly willing to work harder than ever because of this apparent confidence shown by our Directors.



** CHAPTER XI **

Entering into the Waxed Paper Business

The use of Vegetable Parchment was still very much limited, so it occurred to us that possibly the Waxed Paper Business would dovetail very nicely into our Parchment Business.

So we received the consent of our Directors to purchase a waxing machine. Our tonnage on Waxed Paper throughout the United States at that time was very small, but we felt that in a few years it would grow. Our judgment has since proved right.

We were advised by a nearby competitor in the Waxed Paper Business that a profit of one cent a pound over the cost of our raw material was sufficient. The same competitor in a little while went into the hands of a Receiver and we also were losing money, so we hired a Cost man to go into the cost of Manufacturing both Parchment and Waxed Paper. We discovered to our amazement that we were losing about a half cent a pound on all the Waxed Paper we made. As soon as the sad news was placed on the writer's desk, we made haste to remedy the situation that same hour.

Thereafter we made our Waxing Department a paying proposition instead of a losing one. Again we learned a divine lesson -- "Know your costs and have Courage enough to sell your paper at a legitimate profit."

** CHAPTER XII **

Our Third Year

At the end of the second year, with the addition of our little Waxing Machine, we again were crowded to the ceiling, and another request was made to our Board to extend our building. This also was granted.

So an addition 70 X 200 was put on to our present building. The additional machinery ordered at this time was several Kidder presses, a 0000 Meihle press, and four jobbing presses.

As the Company kept growing, it was very apparent that we needed houses for at least some of our employees so they could live close to the Mill. The River Road to Kalamazoo was practically impassable in certain periods of the year on account of the mud.

We put this proposition up to our Directors and we were permitted to put up four or five houses. About a half dozen families were living on the River Bank at that time in tents. After these houses were completed, the place began to look like the beginning of a little town. "Cherry" Boldman, "Big Bo", as he is usually called, who had been living in one of the little tents, Christened the little town "Googieville". After more houses were added, the town was automatically called "Parchment" and it carries that name to this day.

** CHAPTER XIII **

Our Fifth Year

Again it was necessary to think of an expansion program, so another building the same size as the Parchment Building was erected. The size of this building was 75 X 350, with a basement under part of it.

This building was designed to contain the Waxing Division and also the office, and enough warehouse to carry the necessary inventory of raw and finished product.

This was thought to be rank extravagance by some of our stockholders and Directors though we built the building for less than \$18,000.00. The building was paid for in three months time and, of course, was always considered a very good investment.

We were buying our raw material from local mills and some from the Wisconsin Mills. We were consuming practically a million pounds of raw stock per month.

In the latter part of 1916 we planned for a two machine Paper Mill. This expansion was finally agreed to by our stockholders. A stockholders meeting was called and the proposition put up to our stockholders, and in less than a half hour a million dollars worth of stock was subscribed to build the Mill.

An architect was employed, Mr. M.J. Billingham, and a Mill was designed. We all believed it was the very last word in paper mill construction. Of course, we received more criticism from others because the mill was built too large and the construction was too good. Time has proved that this criticism was not founded upon facts.

In six months time we were again crowded to the walls. The two paper machines were designed to run 500 feet a minute. At that time 500 feet on fine papers was considered very speedy. One machine was a 165" Pusey straight fourdrinier and the other was a Horne 116" Harper fourdrinier. The production of these two machines was around 2,000,000 per month.

Again we thought we were about the biggest mill in the world. The Parchment Division and the Wax Division could not consume all the paper these two machines made, so we put our surplus into bond and ledger papers. About this time we also hired a salesman.

For the first five or six years we sold all of our product from our desk and by occasional trips.

There was general rejoicing when the machines started out to make paper immediately and satisfactorily.

Shortly after the Mill was completed we entered the great world war and the prices of paper soared beyond the fondest dreams of the optimists, and we found our paper mill very profitable.

** CHAPTER XIV **

The Building of the Paper Mill

We think it important enough to mention some of the incidents that occurred in the building of Paper Mill No. 1.

The job of putting up the building was given to a contractor. After the foundations were in and the brick work about ready to start, this contractor went into bankruptcy because of previous bad investments he had made before coming on to the Parchment Job.

We took advantage of a clause in our contract that if he failed, we would take over his machinery and his crew to complete the Mill, which we did. It was the writer's first experience in a big building program, as the previous additions were very small. The experience that he had during the period of a year and a half when the Mill was being built was quite varied.

Wages kept rising every week or two. Labor was scarce, and a constant stream of men were going and coming. Materials were bought at advantageous prices and deliveries were hard to get because of advanced prices they were getting elsewhere.

We were very fortunate in starting the Mill at the time we did, as the paper made in this mill at the beginning was not up to standard but there was such a demand for paper that anything that looked like a sheet of paper was sold and no questions asked. In my 43 years in the paper business, it was the only time that I ever experienced where paper was bought and sold without inspection. I would not take a great deal for my experience in the building of the Mill.

** CHAPTER XV **

The Organizing and Building of the Glendale Pulp and Paper Co.

In the month of August, 1919, it occurred to a few of us that there was much money to be made in the reclaiming of waxed paper, obtaining the paraffin and also making pulp out of the de-waxed paper. We had been doing a little of this reclaiming in our Mill No. 1 and were using the pulp to fairly good advantage, so it occurred to us to organize a new Company known as the Glendale Pulp and Paper Company.

I talked to a few of the Directors of the Parchment Company about this and they all thought it was a good thing, so one morning from nine o'clock until half past ten, over the telephone, we received subscriptions for enough money to build the building and buy the machinery for this reclaiming business.

In this period, one year after the World War closed, the price of pulp and the price of paraffin were extremely high. Pulp was scarce and paraffin was scarce. So the building was put up in a hurry. We succeeded in purchasing a lot of second-hand beaters from Hopewell, Virginia where they had a plant that was being dismantled, that had been used for making gun cotton. We bought these at a very reasonable price.

In the course of about three months the machinery was all installed and we proceeded to purchase as much waste wax paper as we could. Most of it we got for nothing. About the most we paid was \$5 a ton. We only bought from nearby points so that the freight rates added but little. This business proved to be profitable from the start as long as the prices of pulp and paraffin were high. We succeeded in selling what we could not use in our own plant and it was going along very nicely until, of course, the market broke on pulp and paraffin, and price begun to tumble. Then we saw immediately that our new proposition would be a sad failure.

We saw that we could use this machinery and building in the parent Company, the Kalamazoo Vegetable Parchment Company, so we set in motion a program of merging the two companies, which was quickly done. The Parchment Company ran this new Institution for a while and found it could not be put on a paying basis, even with the new installation for reclaiming the paraffin. So finally it was dismantled and the building turned over to other purposes.

For several years we had much blood-sweating. It seems in the process of cleaning the wax from the paper we could get about all except the last one percent of paraffin. This one percent of paraffin that was left in the pulp, when the pulp was used to any large extent, made the sheet of paper quite spotty. Much of this pulp also that we had sold came back on us because it contained too much paraffin.

So it was finally decided to close out the business. This proposition still is a good one if all of the paraffin can be extracted from the pulp.

We ran into another phase that we had not figured on. While many of the wax paper manufacturers were pleased to get rid of their waste waxed paper because it was a nuisance to burn it in the yards, where quite a fire hazard was incurred, they were glad to ship us this waste at \$5 a ton; but finally the shippers assumed that we were making too much profit and they raised the price about \$2.50 a ton, then \$5 a ton, and when we stopped manufacturing we were paying as high as \$18 a ton.

So both in the buying of the raw material and selling the finished product, we received what is known on the street corner as a "monkey wrench in the wheels."

We would just like to add this to the brief remarks we make about this new venture of ours, and that is, it caused much bloodsweating.

When the whole matter was finished and the Company was wound up, we were much relieved and felt that we were wiser for the experience.

** CHAPTER XVI **

The Third Great Venture

In 1921 we conceived the idea that great advance strides were going to be made in Paper Making. The mills making newsprint had speeded up their machines to 1,000 feet per minute. So finally the bug struck us and struck us hard. We believed then and still believe that Fine Papers can be made at 1,000 feet per minute. It was our ambition, of course, to build a mill that would be the very latest thing in Paper Mills. The writer then took a trip to Europe to visit the various mills to learn all the economies and the departures from the old methods of making paper. He read everything he could read; but we found no one who would believe that a sheet of paper could be formed on any kind of a paper machine running 1,000 feet per minute.

We saw the newsprint that was being made at this speed. That paper was very rough and cloudy which would never do for fine papers. This did not discourage us because we felt that there was a way of doing it.

I could find no one in Europe who believed it could be done and no one in America who believed it could be done. It was simply blind faith that finally led us into the building of what is known as our No. 2 mill.

A man by the name of Monahan, had just severed his connection with a mill at Mosinee, Wisconsin, where he had run a fast machine making kraft paper. He was known as a sort of "speed king." He had joined forces with the Bagley and Sewall Paper Machine Builders at Watertown, New York. On his first trip out, he came to see us and he strengthened our faith by saying that he, too, believed that Fine Papers could be made at 1,000 feet per minute, and Bagley and Sewall were the people to make the machine.

So, finding one man who also believed as I did, we proceeded to sell the idea to our Directors. They listened patiently, some were reluctant, some believed as we believed, that it could be done. After a few weeks more of thinking and planning and figuring, we finally put the proposition up for final settlement to our Directors. They voted to build the New Mill.

In the next few intervening months we consulted many experts and anyone who had anything new, a departure from the old, we especially welcomed to come to see us. We believed if this was to be a new mill, it had to be new in all of its setup. Even wooden pipes were selected instead of steel pipes. Beaters twice the size of the old beaters! Instead of having an old fashioned drive to drive the machine, we were sold on the idea of an electric drive with synchronizing motors. There were departures from the old to the new from one end of the mill to the other.

Finally the day came when the mill was to be started. Many of these new departures proved to be a sad mistake. The wooden pipes leaked like a sieve and when we turned the water on we had a flood in the basement, and a lot of the electrical equipment was flooded

from the pipes leaking. We thought if we would let the water run for a day or so the pipes would swell and stop the leaking; but it never did. Finally we had to re-pipe the mill and put in steel pipes.

The synchronizing motors did not synchronize. The special new scheme that Mr. Monahan had designed for our presses did not work. There is only one way to straighten out a mill, and that is keep running and try to remedy the errors. Of course, when you would try to remedy some of these new features, the remedying would be as bad as the original. So for a period of a year or more this mill lost money at a terrific rate; in fact, we lost so much money that it was necessary to refinance the Company to keep afloat. We made about a million pounds of bond paper that could not be sold nor given away because of its softness. This machine also was made with variations in the diameter of the dryers. The paper that came over these dryers was wrinkled and wet in spots because of these variations. So we had the nice large finishing room stocked to the ceiling with paper that could not be given away. It was a serious situation. What was to be done about the matter!

I walked the floor at nights trying to find a way out. We changed the paper making crew every week or two; but the new crowd was no better than the first one. We finally discovered that the old paper makers were afraid of this machine. We likened the wild situation to a stable full of strange mules. The keepers not knowing the habits of these mules kept their distance. So it was with our paper makers - they kept their distance.

Finally a bright idea occurred to the writer that this soft and wrinkled paper would make an ideal wrapping paper. So we thought of the idea of using it ourselves and found it to be just as soft as a cloth or rag. So we decided to name this new paper "Klothwhite, the Aristocrat of the Wrapping papers - soft as a rag." We put a fancy price on it, sold it and cleaned out the mill in three or four weeks time at a good price - a much better price than we would have received by selling it for bond.

The mill was built at that time for Fine Papers, so we saw that the layout would not be satisfactory for the making of the Finer Papers, so we turned our attention to the wrapping line until the equipment could be so adjusted that Fine Papers could be made. During this adjusting period the writer's stock fell below par and we were severely criticized by everyone for ever entering into this venture and spoiling a perfectly good Company for the sake of the crazy idea of trying to make Fine Papers at 1,000 feet per minute. Never did I lose faith that it could be done and I assured our Directors that the time would come when this mill would be making money when others were losing money because of having discovered a method of making good paper at fast speed.

It would take a very, very large book to tell of all the humorous incidents and the sad incidents that occurred during the year 1924.

In 1923 a man by the name of Ralph Hayward came to Kalamazoo and talked to the paper manufacturers. He was teaching a course in Paper Engineering at the University of Michigan in Ann Arbor. The writer attended the meeting held at the Park American Hotel, listened to Mr. Hayward and felt that he knew paper manufacturing. We sort of felt the need of someone who would supervise the manufacturing of our Industry. So I asked Mr. Hayward to come to see us, which he promptly did, and I proposed to him that he give up his teaching in Paper Engineering and come with us where he could demonstrate his knowledge in a real practical way as we had quite a wild animal to tame, which was our fast machine, and he would get plenty of practical experience. Mr. Hayward finally consented and came with us.

The following ten years that have elapsed since that day have proved it to be a wise choice in adding him to the staff of the KVP Company.

In the year 1928 another machine was placed in the New Mill made by the Beloit Iron Works, Beloit, Wisconsin. This, too, was a fast machine and it took several years to get this machine acting properly.

Time has proved that our faith was well founded and at this writing these two machines are the only machines in the country making fine papers at the speeds at which they run, namely, from 800 to 900 feet per minute. It took a great deal of patience and much thinking.

Again let me remind the reader of this chapter that pioneering in any avenue of life is costly and is accompanied by much bloodsweating; but the reward is forthcoming when you stick to the task and solve the problem.

** CHAPTER XVII **

Smaller Additions to Manufacturing

From the very beginning of the Company practically every employee who came with the Company soon caught the spirit of finding new uses for paper and also finding improved methods of making paper. So in the twenty-five years of existence there has not been one week passed by where there has not been an improvement or change made in our manufacturing. Special Papers for Special Uses has been a hobby of this Company. So in the making of these special papers, special processes and special machinery had to be made and purchased.

From time to time it was necessary to create new departments as these new papers became favorably accepted by the trade. Practically every year of our existence we purchased a new printing press, a new waxing machine or a new winder or cutter.

We will take some of the more important additions as they come in order. The New Mill, which began to produce paper in large quantities, made it necessary to find an outlet for this tonnage. So immediately we began to shop around to try to find an outlet that would consume considerable tonnage. We had known a little, of course, about tablets and school papers from our experience in our younger days so we assumed this would be a good department to add to our growing business. So the Ruling and School Paper Division was introduced. We began, of course, in a modest way. Every succeeding year this Division has grown until at the present time we have seven Ruling Machines with stitchers and all the other paraphernalia for the making of this particular line of papers.

New papers were created for the meat packing trade and for the meat markets. This particular line has added considerably to the tonnage of our new mill. Our tonnage in 1924 was in the neighborhood of 900,000# per month, and today at this writing it is 4 1/2 million per month. The new butchers paper and market paper were largely responsible for this addition.

Our company was the first to make a transparent waxed paper. This business has been not only a good tonnage article but a steady one. At the present writing printed carton sealing papers loom up to be a tonnage proposition for the future.

Special equipment was necessary to attach to our printing presses in order to make a satisfactory printed waxed paper and sealing paper. We have been very fortunate in having a good crew of mechanics and engineers who designed these various attachments and in some cases entirely new machines for making these special papers.

After our consumption of plates and ink began to increase and become very heavy, we decided to take the old Glendale Pulp and Paper Company plant and utilize its space for the making of zinc etchings and stereotype plates, and the second floor of this building is now being used for making ink and a service print shop.

In the Parchment Division there has been added a Specialty Department which is just in its infancy at this writing. Special machinery has been placed in the Specialty Division such as a creping machine where Parchment Paper is creped for the use of boiling hams and for hot tamale wrappers. The many household papers we have are also made in this division: shelf and lining paper of various colors and grades -- adding machine paper -- waterproof paper used for obstetrical purposes -- undertakers sheets used in the embalming process -- pie tapes, a narrow strip of creped Parchment used around pie tins to keep the juice from running out of the pies while being baked -- Cleaning, dusting and polishing paper which has grown to be quite a tonnage item.

The KVP Company were the first manufacturers to put up Shelf and Lining paper and also Waxed Paper in continuous roll form. This line has been a satisfactory one. It has advertised the Company to great extent and also has been profitable.

Tremendous changes also have been made in our power plants. In the past decade many new improvements have been made in the production of steam. It was necessary to make the changes in our power plants to keep up to date and keep these plants in the most economical condition. At this writing we think we have the most economical power plants of any industry in the country. Judging the future from the past, we believe that five or six years hence they also will be as obsolete as our old power plants were.

A growing concern meets many perplexing problems. They can be likened unto a boy who is growing fast and outgrows his trousers, shoes and hats in a few months time. For a plant that has grown from a fifty thousand dollar concern to an eleven million dollar concern in twenty-five years, you can readily visualize the changes that are necessary to be made to keep up with the improvement demanded by the trade.

When Mill No. 1 was built we built the highest smoke stack in the State of Michigan - 285 feet high. We felt very proud of the fact that this was the highest stack and we spared no pains to let the world know that we had the largest stack. An engineer came through this way and saw the stack and said to the writer, "That is a fine monument to your stupidity." We have learned since that the man was right. So what we once thought was wonderful has turned out to be ridiculous. This we have found true with many things we have done. There is no perfection in this world. The process that is good today is ready for the museum tomorrow.

We have been very much influenced by what we heard many years ago of Andrew Carnegie when he said, "A good President of a Railroad is one who junks a locomotive every morning and gets the improved one." We are thoroughly possessed with the idea that in order to win in this competitive age you must be ace-high in your equipment. We will have more to say in a succeeding chapter concerning Man Power.

This year, 1934, three additions have been put on to the plant. One, a stock room to store about 8,000 tons of pulp. When prices are low on pulp, we can purchase a good quantity and store it in this building. Also, an addition to the Power Plant has been made and a new roll Grinding Room and a Coating Room are now in the process of erection. An addition to the Community House that will fill a long-felt want for the employees and people of the Community is also being made.

In 1928 the Directors of our Company kindly consented to the building of a new office. Our offices were scattered throughout the plant and made it very inconvenient to get in touch with the various Sales Managers and their assistants, so a modest office was built. It has three floors -- the first floor is used for the Purchasing Department, Advertising, and Employment and time-keeping offices. The second floor, for the General Accounting, and side rooms for the Chief Executives, the third floor is given over entirely to the Sales end of the business and recording orders for our product. It is equipped with an automatic telephone system that reaches any part of the mill and also has air conditioning apparatus so we have about a 75 degree temperature winter and summer.

The past few years have proved to us that it is a good investment to have the air conditioning system. We found it to be a sure cure for hay fever and asthma and also for the general efficiency of the men and women.

PART II"Principles, Policies, Methods of Advertising and Selling."

Chapter 1

Principles

The principles that govern an Institution may be likened unto the footings of a building. No building is stronger than its footings.

The following are a few of the outstanding principles that have governed the Institution from its inception.

1. All actions are governed, all problems solved, all questions answered by applying the acid test, which is - "Is this thing right or is it wrong?" If wrong, no matter how profitable, we advise not to do it. You will be the loser in the end.
2. No run of paper is quite good enough. We must try to make it better tomorrow. We encourage this dissatisfaction in all of our employees. Perfection is the goal, though we know how impossible it is to reach it. But at least it is a good mark to shoot at. Each step in the process of manufacture of paper can be improved. Improvements for economy and quality will be made by someone, sometime, somewhere. Why not now, and why not here?
3. A just and humane attitude toward employees. We have found by experience that red-blooded, worth while men want no more nor less. Such employees know and recognize that the investors and customers must share in this justice. Robbing Peter to pay Paul will last but a fortnight and then you will come to grief.

The KVP Company is not in business primarily to make money. My observation of men obsessed with this objective alone have been that they never make much money. This Company is in business to serve humanity and their needs for paper. We are certain if this Company had but this one objective in mind - to serve with all our heart and with all our soul and with all our strength, there would profit aplenty and it would come in regularly.

The founders of Rotary believed this principle and adopted it for the Rotary Motto - "He profits most who serves best." No company will ever be found wanting that religiously keeps the spirit of service to the front and the profit in the rear.

To run a business without a reasonable profit is as much a sin as asking an exorbitant profit for your product.

4. In all things keep in the middle of the road. Extremes lead to disaster.
5. Every individual, from the office boy to the Chief Executive, must develop the spirit and forever keep it alive -- the welfare of the Company first, self second. If the Company prospers, so should and must the individuals participate in like proportion.
6. Cleanliness and orderliness is law here. clean Clean paper can only be made in a clean mill by clean workmen. Men and women with clean minds, high high standard of morals, are always preferred, as the product they make will have reflected in it the personality of its workers.
7. The Chief Executive reserves unto himself the right to do all the necessary cussing, fighting and boozing.

These few principles, when boiled down, are in reality, "The Golden Rule." We can very easily prove from many years in actual business and from observation and careful analysis of business men who have won and who have lost that the Golden Rule in business is not baloney, but a profitable method of conducting a business.

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