# Covering the Earth
## 1885-1919

*The young company's most successful product was SWP, a prepared paint for architectural uses (below). The best advertisements for SWP were testimonials from professional painters and brightly colored Victorian buildings.*



In the four decades after its entry into the ready-mix paint business, the Sherwin-Williams Company grew to become the largest producer of paints and varnishes in the world, with substantial presences in Canada, England, Australia, and New Zealand. This was a remarkable achievement, for at its founding, Sherwin-Williams was but one of hundreds of small paint manufacturers based in the United States. It rose to prominence, moreover, amid older, larger, better endowed, and better established competitors. And although it gained from the rapidly growing economy of northeast Ohio, its leading competitors, based in the East and in Chicago, sold to markets that were growing still faster.

To Williams, who reflected on the matter late in life, the source of the company's success was clear: it was "entirely due" to the policy adopted at the outset by the managers of the business, and which had been "adhered to, with very few changes, ever since." As he explained,

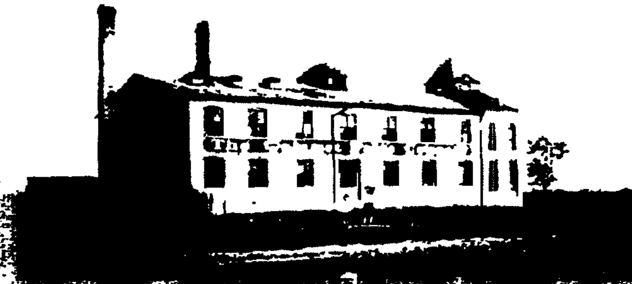
> This policy involved a thorough and comprehensive organization of the business to its minutest details; a determination to sell only such goods as were the best and which would be found to be so by our customers; and a representation in the way of traveling salesmen which should be of such a high quality as could not fail to make its force recognized by all with whom it might come in contact. In short, perfect organization, perfect goods and perfect and honest representation...persistently adhered to....

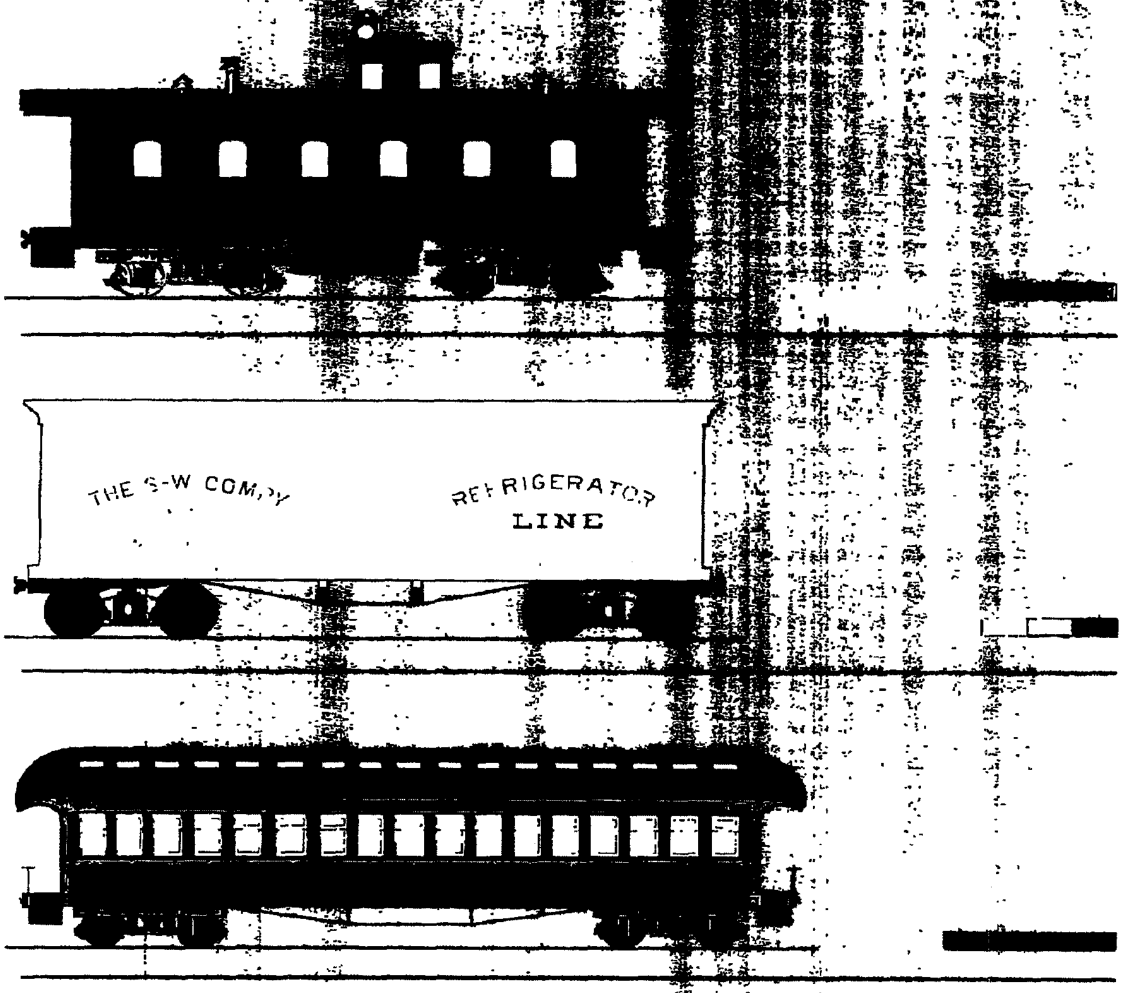
Had he been asked, Williams might also have listed other reasons for the company's success, including the determination of its leaders to grow the business. As Sherwin himself observed, competition "did not check our efforts for further extension, but on the contrary it served as a tonic, arousing our ambition to catch up and get ahead of the older houses." In his view, everyone "associated with me felt this new energy, which has never left us. To me, the whole thing became like a game or contest in which I took the keenest pleasure."

Sherwin-Williams began to carve out a distinctive image at an early date. Although SWP, its most successful product by far, was used primarily as an exterior house paint, the company sought to develop high-quality products for commercial and industrial applications. An early slogan ran, "the right quality paint and varnish for every surface." The company sold coatings for use on railroad cars, carriages and buggies, manufacturing equipment, and ships and marine equipment, as well as for the interior and exterior of commercial and residential buildings.

In pursuing this strategy, Sherwin-Williams positioned itself to take advantage of the booming growth of the U.S. economy. The development of the

*Prodded by Vice President Williams, the company expanded into specialty finishes, such as those used on rolling stock for the railroads (below). In 1888, Sherwin-Williams acquired controlling interest in the Calumet Paint Company of Chicago, a concern that catered to the railroads and the burgeoning manufacturing industries of the Midwest (right).*





railroad and telegraph networks made it possible to break out beyond regional markets and to serve the growing national market. Sherwin-Williams was among the first American companies—and probably the first American paint company—to recognize the possibilities of such an opportunity.

In 1887, Sherwin-Williams opened an office in New York, and signs of growth were apparent throughout the company. Sales of railway paints, for instance, grew spectacularly. The company could hardly have chosen a larger and more promising industry to serve. Railroads were the nation's first billion dollar industry; by 1880, investment in railroads amounted to $4.6 billion, a total that doubled within the decade. Railroads were a particular interest of Williams who "attended many meetings of the Railway Master Car Builders and other railway operating executives." He also "followed closely the development of freight car paint, passenger car colors, and other railway specialties." In 1883, the company employed a full-time salesman dedicated to developing the market for railway paints.

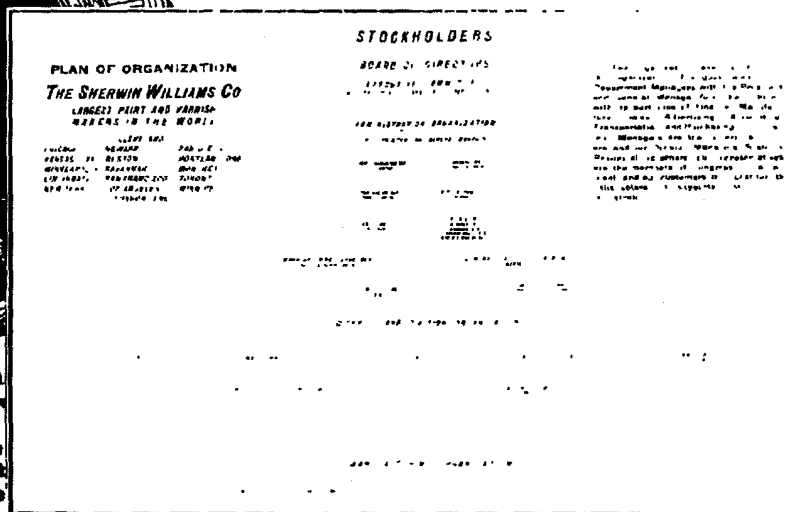
By 1888, profits were sufficiently robust to allow Sherwin-Williams to repay capital supplied by Murphy & Co. and to terminate its relationship with that New York concern. In the same year, the company completed its first acquisition, purchasing controlling interest in the Calumet Paint Company of Chicago from the Pullman Standard Car Company, maker of the famous railroad sleeping cars. This transaction yielded multiple dividends. Not only did it provide the steady business of supplying one of America's largest companies but it also boosted Sherwin-Williams's presence in Chicago, home of the McCormick Harvesting Machinery Company (later better known as International Harvester and today, as Navistar) and the agricultural equipment industry. Yet another benefit was the opportunity to employ a young, hard-charging Chicago paint-maker named George A. Martin, who eventually rose to become Sherwin-Williams's third president.

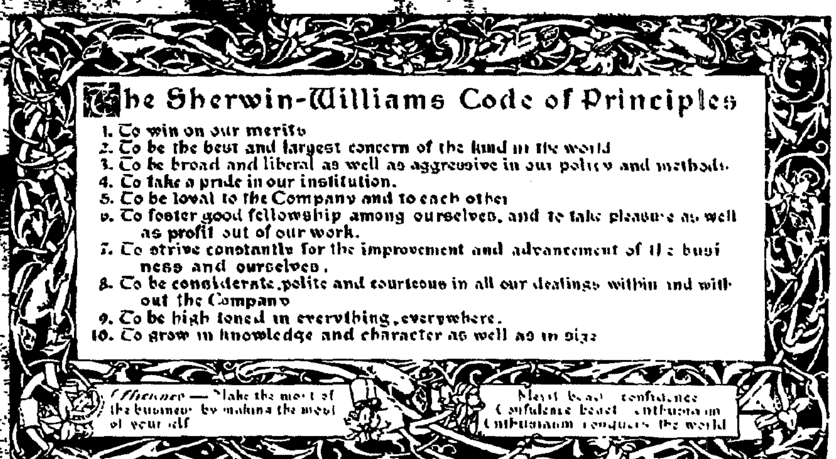
Sherwin-Williams posted its first $1 million sales year in 1890, while capital in the business had grown to $500,000. These milestones marked the way to continuing growth and prosperity. Two years later, the company cemented an important connection in Canada by establishing an agency relationship with Walter H. Cottingham, a Montreal paint-maker. Born in 1866, the year when Sherwin entered the paint industry, Cottingham pursued a career that in many respects paralleled Sherwin's, but was marked by even greater ambition.

According to an early biographer, Cottingham's "school days were not too numerous." At the age of 15 he worked as a clerk in a hardware store in Peterboro, Ontario. From there, he moved to Montreal, where he also traded in hardware and paints. By his 25th birthday, he had made himself into "a miniature captain of industry." He was proprietor in his own paint-making company, Walter H. Cottingham & Co.; senior partner of Cottingham, Robinson & Co., a

*During the tenures of Walter H. Cottingham (left) as general manager and president (1898-1922), Sherwin-Williams expanded forty-fold.*

*Among Cottingham's legacies were systematic organization, represented by a chart from 1904 (above), and inspirational sales tactics. In 1906, he drafted the Sherwin-Williams Code of Principles, a set of business and ethical precepts that continue to guide the company today (below).*

The Sherwin-Williams Code of Principles

1. To win on our merits
2. To be the best and largest concern of the kind in the world
3. To be broad and liberal as well as aggressive in our policy and methods.
4. To take a pride in our institution.
5. To be loyal to the Company and to each other
6. To foster good fellowship among ourselves, and to take pleasure as well as profit out of our work.
7. To strive constantly for the improvement and advancement of the business and ourselves.
8. To be considerate, polite and courteous in all our dealings within and without the Company
9. To be high toned in everything, everywhere.
10. To grow in knowledge and character as well as in size

Efficiency — Make the most of the business by making the most of yourself

Merit begets confidence
Confidence begets enthusiasm
Enthusiasm conquers the world

company that specialized in dyes and dyestuffs; proprietor of the Windsor Chemical Company, makers of gold paint and gold specialties; proprietor of the St. Lawrence Canoe and Boat Company, makers and dealers in canoes, boats, and fittings; and director of the Non-Chemical Laundry Company. Cottingham possessed outstanding gifts as a salesman, a quality that endeared him to his associates in Cleveland. It was said, for example, that "though his goods were higher priced than others, Mr. Cottingham argued that they were worth more and then and there proved his selling ability by making a success of the different lines."

By 1897, the agency relationship between Cottingham and Sherwin-Williams had blossomed, first into joint investment in a Montreal plant to manufacture SWP, and then into a full-fledged merger. The next year, Cottingham moved to Cleveland to assume duties as general manager of the company. From that time forward, until his retirement in 1922, he was the most dynamic force in the company. In 1903, following Williams's death, he was elected vice president and general manager; in 1909, when Sherwin retired to become chairman of the board, Cottingham was named president. Under his leadership, Sherwin-Williams pursued a strategy of aggressive expansion.

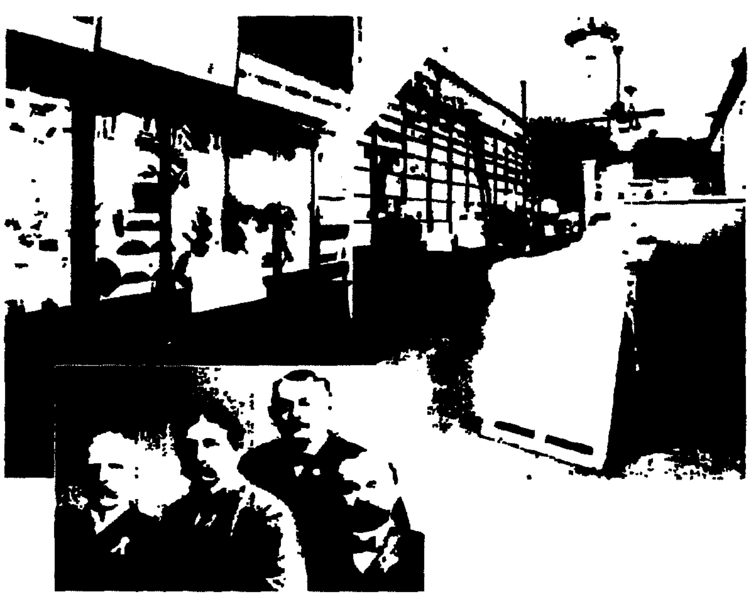
Cottingham is little known in business history, although as a salesman and organization builder, he bears comparison to such legendary figures among his contemporaries as John H. Patterson, the charismatic leader of National Cash Register; Asa Candler, the leader who built Coca-Cola into a national brand; and Harley and William Procter, the architects of the modern Procter & Gamble. Indeed, Cottingham had few peers as an inspirational salesman. "Enthusiasm is a good thing," he proclaimed. "It is good to be enthusiastic over the firm you represent. It is not a bad thing to be enthusiastic over yourself." And he went on to note, "But it is even greater if you can instill enthusiasm in others for your goods, your firm, and yourself. Get into something where you can be enthusiastic; your chances of success will be even greater there."

The themes of his messages and speeches to the sales force at Sherwin-Williams were always uplifting: "Enthusiasm," "Pluck," "Courage," "Do It Now," "Staying Power," "Ambition," "The Fight is On," and "Forward Again!" were titles of his editorials in the employee magazine, *The Chameleon*. As one admirer noted, "Mr. Cottingham imparts enthusiasm to others as the sun warms that which it shines on. Roads that look steep, hazardous, and absolutely impassable, lose their horror after a five-minute talk with him." In fact, he explained, "the angle of vision changes and barriers that appeared to be made of stone turn out to be only 'near-stone' and not in the least formidable." A favorite Cottingham saying noted that "the way to get business is to go after it—don't wait for it to come to you. Others are keen for business. Get there early. Get there first. Get out and hustle."

# Mixing Confidence with Paint

*In the 1880s, salesmen such as E.E. Lewis, C.S. Wheeler, D.E. Fisher, and A.W. "Judge" Ballard (pictured at bottom) were assigned regional territories in which to peddle Sherwin-Williams paints.*

*Later, the company supplemented its wholesale trade with retail establishments, such as Walter Cottingham's agency in Montreal (top, pictured in 1895) and a store in Binghamton, New York (middle, pictured in 1910).*



In 1897, Sherwin published an editorial in *The Chameleon* that captured his business philosophy and his folksy directness in four brisk paragraphs. Called "Mixing Confidence with Paint," it ran as follows:

"Ninety-nine out of every one hundred persons whom we meet know very little about paints and colors. Few people have occasion to consider the subject of house painting oftener than once in five years. Unscrupulous manufacturers of, or dealers in, paint have taken advantage of this common lack of knowledge, and by gross misrepresentation have induced the gullible to buy the most worthless stuff which is guaranteed in the strongest terms to be the best paint.

"'Once bit, twice shy,' is characteristic of the man who has bought 'dope' labeled 'mixed paint.' It is pointedly true of paint, that 'You can fool all of the people some of the time; you can fool some of the people all of the time; but you can't fool all of the people all of the time.'

"We have believed that it was good paint policy to fool none of the people none of the time.

"We have studiously tried to mix confidence with our paints and colors. At every opportunity we have tried to impress upon all who sell our products that the most important thing to teach the paint-using public in connection with our name was confidence in anything that bears our label."

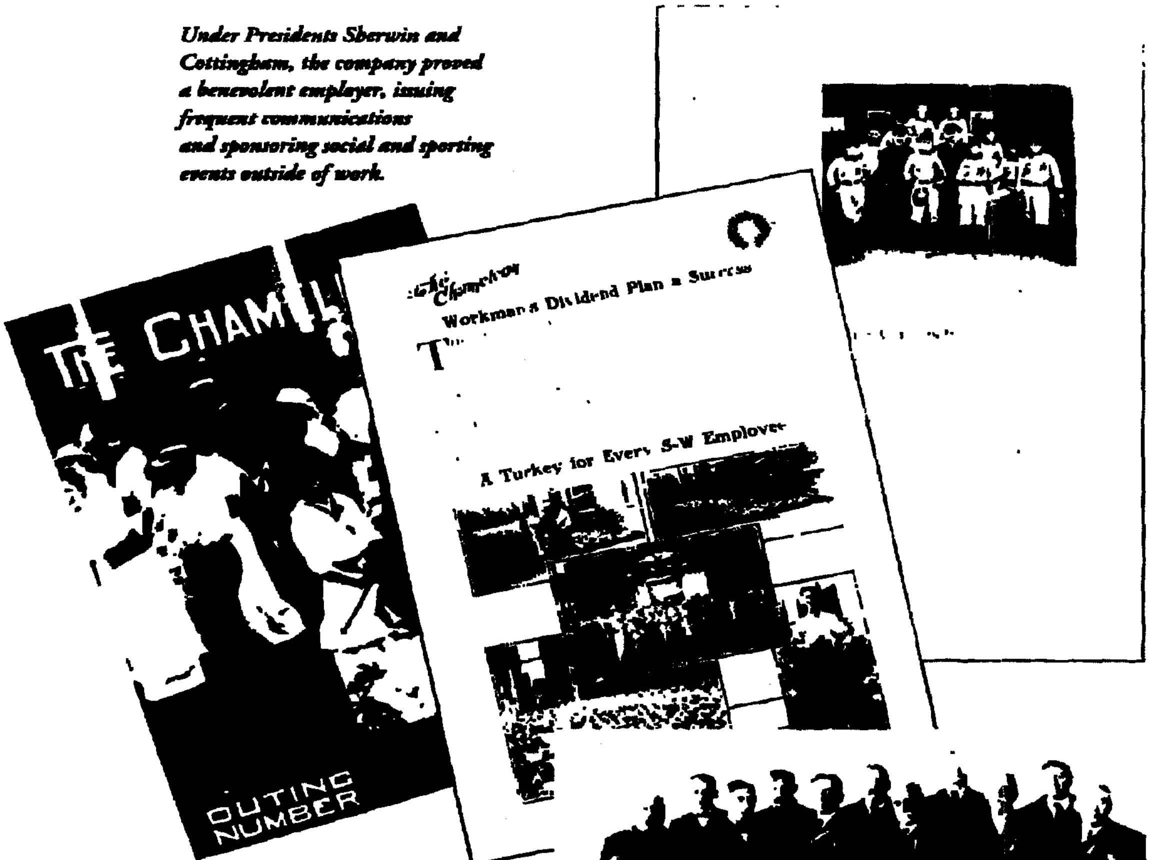
Cottingham's talents extended far beyond rhetoric, and his business strategy and methods proved remarkably effective. They began with a vision to cover the earth with Sherwin-Williams paints. This notion, which advertising manager George W. Ford had sketched as early as 1893, was eventually captured in a new corporate logo. The official change came in 1905, when Cottingham persuaded Sherwin to abandon the chameleon logo. Sherwin had initially balked at the "Cover the Earth" image, not because he disliked it, but because he believed that it was inaccurate. At that time, the company's business focused exclusively on North America. Cottingham countered by agreeing that the new symbol was not strictly accurate, but he argued that it soon would be.

Cottingham also displayed a genius for organization. "Business without system is like a ship without a rudder," he said. "System insures a straight course and a smooth successful voyage over the sea of commerce." For Sherwin-Williams, this meant an organizational structure and supporting policies that encouraged efficient production and helped promote sales. The factories in Cleveland, Chicago, and Montreal were the responsibility of J.C. Beardslee, who served as general superintendent from 1886 to 1910. Distribution and sales were handled by dealers and agents who were given exclusive rights to sell Sherwin-Williams products in their trading area. Following Cottingham's arrival in Cleveland, the company established dealerships and opened warehouses throughout North America at a furious clip. By 1904, when the company printed its first organization chart, distribution and sales were organized on a regional basis, with the United States and Canada divided into five districts, each consisting of several divisions that included depots, warehouses, and, in a few rare instances, retail agencies. These agencies were established by Sherwin-Williams in small-to-medium-size towns such as Worcester, Massachusetts; San Diego, California (1890 population of 16,159); and Binghamton, New York. These retail outlets transacted business under their own names and sold Sherwin-Williams products directly to consumers. Some warehouses also included retail stores, although the company did not encourage this practice.

More important than the formal structure of Sherwin-Williams was the spirit that animated it. As Cottingham put it, "the greatest factor in building a large business is organization" and "the greatest factor in organization, in my estimation, is the human factor." He pointed out that "the reputation of the Company depends quite as much upon the character of men who represent us as it does upon the character of our goods and our office methods." Accordingly, the company took pains to recruit employees with qualities similar to those of its leaders: industry, honesty, courtesy, sobriety, and, of course, enthusiasm.

To offset the seasonal swings of the business—most painting occurred in the warm weather months—Cottingham launched annual efforts in the spring to

*Under Presidents Sherwin and Cottingham, the company proved a benevolent employer, issuing frequent communications and sponsoring social and sporting events outside of work.*




*In 1906, these veterans celebrated a quarter century of employment with Sherwin-Williams.*

*From its earliest days, the company employed many women in factory and office positions. Pictured: The headquarters office in 1905.*

increase business, and charged representatives "not only to hold and increase old trade, but to prosecute a campaign for new accounts." As a company manual put it,

> Remember that good paints and varnishes are worth a good price. Quality always has a value. The best salesmanship, as well as the best manufacturing and merchandising successes have been built upon quality with a fair price for it. No permanent or satisfactory success is ever made by selling goods for less than they are worth or in pushing a business on a price basis alone. There is no middle road. You must either build a business on quality and get the price for it, or build on price and make the quality to fit it. The Sherwin-Williams Co., at its start, chose the first, and have adhered to it ever since, and they expect and demand that their representatives should stand for the same principle. Be a quality man. Think quality, talk quality, sell quality. If you back up the goods, the goods will back you up.

Like Sherwin, Cottingham was a stickler for detail, order, and neatness. Also like Sherwin, who had established the first company lunchroom, Cottingham insisted on providing congenial conditions of work for employees, including "the best of lighting, heating and ventilating facilities" as well as "clean and attractive cloak rooms, lockers, and lavatories." He insisted that "there should also be, if possible, lunch rooms, reading rooms, and rest rooms." Such investments, Cottingham believed, made good business sense: "This sort of work should never be done in the spirit of charity or in a patronizing kind of way, but solely on the basis that a good staff is deserving of the best and fairest kind of treatment, and that anything that increases the efficiency of the staff is profitable to the business."

Cottingham approached the training and motivation of employees with characteristic thoroughness. Annual meetings of managers and sales representatives to exchange news and information had started in 1881. Under Cottingham, these meetings grew into conventions during which management reviewed the year's results and offered projections for the coming year, and speakers made formal presentations and led discussions on important business topics. Cottingham instituted other meetings and organizations to help improve business skills and build morale. The Get-Together Club, which consisted of department heads and their assistants, started as a debating society to help members hone speaking and presentation abilities and grew into a kind of general management committee. A similar organization, the Foreman's Club, assembled every two weeks "for instruction and entertainment" and provided an opportunity for supervisory personnel to become better acquainted with each other and their work.

In 1911, reflecting the company's successful national advertising campaign around the theme "Brighten Up Finishes," female employees in the different divisions organized "Brighten Up Girls" clubs. Affectionately known as "BUG clubs," these groups supported charitable activities and engaged in volunteer service. Other

# S-W-P! Rah! Rah! Rah! Rah!

During the 1980s, when Americans searched for the secret of Japanese success in global competition, some observers pointed to the cohesive cultures of Japanese companies. These analysts cited the practice in some Japanese companies of encouraging employees to sing company songs as accounting for part of this cohesive spirit. In this respect, the Japanese were following old American examples. Starting in the late nineteenth century and for many years thereafter, Sherwin-Williams' annual conventions of managers and sales representatives kicked off with the company cheer and inspirational songs. A sample:

**Rainbow Makers**
Tune: "Let Me Call You Sweetheart"

Let's bring in the orders
For good old S.W.P.
Let's paint all creation
As it really ought to be
Show the world our colors.
That will never fade,
Sherwin-Williams Products
Are the choicest made.

**Onward Sherwin-Williams**
Tune: "On Wisconsin"

Sherwin-Williams! Sherwin-Williams!
Flashed in nightly flame.
Old and trusted standards practiced
Have spread wide your fame.
Sherwin-Williams! Sherwin-Williams!
Grander dreams begin
Strive, staunchly strive
For greater fields to win.

And one of the few songs ever composed about vertical integration:

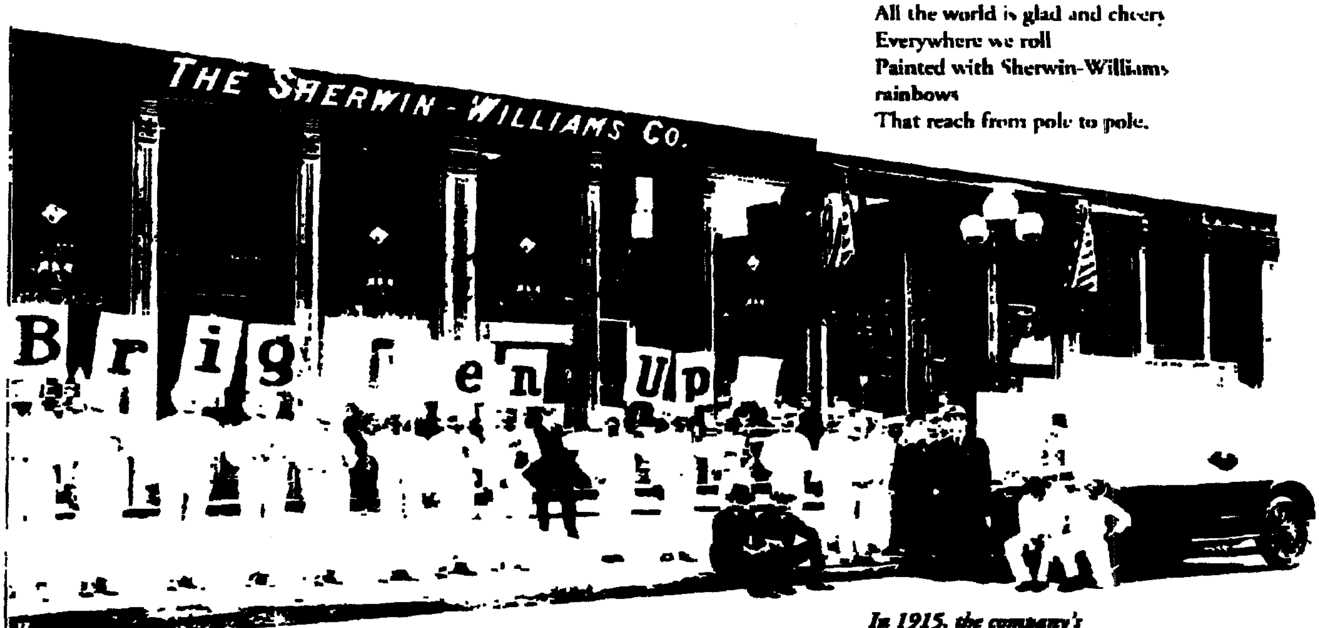
**We Cover The Earth**
Tune: "Swanee River"

All 'round this wide, wide world of ours,
Our paints do flow
Where they withstand the rain and sunshine
And all the gales that blow.

Chorus:
All the world knows Sherwin Williams
Everywhere you go
That's 'cause we work and play together
That's why we grow and grow.

Second Verse:
Down from the darkest mines our paints come.
From pine woods tall;
From countless magic sources gathered
We're sure to know them all.

Chorus:
All the world is glad and cheery
Everywhere we roll
Painted with Sherwin-Williams rainbows
That reach from pole to pole.




*In 1915, the company's "Brighten Up" sales campaign enlivened the dedication of its retail store in Columbus, Ohio.*

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company-sponsored organizations included a glee club, a debating club, a baseball team, and a benefit society. Many meetings and events were launched by shouting the company cheer—"Sis—! Boom! Ah—h—h! S-W-P! Rah! Rah! Rah!"—or by singing Sherwin-Williams songs, with inspirational or amusing lyrics about the company set to popular tunes of the day.

As the company grew larger, the officers found it useful to distribute information about the company in written form "to let the staff know what we are driving at." In 1897, *The Chameleon* made the first of its regular monthly appearances. It reported information on the business, offered advice and instruction to sales people, and included news of organization and personnel changes. Sherwin edited the first several issues, which sought "to keep everyone in the organization interested in what the company is doing as a whole." In November 1906, at the banquet opening the annual convention, Cottingham introduced "The Sherwin-Williams Code of Principles," ten points that embodied the company's general philosophy. "We put them into the hands of every man who comes into the concern, that he may know what the Sherwin-Williams concern is striving for and what they stand for."

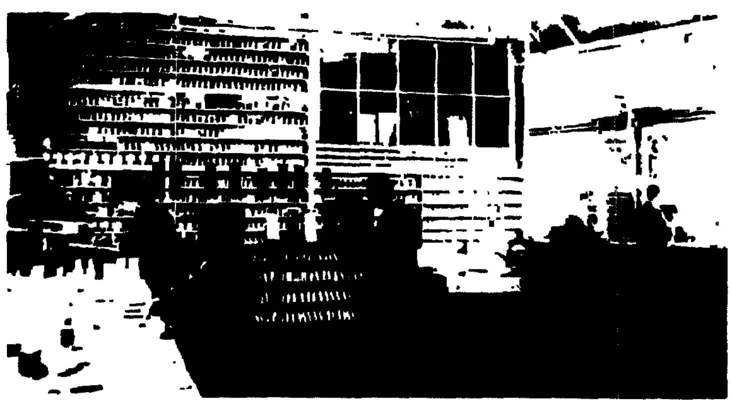
The company's aids for sales representatives were exceptionally comprehensive. *The Representative's Handbook*, introduced in 1907, ran nearly 450 pages in length and covered virtually every aspect of the Sherwin-Williams organization and operation. "The boys call it the Sherwin-Williams Bible," remarked Cottingham, who added that "We expect them to know it a good deal better than the average man knows his Bible." A stream of official bulletins offering news of new products, tips on selling, and changes in organization and procedures supplemented the handbook. To stimulate still better sales, Cottingham created the "Top-Notcher" list. Employees who exceeded sales forecasts by the greatest margin, or who otherwise contributed measurably to the company's success had their names inscribed on a trophy and were awarded bonuses.

Cottingham's inspirational leadership and sales innovations accounted for much of Sherwin-Williams growth during the quarter century after he assumed the position of general manager. A strong believer in the value of a diverse product line, Cottingham defined the company's business as making "finishing materials for all uses" and "not one paint for all purposes but a special paint for each purpose." Sherwin-Williams manufactured a dazzling variety of over 600 distinct products: paints, varnishes, colors, stains, and enamels. In fact, a company publication noted, "the only thing of the kind that the Sherwin-Williams Co. doesn't make is artists' colors."

The company remained at the forefront of paint-making and varnish-making technology. To gain greater control over the raw materials it needed, Sherwin-Williams made a series of investments and acquisitions between 1890 and 1910. This vertical integration started on a modest scale, with the company making its own wooden boxes for shipping cans of paint. (The company had made its own paint containers since 1874.) In 1890, the company purchased a steamship, the *A.G. Lindsey*, to carry


*Under Cottingham's leadership, Sherwin-Williams expanded aggressively, supplying its requirements for linseed oil at a plant along the Cuyahoga River in Cleveland.*

*Employees at the new paint factory in Newark, New Jersey celebrate Armistice Day, 1918.*



*The company's affiliation with Lewis Berger & Sons of London provided access to markets throughout the British Commonwealth. Pictured: probably the laboratory at Berger & Sons in the early 20th century.*

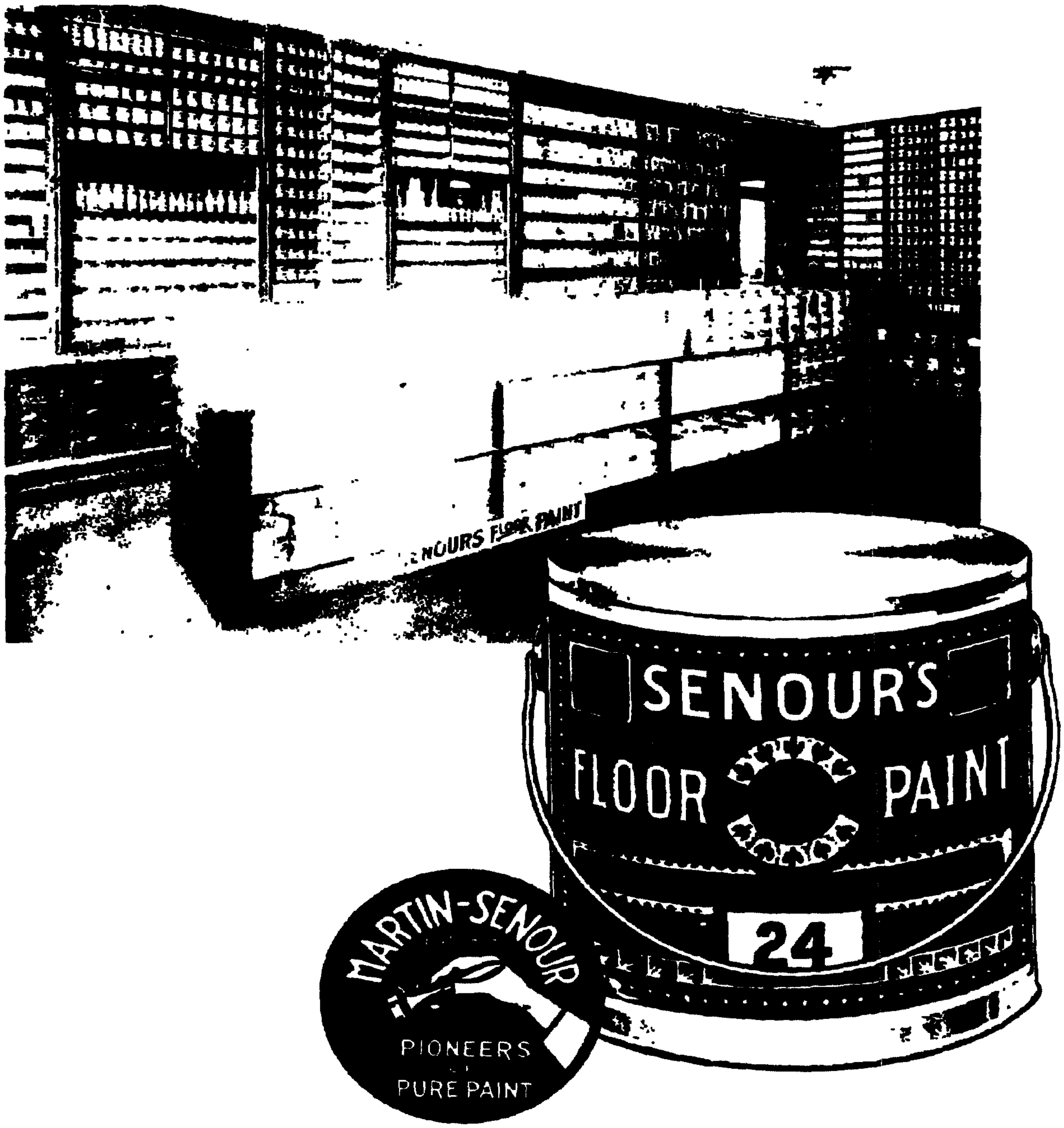
lumber for these boxes from Minnesota across the Great Lakes to Cleveland. Far more ambitious was an investment in 1902 to build a linseed oil plant in Cleveland. Two years later, the company acquired a mine in Magdalena, New Mexico, to produce zinc oxide, and a smelter in Joplin, Missouri; soon thereafter, the company built a new smelter in Coffeyville, Kansas. And in 1910, Sherwin-Williams purchased a Detroit pigment manufacturer.

Expansion was not limited to vertical integration. During the same period, Sherwin-Williams built new paint and varnish factories in Newark, New Jersey, and Oakland, California. In pursuit of Cottingham's dream to supply Sherwin-Williams paints around the globe, the company forged an alliance with the well-regarded London firm of Lewis Berger & Sons, Ltd., in 1905. Berger & Sons, whose origins stretched back to the eighteenth century, was renowned as a maker of fine paints and high-quality colors for coaches. The company brought to Sherwin-Williams, or soon added, operations and outposts in Canada, Australia, New Zealand, South Africa, India, and China. The arrangement called for the two companies "to work entirely separately, but to aid one another where help was needed or likely to assist in bringing in new business." Sherwin-Williams also established agencies in Paris and Berlin and shipped paints to several ports in the Caribbean and in South America.

The character of paint manufacturing was changing dramatically in this period. The age-old practice of mixing paints from natural raw materials was giving way to more scientific and controlled paint-making, using chemically refined ingredients. A sign of changing times was the career of E.C. Holton, who was hired to replace Neyman as chief chemist in 1892. The company's research lab at this time was essentially a one-man operation that focused on testing samples and quality control. In 1896, with encouragement from senior managers, Holton supervised the production of dry colors from basic and intermediate chemicals, making an eosine vermillion at Cleveland. Three years later, the manufacture of dry colors was relocated to more spacious quarters in Chicago. By then, colors included chrome greens, iron blues, and many others.

Production of dry colors marked a significant technological advance. In 1898, Sherwin-Williams reached another important technical milestone when it began making varnishes under its own label. These products also required close chemical control and by 1906, Holton directed a technical team that included nine paint and color chemists. The experimental department then included "a complete paint factory on a small scale devoted exclusively to the making of experimental and sample batches of all classes of paint."

During World War I, the technology of paint-making was further transformed. Before 1914, American manufacturers relied heavily on dyes and dyestuffs imported from Germany to make dry colors. Once fighting began, however, these




*The Martin-Senour Company of Chicago joined the Sherwin-Williams family in 1917, bringing its own network of factories and stores and a reputation for producing paints with outstanding colors.*

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chemicals were subject to embargo, and American chemical companies and paint-makers scrambled to supply their own requirements. The imported dyes were derived from coal tar, and their production demanded a high level of sophistication in chemistry and chemical engineering. With Cottingham's blessing, Sherwin-Williams established a Chemical Products Department staffed by organic chemists, including Nathan E. van Stone and several other chemists recruited from abroad. After "very exhaustive research work," the company, in 1915, "developed a complete line of intermediates and dyes for color making equal in every respect to the previously imported material." During the war, Sherwin-Williams also built a plant to make lithopone, an inorganic white pigment, and supplied organic chemicals to the textile industry.

Between 1900 and 1919, Sherwin-Williams revenues soared from \$2.3 million to \$34.2 million. This performance reflected both the booming growth of the economy and Cottingham's relentless drive to enlarge the business. During the war, for example, the company not only supplied huge amounts of coatings for ships and military purposes, but it also extended the range of its commercial businesses. Between 1911 and 1914, Sherwin-Williams opened its first retail stores carrying the company name outside Cleveland, in San Antonio, New York, Pittsburgh, Peoria, and Fort Worth. These stores were not designed to compete with wholesale dealers but rather to support them by serving as a source of inventory and a testing-site for new ideas and techniques in merchandising.

Sherwin-Williams also completed two significant acquisitions during World War I. In 1917, it purchased the Martin-Senour Company of Chicago, a well-known maker of premium quality paints. Two years later, Sherwin-Williams acquired Hemingway & Company, a Bound Brook, New Jersey-based chemical maker. All of the companies Sherwin-Williams purchased continued to operate as independent subsidiaries, each with its own brands and lines of products; its own research, manufacturing, and sales organizations; and its own distribution outlets.

At the close of World War I, Sherwin-Williams was a company remarkably changed from its early decades. It now supplied a enormous variety of coatings and chemicals from factories throughout the United States and Canada, and in England. It was a giant manufacturing corporation, functionally-organized and vertically integrated from extraction of raw materials through to final distribution of products to consumers. With sales of more than \$34 million, it was also a vast enterprise that was making good on its promise to cover the earth.