

Cleveland

General Cost

Chicago

March 7, 1940

W A Miller

Growth of Chicago Factory

Replying to yours of March 6, I hand you herewith a brief outline covering the growth of the company, which I have used for a number of occasions. This contains some items particularly representing the capitalization and value of sales, which might well be treated with more or less confidence.

However, it does give you a comprehensive picture of the growth of the business.

Now answering your questions more specifically, the purchase of the Calumet Plant in 1888 covering nothing more than one building in which the present "B" department is located. It was only two stories. I have no record of the number of mills, but do know that the factory at that time manufactured a few paints, mostly for use by the Pullman Company.

There were no facilities for manufacturing varnish at that time. I may be able to trace when manufacture of varnish was undertaken, but will not delay my reply for this research.

Mr Martin came into the business with the Calumet Paint Company. Additional land was purchased from the Pullman Company in 1900, and while I have no definite record, I believe that varnish manufacture was started at that time.

The Chicago Warehouse was moved to a new warehouse building in Kensington in 1903. This is the building still occupied by the office and stockkeeping department.

It was in 1903 that dry color manufacture was moved from Cleveland to Chicago, at which time insecticide production was also undertaken, the first insecticide being Paris Green, following shortly after with Arsenate of Lead and Lime Sulphur.

In 1907 large additions were made, and it was this year that the building housing A, C and D department was erected. There were other large additions made during this time, including the first varnish storage building. During 1909 considerably more land was purchased, at which time the White Lead Department was started. Operations in making White Lead began in 1910.

In 1914, as you know, we first undertook the manufacture of Intermediates. This followed immediately after the outbreak of the war. The decision to enter this business was made by the Manufacturing Committee on the very day in August that the newspapers carried the announcement that the Germans had invaded Belgium.

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The first work was done in Chicago in the Dry Color Department on Beta Naphthol, Robert Brown in charge. He reported progress weekly to the Manufacturing Committee. Everything was going along beautifully until along in October we got a letter advising that in the last stage of the operation the whole batch was spoiled and everything went wrong.

It was soon quite apparent that the Dry Color Department staff was so much occupied in making dry colors that they could not successfully develop manufacturing processes for Dyes and Intermediates. You know more or less of the chemists who were engaged, of the frantic attempts to speed up buildings and equipment and of the terrific amount of work which was undertaken in getting started in this new field. Everything was sacrificed to speed, and the various divisions of the CP Department were erected in rapid succession.

Time does not permit me to cover this fully, but it is a very interesting and romantic story. Just as one highlight, we had been paying about 40¢ a gallon for toluol for making stains. Shortly after the war started English and French were in the market buying this for TNT. The price went up to as high as \$4.00 a gallon. We sold all of our holdings and contracts. Later, wanting to manufacture toluidine, we bought toluol at something over \$2.00 a gallon and were delayed in the production, and supplies ran ahead of consumption and the market declined much below our contract price. You remember the toluidine plant blew up and we had a bad fire.

Also in 1914 we started to manufacture coal tar products. Early in 1927 we began the production of acetic acid.

This I think covers the high spots, and I trust will be sufficient for you to round out an interesting story.

General Supervisor of Costs

WRS:D

0007-SWP-043941

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In 1914, as you know, we first undertook the manufacture of intermediates. This followed immediately after the outbreak of the war. The decision to enter this business was made by the Manufacturing Committee on the very day in August that the newspapers carried the announcement that the Germans had invaded Belgium.

0007-SWP-043942

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General Supervisor of Costs

WRS: D

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