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Concept for G
H. K. Porter Compa

THOMAS MELLON





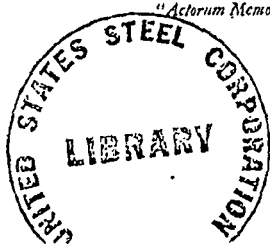
"Were American Newcomen to do naught else, our work is well done if we succeed in sharing with America a strengthened inspiration to continue the struggle towards a nobler Civilization—through wider knowledge and understanding of the hopes, ambitions, and deeds of leaders in the past who have upheld Civilization's material progress. As we look backward, let us look forward."

—CHARLES PENROSE
Senior Vice-President for North America
The Newcomen Society of England

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This statement, crystallizing a broad purpose of the society, was first read at the Newcomen Meeting at New York World's Fair on August 5, 1939, when American Newcomen were guests of The British Government

"Actorum Memores simul affectamus Agenda"



A NEW AND DYNAMIC CONC

H. K. Porter Com

An Address at Ne



AMERICAN NEWCOMEN, through numerous industrial organization have been notable, both in the U and in Canada. Such a Newcomen dealing with a corporate enterpri graphical and economic diversity

the designation: "A New

Concept for Gro

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THOMAS MILLON EVANS

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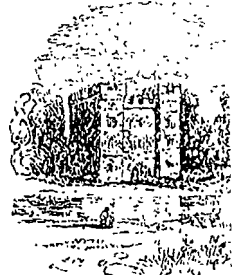
First Printing: April 1955
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This Newcomen Address, dealing with the history and contributions of H. K. Porter Company, Inc., was delivered at a National Newcomen Dinner of The Newcomen Society in North America, held in Ballroom of The Pierre, at New York, N.Y., U.S.A., when Mr. Evans was the guest of honor, on April 21, 1955



SET UP, PRINTED AND BOUND IN THE UNITED STATES
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INTRODUCTION OF MR. EVANS, AT NEW
BY GEORGES. MOORE, EXECUTIVE VICE-PRESIDENT
NATIONAL CITY BANK OF NEW YORK; MEMBER
COMMITTEE, IN THE NEWCOMEN SOCIETY

My fellow members of Newcomen:

THIS evening we shall hear an address told by an unusual individual. The concern he speaks for, H. K. Porter Company, Inc., the concern he speaks for, is merely sixteen years of age, yet, in a sense, is merely sixteen years old. Evans will tell of the various divisions of the organization, which range in age from five hundred years, is extraordinary. It will be in his early forties.

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The story of the rebirth and growth of achievement rarely matched in these United States in recent years. Yet, while the vision was Evans, the organization he has built is in any sense a one-man effort. Behind him is a staff, and at each of the respective divisions their fields and who complement Tom Evans' versatility that makes his organization successful in business.

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Tom Evans is a Pittsburgher by birth and his business headquarters are there, although his various enterprises spread throughout the Nation. His friends say that while attending Shadyside Academy he preferred to read financial and industrial manuals, while they read fiction. At Yale, he majored in economics and was graduated into a world sorely dislocated by economic difficulties in that eventful year, 1931.

¶ ¶

Tom Evans got his first job as a clerk with the Gulf Oil Company in Pittsburgh that same year. It was not long before he decided to forsake the possibility of a lifetime career with Gulf to go into business for himself.

¶ ¶

It was in 1939, while still in his twenties, that he was able to do this. But the story of how he acquired the then-bankrupt Porter company and changed it from a concern manufacturing steam locomotives to one of the most highly diversified in our land, is for him to tell.

¶ ¶

I have been able to watch the literal unfolding of this story—a unique part of our American scene. It is my belief that Porter—and Tom Evans—really are only at the beginning of what is certain to be an even more interesting tale to be told at some future date.

¶ ¶

Gentlemen, I am pleased to present to you the President of H. K. Porter Company, Inc., my friend: THOMAS M. EVANS.

¶ ¶



My fellow members of Newcomen:

Our Company was founded eight years ago by Kirke Porter with twenty thousand dollars of his father's gift; our Company started. Today it has become a concern formed in 1866, except that business is serving industry.

¶ ¶

The span of Mr. Porter's life—study for the ministry, service with the Union in the Civil War, a two-year term in Congress in Washington, and fifty-five years of business. He left behind him not only an outstanding financial success but a fine reputation for charitable, civic, and religious activities.

¶ ¶

During his entire business career the name of Porter & Bell, manufacturers of steam locomotives used in factories, mills and mines.

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At present Delta-Star is doing considerable work in the field of atomic energy. Its most recent effort in that field, completed in late January, involved equipment used in supplying power to the Atomic Energy Commission's new Portsmouth, Ohio, project. There, Delta-Star's 330,000-volt switches and 6000-ampere metal-enclosed bus went into operation.

❧ ❧

Our next acquisition was Connors Steel in Birmingham, Alabama. When the opportunity was presented for us to purchase Connors Steel, we felt that the rapid growth of the South and the relative shortage of steel-making capacity in that area made it an extremely attractive one.

❧ ❧

Connors was founded by George W. Connors, Sr. in Helena, Alabama. Previously, in 1901, Mr. Connors had been one of the founders of the Atlantic Steel Company in Atlanta, Georgia. But he wished to have his own company and so moved over to Alabama in 1908 to form Connors Steel. The original products of Connors were cotton ties, barrel hoops and light mine rails. Connors later expanded into hot rolled strips, then into concrete reinforcing and merchant bars, and light structural shapes. After considerable experimenting, Mr. Connors discovered that rail steel products could be rolled successfully on a continuous mill; the process was patented by him. Later, Connors Steel expansion increased rolling capacity and added electric furnaces.

❧ ❧

Within eight weeks after our purchase of Connors, we received a Certificate of Necessity for facilities costing more than two million dollars. It was applied to a four-fold objective: increased capacity, enlarging the product range, improved quality, and modernization of existing facilities. Today, Connors is a shining example of Southern business progress with a fine plant, a fine future in a fast growing industrial area. A current phase of Connors' expansion program is the manufacture of cold-drawn electric furnace steel which will be the first such material to be produced in the South.

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Towards the end of 1930 we had three separated divisions in Philadelphia, Chicago, and New York, in three different fields: industrial rubber, steel, and machinery. Our next decision to be made was: "Where should we be here?" And that question brings us to the present division in point of years, founded in 1848, and continued in 1952.

❧ ❧

The Watson-Stillman Company was founded by John Watson, who built a small factory on Market Street, on the lower East Side, to make steel jacks, lever punches and shears. Mr. Lyor of his employees, Messrs. Watson and Stillman, which pioneered in the design and manufacture of equipment.

❧ ❧

Old advertisements tell us that back in 1848, hydraulic presses gave purchasers "an easy way of pressing oil from fish, cider from apples, and so on." Their capacity rating was in terms of fish: "The capacity of one machine which was capable of pressing THREE HUNDRED THOUSAND Fish in ten minutes."

❧ ❧

On a Sunday afternoon in late March 1904, at Madison Square Garden, Messrs. Watson and Stillman gave their first national fame—or is it notoriety?—in cooperation of the Barnum & Bailey Circus, of millions of people riveted to their new Stillman Company's hydraulic weighing machine. The "relative pulling strength of men" in the experiment were horses, camels, elephants. Newspapers reported that one hundred men registered a combined pull of 6700 pounds; two camels pulled about half that, and one elephant pulled about half that.

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Alloy Metal Wire, founded in 1919 in Yonkers, New York, moved to its present location in Prospect Park, a suburb of Philadelphia, in 1924. It produces stainless, nickel, Inconel and Monel wire, rod, and strip in a wide variety of sizes.

¶ ¶

The McLain Fire Brick Company is an outgrowth of a concern founded in the early part of this Century. Its six mines and plants are located in Pennsylvania and Ohio, with headquarters in Pittsburgh. McLain is the largest producer of "pouring pit" refractory brick in the United States of America. It has pioneered in the development of hot tops used on ingot molds in the production of quality steel.

¶ ¶

While most of our divisions have been established for many years, the one-hundred-and-eleven-year-old Laclede-Christy Company is our oldest. Its greatest period of growth was in the late years of the Nineteenth Century when it developed a radically new process in the manufacture of fire brick—the dry press method. Considered impractical by the industry at the time of discovery, it now is one of the most economical means of fire brick manufacture. Laclede-Christy pioneered in research among refractory manufacturers. In combination with McLain, we have the third largest refractory business in a field of forty-three.

¶ ¶

And that brings us almost up to date. Last November we purchased The Riverside Metal Company, also more than a century old. Actually, this is an instance of the child becoming more prominent than the parent, for the original concern of which Riverside is an outgrowth was the Keystone Watch Case Company, now its subsidiary.

¶ ¶

In 1853, Keystone's James Boss filed patents on his process for making gold-filled watch cases. Boss felt that watch cases could be both less expensive and more durable. He combined sheets of metal—gold and brass—and stamped watch case parts from them.

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In this way he laid the foundation Riverside—supplying high-quality, novelty of uses. An interesting sidelight in the manufacture of pennies and nickels for The rounded pieces of bronze and cup Philadelphia mint where the final mint. During the Second World War, Riverside for our military. Riverside is the world phosphor bronze wire and is a major steel alloys.

¶ ¶

That is the picture of H. K. Porter (ment. But, before telling you something future, it would be amiss for me to let a few words about the men who make an organization is no better than those most important elements. Time does not the names of all key personnel; suffice pointed out earlier this evening, each Managers is an expert in his field and responsibility for his divisional activities duction and sales. Similarly, we have a offices in Pittsburgh. I do want to sing officers here tonight: C. R. Dobson, our I Frank A. Rehorst, our Secretary; and Jaurer. These are the men who coordinate divisions, and who are invaluable to our

¶ ¶

At this time, I want to say a few words agement. We are firm believers in de-head-office staff consists of less than forty counting and secretarial personnel, even all of our divisions now totals more than

¶ ¶

Naturally, there are certain instances with various divisions, and in those cases we have

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give you a specific example, certain sales personnel with Leschen also sell the Quaker products in their territory; our export departments at Quaker and Watson-Stillman are now operating as a single unit. But, by and large, we have found that in a diversified business *de-centralization* is the answer.

“ ”

The question frequently is asked of me: “What is your goal?”, or perhaps: “Do you have a definite spot at which you are aiming?” The answer isn’t simple. Today, in order to survive, we feel that a company must be relatively big to compete with the giant corporations. In this economic era if you stand still you are actually falling back. If you go ahead slowly you are doing little more than standing still. With the tremendous resources in selling, research, planning, and manufacture of the very large organizations, smaller companies are faced with only two alternatives: growing, or remaining as they are, which we feel eventually means falling behind, if not finally going out of business.

“ ”

So far, we have found that it is easier and less expensive to buy a company and to develop its potential than to start something brand new. As long as this condition continues to exist we expect to continue our acquisitions from time to time. The very obviousness of this evidently blinds people to its practicality. Think of the tremendous expense and effort, if, for example, any of us today wished to start a new steel manufacturing concern in Birmingham, or elsewhere, similar to our Connors Steel Division. Actually, our Connors plant in Birmingham does not occupy a great deal of space, less than 15 acres. Its research laboratory is less than the size of this room. It has some 500 employees. To start such a company would take considerable time and money merely to staff its upper echelons. It would take, no doubt, close to two years to build and put into operation such a plant, and then, of course, customers would have to be developed.

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How much quicker and usually more chase a concern in a given field and thus engineering staff, technical knowledge, plant,

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The pattern that our business has followed. All of our products are sold to industry garden hose and plastic pipe, which are industrial rubber business.

“ ”

By a rough rule of thumb, we have production equipment, industrial rubber, refractory count for about eighty percent of our sales, the rest being in the miscellaneous metal fabrication.

“ ”

We feel that Porter is contributing something when we inject new life and very often new established concern. Because of the difficulty of improvement or expansion in a concern, combining with a stronger concern about the only available solution for the development of the company.

“ ”

We do not think it is unusual that we have a variety of products. We feel it actually adds to the company. When one division or line of production gets into price wars, overproduction, or lessened demand and consequently has no earnings, other divisions do very well. In an economy based on high production a division is presently more than 50 percent of the total. The banding together of o

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not only provides safeguards for employees, but also for our customers as well as our stockholders.

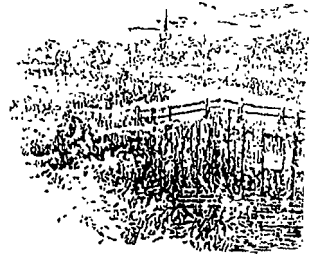
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In closing, may I thank you for your attention, Mr. Moore for his kind introduction, and Dr. Penrose, who made it possible for us to tell our story to you.

THE END

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“Actorum Aleiores simul affectantur Agenda!”



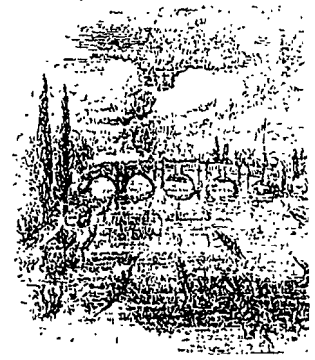
THIS NEWCOMEN ADDRESS, dealing with contributions of H. K. PORTER CO delivered at a National Newcomen Dinner, Newcomen Society in North America, held in N.Y., U.S.A., on April 21, 1955. Mr. Moore, of honor, was introduced by GEORGE W. BROWN, Vice-President, The First National Newcomen Society, New York; Member of the New York Company, Newcomen. The dinner was presided over by SENIOR VICE-PRESIDENT FOR NORTH AMERICA in this international Society.

“ ”



"During Henry Kirke Porter's entire business career the Company, under the name of Porter & Bell, manufactured steam switching locomotives used in factories, mills and mines, and, incidentally, even to haul the old 'el' trains here in New York. The original plant capacity was fifteen to twenty-five locomotives a year."

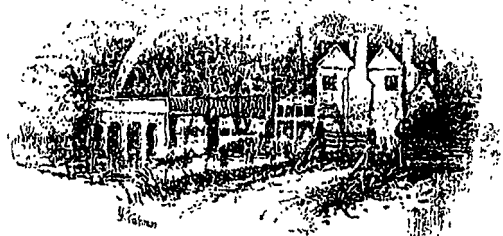
—THOMAS MELLON EVANS



"We feel that Porter is contributing to the economy when we inject new life and new capital into an old and established business. The difficulties in raising new capital for expansion in a smaller, closely held company with a stronger concern is often the only available solution for the continuation of the company."

—THOMAS MELLON EVANS





AMERICAN NEWCOMEN, interested always in industrial and economic history and in the contributions made by leaders in fields promoting America's material progress, takes satisfaction in this highly informative, consistently human, and altogether satisfying Newcomen manuscript. American Industry and American leadership, from early days, have gone forward as a result of brilliant initiative, rare courage, and mellowed judgment—whatever the enterprise. Such is the corporate life-story you have read!

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THE NEWCOMEN in North America

MORE THAN 30 years ago, the late L. York, then dean of American railroads, now known as "American Newcomen," distinguished from political history: Its growth, development, contributions, and influence in Communication, the Utilitist, Mining, Agriculture, Insurance, Education, Invention, and the Law fields. In short, the background of those facts contributing to the progress of Mankind.

The Newcomen Society in North America headquarters in Uxbridge Township, Chester countryside of Eastern Pennsylvania and 32 miles. Here also is located The Thomas Newcomen L. for research and dealing with the subjects of invention.

Meetings are held throughout the United States at which Newcomen Addresses are presented by These manuscripts represent a broadest coverage involved, both American and Canadian.

The approach in most cases has been a life-interpreted through the ambitions, the success achievements of those pioneers whose efforts in particular enterprise.

The Society's name perpetuates the life and (1663-1729), the British pioneer, whose valuable to the newly invented Steam Engine brought to the Mechanic Arts. The Newcomen Engines, which to 1775, paved a way for the Industrial Revolution preceded by more than 50 years the brilliant famous James Watt.

Q Q

Members of American Newcomen, when by the Dartmouth Newcomen Association Thomas Newcomen at Dartmouth in Scotland, where the festival of "Newcomen" each year on the anniversary, August