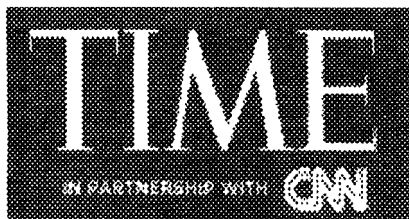


FILE NAME: Crane Company (CRC)

DATE: 1959 May

DOC#: CRC016

DOCUMENT DESCRIPTION: Magazine Article - TIME - Corporations:  
Heirloom Collector


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Monday, May. 11, 1959

## CORPORATIONS: Heirloom Collector

The ranking heirloom collector of U.S. business is a Pittsburgh millionaire named Thomas Mellon Evans. His heirlooms are old, family-owned business enterprises that have fallen on hard times, and his specialty is modernizing them. Last week Tom Evans, chairman of Pittsburgh's H. K. Porter Co., Inc., an industrial combine with assets of \$57 million, added another heirloom. He took over as board chairman and chief executive officer of Chicago's Crane Co., the nation's largest manufacturer of valves, fittings and pipes, in a shake-up of 104-year-old Crane's management.

Evans cast his collector's eye on Crane in the fall of 1957, when the company's sales were slipping from a record \$394 million in 1956 to \$378 million. He began buying up stock, asked to get on the Crane board, but was turned down. As Crane sales dropped to \$336 million in 1958, Evans decided that the time was ripe to move, called in Proxy-Battler Alfons Landa, boss of Penn-Texas Corp., to help.

Stock Control. Hoping to avoid a proxy fight, Evans and Landa persuaded Gurdon Wattles, chairman of Electric Auto-Lite Co. and a Crane director, to back them with 322,900 shares of Crane stock owned by Auto-Lite. They also went to Mrs. Emily Crane Chadbourne, 89, only living daughter of Crane's founder, explained that Evans' chief argument with Crane President Neele E. Stearns was over Stearns's slowness in expanding the firm's inadequate network of independent wholesalers. Proof of Evans' complaint was Crane's first-quarter earnings (23¢ per share v. 21¢ last year), which did not show the strong comeback from the recession of Crane's chief competitors. Mrs. Chadbourne decided to back Evans and Landa with her 120,759 shares, and they agreed to put Grandnephew Robert Crane on the board.

Meantime, Evans himself had continued buying Crane stock until he had amassed 155,000 shares.

This, together with the Wattles and Chadbourne shares, gave him 25% of Crane's stock, enough to do what he wanted. Evans and Landa placed four new directors on the board, and Stearns resigned when he saw his power drained away by the insurgents.

Cold Cash. Tom Evans, at 48, has amassed a fortune with his knack for changing corporate hard times into good times. He started at 28 by taking over H. K. Porter Co., money-losing locomotive manufacturer, built it up into a profitable combine of 18 divisions specializing in electrical and steel products. In the last 15 years he has acquired more than 30 companies.

Evans built his pyramid with cold cash. When he won control of a company, he nurtured it until it began to generate cash, then used the cash to buy yet another company. In the first quarter Porter's sales rose from last year's \$32 million to \$52 million, its profits from 51¢ per share to \$1.30, after a merger with one of its subsidiaries. For Crane, Tom Evans hopes to turn a similar trick.

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