

TRAINING COURSE FOR REPRESENTATIVES OF

THE SHERWIN-WILLIAMS CO.

TEXT No. 1

ORIGIN AND DEVELOPMENT

OF

THE SHERWIN-WILLIAMS CO.



THE EMBLEM OF QUALITY

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THE SHERWIN-WILLIAMS Co.

Our Company was founded in July, 1866, by Mr. Henry Alden Sherwin, and was located at 118 Superior Street, Cleveland, Ohio.

The business consisted in retailing paints, varnishes, oils, etc.

Starting in so inconspicuous a way, the subsequent immensity to which the business has grown will be almost impossible to understand without knowing something about the character of Henry Alden Sherwin. The history of The Sherwin-Williams Company is unique in that the living personality of the founder is indelibly stamped upon it.

His personality was made up of three powerful characteristics—integrity—thoroughness—enthusiasm. At its very inception The Sherwin-Williams Company took on the design of the character of its founder, and from this high standard it has never departed.

This explains how, throughout the world of business, our Company has come to have a reputation distinctly excelling. Said Mr. Sherwin, "It was always my endeavor to do everything I could to establish a GOOD REPUTATION by giving GOOD MEASURE and GOOD QUALITY, and to avoid every trick that would save a penny at the expense of the other fellow."

Far sighted, he planned for permanence. And he believed that permanence was possible only by BUILDING THE FOUNDATION upon INTEGRITY. For, said Mr. Sherwin, "In the long run honesty pays—and we are in business for the long run."

Fully confident that the business would continue to grow, Mr. Sherwin gathered about him men of like ideals and integrity and shortly Mr. Edward Porter Williams became associated with the Company. Making hosts of friends, Mr. Williams made an invaluable contribution to the development of the Company by his enthusiasm and business ability. As Mr. Sherwin said in his Golden Jubilee Message, "Mr. Williams brought to the business that ability, energy and support which was so required when we were growing so fast." This was in 1870. The same year, Mr. Sereno P. Fenn joined the organization, taking charge of its bookkeeping, bringing with him the gift of financial insight. A new partnership was created, in 1870, under the name of Sherwin, Williams and Company. Then came Mr. A. T. Osborn, Mr. William Hogarth, G. H. Griswald, William H. Glover, John F. Weare and J. C. Beardslee and others, each of whom contributed to the upbuilding of the business.

Our Company had its origin at a time when basic principles and proper methods of paint-making were still unfixed and little progress had been made, but about this time the repeated attempts to produce a reputable prepared paint seemed to promise success. One paint manufacturer after another had stirred the industry with hope only to have his product tested by the public and rejected. The difficulty seemed to be that no formula could be found that would make prepared paint chemically possible.

"Patent Paint" had been offered the public but "Patent Paint" was not a good paint. In fact it was so poor that the public attitude toward "Patent Paint" (as all prepared paint was then called) had become quite as suspicious as it did later toward "Patent Medicine." This attitude was justified because the makers of "Patent Paint" made unreliable claims which could not possibly be supported.

And so, it was in this creative period of paint manufacture that our Company was founded—destined to produce a reliable prepared paint in liquid form containing, as it were, the sturdy dependable qualities characteristic of the founders.

The paint made by our Company was offered as the BEST PAINT made. WE CLAIMED IT TO BE THE BEST PAINT MADE BECAUSE OF THE CHARACTER AND QUALITY OF ITS RAW MATERIALS, THOROUGHNESS IN GRINDING AND MIXING, ITS WEIGHT, UNIFORMITY, COVERING CAPACITY AND EASE OF APPLICATION, AS WELL AS DURABILITY.

The manufacture of paint was begun in 1873 in a building purchased by the Company located at 601 Canal Road, Cleveland, Ohio—the site of the present main executive offices.

The favorable reception of the paint produced by Sherwin, Williams and Company was due to its QUALITY. From then forward the development of our Company has been one of continuous progress. Indeed, we were starting upon a paint career which, because it was founded upon integrity, would one day become the standard by which all other paint manufacturers should be judged.

We are the evolving result of the determination of our founders to produce the best paint possible to make and sell at a reasonable price. WHOEVER WOULD SEEK A BUSINESS CAREER WITH THE SHERWIN-WILLIAMS COMPANY WILL FIND THIS BELIEF ROOTED IN THE HEARTS OF OUR PEOPLE—THAT WE TODAY HAVE THIS GREAT HERITAGE—THE SHERWIN-WILLIAMS COMPANY—BECAUSE OUR FOUNDERS ESTABLISHED THE BUSINESS UPON THE ROCK FOUNDATION OF SOUND BUSINESS PRINCIPLES. Not otherwise can the Who, What and Why of our Company be explained.

The first formula produced called for Strictly Pure Raw Umber in Oil. So determined and conscientious had been the efforts of our founders to produce a quality product, and so successful, that the later developments in our formulas and methods have upheld the genuine purity of paint produced by this original formula. The product was in paste form. The formula is still active and produces our "First Quality Colors in Oil" NO CLAIMS THAT WERE UNRELIABLE WERE EVER MADE BY US CONCERNING OUR PRODUCTS.

Ever keeping in mind, then, the genuineness of the product, the dependability of the claims made as to what the product was and what it would do, we find that in the first year of manufacture the Company worked out 83 different formulas.

A variety of formulas was necessary in order to produce products which would fit the variety of requirements; 450,000 pounds of paste paints were produced in the first year. In a later text the evolution of our various products will be discussed. In the meanwhile, let us get clearly before us the picture of conditions which caused the evolution of our products.

In the first place, having succeeded in making good paint, the next proper step was to produce a good paint for every possible purpose—for it was obvious that good paint for a decorative mantel may not be good paint for a freight car or a floor or a carriage; conditions were different, therefore a different paint was required, while other paint manufacturers were content to produce paint very much as Patent Medicine manufacturers produced a bottle of Patent Medicine carrying a promise that its contents could with equal effect be used internally or externally. Many users found such claims to be true—the effect actually was equal, because there was none.

OUR COMPANY WAS CONTENT ONLY WITH QUALITY. Therefore, with the coming of different requirements, the management saw that existing machinery simply could not produce a product representative of its ideals. Right here we observe a move so characteristic of our Company: i. e., IF PROPER EQUIPMENT OR RAW MATERIALS CANNOT BE SECURED WE WILL MAKE THEM OURSELVES. And so the Company proceeded to make its own machinery, for machinery plays a very important part in modern paint and varnish making. In our plants today, the grinding and mixing machines are practically all of our own design and made in our own machine shops at Cleveland, Detroit and elsewhere. Many of the appliances in our various factories are of our own designing. THEY PRODUCE RESULTS WHICH CANNOT BE OBTAINED BY ANY OTHER MEANS. These machines and appliances constitute one of the most valuable assets of our business and are responsible for a large part of the quality found in our products.

In 1876 the Company acquired its own printing facilities which developed finally to be one of the most complete printing departments ever operated by an industry.

Our Company was the first in the industry regularly to use a chemical laboratory to gain better information about paint materials. Constant study by means of these research facilities has helped us to find the exact requirements of our customers and to maintain UNIFORMITY in the quality of our many products.

This, from the very start, was the ideal of The Sherwin-Williams Company: To make good paint, then be the first to make a better paint, and above all to study to assist the consumer who needed a paint or varnish product but who did not know how to determine the requirements.

The year 1880 stands out as most significant, for in this year a special paint was produced especially adapted for use by the householder inside as well as outside. The name of this paint was Sherwin-

Williams Paint. Prepared; later called S W P. It was the last word in paint. So well liked and so full of quality was S W P that today there is no country in the world that does not use this paint. S W P did more to educate the public to a belief in the soundness of the theory and practicability of prepared paint than any other paint ever produced.

The name Sherwin, Williams and Company was changed to The Sherwin-Williams Company, December 1, 1883, and its capital increased to \$750,000.

Wood Stains and Paste-Wood Fillers were first made in 1884.

The Cleveland plant was almost completely destroyed by fire May 10, 1884. But land was at once purchased and a new building erected.

In 1886 Roof and Bridge Paints were first made.

The outstanding feature of this period was the acquisition of the Calumet Paint Co., located at Calumet, now Kensington, Ill. Its chief importance lay in its having given to us the man who today is our President, Mr. George A. Martin, and it is the nucleus from which has grown our present great plant at Chicago, occupying 34 acres.

There followed immediately an enormous expansion in the manufacturing of Railway and Marine Paints. Expansion was necessary in order to meet the demands for our products. Accordingly an office and warehouse were established in New York and an office was opened in Boston. Continually finding it necessary to increase our manufacturing facilities and distributing points, a Canadian agency was placed with Walter H. Cottingham Company, Montreal.

An important step was taken at this time in the creation of a "Publicity Department" which corresponds to the modern Advertising Department. The department was in charge of Mr. George Ford, the originator of the "Cover-the-Earth" design. During this period The Sherwin-Williams Company's Mutual Benefit Society was formed. The Cleveland Box Company was formed for the purpose of making our own boxes.

Buggy Paints and Enamel Paints were first made in 1894. Driers, Japans and other treated oils having been manufactured prior to 1896, our Company enlarged the facilities for varnish making, at the same time improving the equipment, so that by 1899 we were ready to offer to the public a full line of varnishes containing those same high-quality characteristics—uniformity—reliability, which had made for our paints a world-wide reputation. The history of the varnish business in America shows that in the early period of manufacture (about 1800) the difficulties were no less serious than those encountered in paint manufacture. Moreover the suspicion on the part of the public regarding the reliability of varnish was quite as pronounced at the beginning as that regarding prepared paint. As in paint, so in varnish, there were manufacturers who stretched their imaginations in making claims for their

varnishes. There was need, therefore, for good varnishes based upon quality and dependability. One particular varnish manufactured by our Company in this period gained an outstanding reputation; this was Kopal. Its popularity was due to its suitability for all-around purposes. The uniformity of its quality assured the public of its dependability. So diligently did we safeguard quality that when we found that our stock of matured or aged varnish (this requires from 6 to 8 months) was depleted, we declined further orders rather than market a premature product. "Safeguard the integrity of products" is a term written into the very cornerstone of our institution.

Those who seek association with our Company will miss completely the underlying inspiration of our institution unless they see clearly that our enviable position in the paint and varnish industry has been continuously due to our rigidly adhering to the principle of quality.

1894-1899—Perhaps the most important move during this period was the formation of the Walter H. Cottingham Co., and the Cottingham Varnish Co., Montreal, Canada. These companies were formed to manufacture The Sherwin-Williams Company's products in Canada. In 1895 these companies were reorganized as The Walter H. Cottingham Co., Ltd., Montreal, Canada.

Mr. Walter H. Cottingham was made a Director of The Sherwin-Williams Co.; and Manager of its Canadian business. At the same time (1897) The Walter H. Cottingham Co., Ltd., came under the control of The Sherwin-Williams Co.; depots were established in Toronto and Kansas City, while in Cleveland and Montreal extensive additions were made to our plants.

Dry Colors were first made at Cleveland in 1896. Wagon Paint was first made in 1896; Copper Paint and Oil Stains in 1897, followed by Porch and Deck Paints in 1898 and Screen Enamel in 1899.

If we are impressed with the demands for our products at this time, we shall be amazed at the tremendous undertakings in the period 1900-1908. At the start of this period the capital was increased to \$1,500,000, followed immediately by a further increase to \$2,500,000. A plant was erected in Newark, N. J., 1901; Sales Divisions were established in San Francisco and Kansas City, with offices and warehouses. Warehouses were opened in Minneapolis and Winnipeg, Canada.

Diligently carrying out our ideal that we must make not alone a good paint but the BEST paint; that if any improvement could be discovered to IMPROVE EVEN THE BEST, we should be first to discover it, a linseed oil plant was built in Cleveland (1902). The Sherwin-Williams Co. had early seen that with increasing complex requirements it was possible to maintain quality and uniformity only by manufacturing their own principal raw materials. Linseed Oil being such an important part of paint, The Sherwin-Williams Co. would make its own. Lead and Zinc

being the body just as Oil is the soul of paint, our Company proceeded to buy Lead and Zinc mines and smelters, particularly for the purpose of controlling the character of the zinc oxides required for our products.

The deep ethical principle that was impelling The Sherwin-Williams Company's growth was powerfully operating at this period: i. e., IF YOU CANNOT PRODUCE QUALITY, RELIABILITY AND UNIFORMITY WITH KNOWN MATERIALS AND MACHINERY THEN EITHER CREATE NEW RAW MATERIALS AND INVENT NEW MACHINERY, or go out of business.

There followed early in this period the acquisition of Lewis Berger & Sons, Ltd., London, England, makers of high grade colors and paints and varnishes, established in 1760. This gave our Company possession of many secret formulas for colors, varnishes, etc., of high reputation.

In 1903 Mr. Walter H. Cottingham was elected Vice President and General Manager of The Sherwin-Williams Co. A Sales Division was established in Cincinnati, and a warehouse in Savannah. At the same time the Dry Color Department was moved to a new and much larger plant at Chicago (1903).

In July, 1905, a far-reaching appointment was made, when Mr. George A. Martin was made Manager of all Auxiliary Departments—Mines, Smelters, Linseed Oil, Tin Can, etc. There followed almost immediately the erection of linseed oil, paint and varnish plants in Montreal. The better to facilitate the distribution of our products, depots were established in Buffalo and Omaha, and a Sales Division was created at Philadelphia. At the same time a new warehouse was built in Winnipeg, Canada. Winnipeg Depot was made into a Sales Division.

In 1907 came a financial panic which took its toll in the ruin of many corporations. The Sherwin-Williams Co. passed through the ordeal without harm to its credit. In fact, while the panic was at its worst, The Sherwin-Williams Co. was laying plans for further expansion. In spite of the panic our Company enlarged the Chicago Plant and the smelters at Coffeyville, Kansas, while Omaha was changed from a Depot to a Sales Division. While other companies were withdrawing their salesmen from the road, this Company added thirty men.

The fine business judgment of the leaders of our Company and the excellence of the reputation of our Company are at no time in its history more prominently in evidence than at this time. For in the year following, we quickened our expansion and increased our capital to \$6,000,000.

It would seem that with all the expansion so far effected between 1866 and 1908, there could be not much more room for further enlargement, yet the period 1909-1916 fairly hummed with action. There was no question whatever about our products being the best made, for our

consumers had tried and approved them for one-third of a century. Our reputation was unimpeachable, our goods unexcelled, for our leaders had gathered about them men who had no superiors in the knowledge of paint and varnish manufacture.

Mr. Henry Alden Sherwin, having been President of our Company for 33 years—33 years crowned with enviable success—became Chairman of the Board of Directors in 1909. Mr. Walter H. Cottingham succeeded Mr. Sherwin as President. The capital was increased to \$8,000,000.

Conscious of the responsibility and aware of the vast heritage which was entrusted to him, Mr. Cottingham proved his ability. A "dynamo" of energy, he was especially remarkable for his ability to think "straight to the point" and form almost intuitively business judgment that was close to being infallible. This was no mysterious gift—Mr. Cottingham had acquired knowledge of the business through diligent application. It was in his supreme knowledge of the business that his power lay.

In 1909 Mr. S. P. Fenn, in addition to being Treasurer, was elected Vice President. Distributing depots were established in Pittsburgh, Houston and San Antonio, as well as in Vancouver, B. C., and New Orleans. St. Louis was made headquarters of the Mississippi Valley District.

In 1910 The Detroit White Lead Works was acquired, with paint, varnish and color factories in Detroit. A White Lead Plant using the Dutch process was erected in Chicago. This plant supplied all the White Lead used in the manufacture of paints and put O. D. P. White Lead in Oil on the market. At this time a Dry Color Plant was built in Newark, N. J. Lime-Sulfur Solution was added in 1910. Up to this time many lines had been added, such as Floorlac, Floor Wax, Aluminum Paint and Machine Paints, Fillers, Shellacine, Crack and Seam Filler, Commonwealth Barn Red, Enameloid, Metalastic, Mar-not and Dry-O-Nite, Sheep Marking Liquid, Snow White Enamel, Polish-Ol and Taxite. There had been added also a complete line of Insecticides—Paris Green, Arsenate of Lead, etc.

In 1906 Flat-Tone was made, also Handcraft Stains, Shingle Stain and Ebonol. Flaxoap was put on the market in 1908, and in 1909 Concrete Finishes were added. Old Dutch Enamel came out in 1910.

In 1911 our Canadian District and Lewis Berger & Sons, Ltd., of England, were separately organized as The Sherwin-Williams Co., of Canada, Ltd., and the Dallas Sales Division was made the Texas District Headquarters.

In 1912 a new plant for separating ores was built at Magdalena, New Mexico, and warehouses were opened in Denver and Indianapolis.

In 1913 the capital was increased to \$9,000,000, and in the following two years distributing depots were opened in Baltimore and Albany, and a city warehouse was opened in Chicago. At this time Commonwealth Barn Gray, Carbolic-oil, Soaps and other Cleansers, Bras-Brite, Scar-not and Rexpar were added to our already long line of accomplishments.

In 1914 came the manufacture of Coal Tar Products in one of our Chicago plants, and within the next year production of Phenolene and other disinfectants was begun. Roof Cements, Wood Preservatives, Cattle Dips and other products were also placed in production at this time.

In 1914 came the World War and with it the isolation of our sources of paint dyes, but this situation was destined to change. The Sherwin-Williams Co. was to play the important part in bringing about the development of the domestic production of dyes. Dyes for our paints we had to have, but there were no dyes, nor were there in this country the plants and equipment, knowledge of processes and experience to refine the raw materials even though the latter were all available.

Starting out then to make dyes for our own requirements, our Company launched an inexhaustible research, bringing into play all the facilities and technical talent of our laboratories and engaging many new men for research work. We learned how to produce dyes required for the paint industry and then found many of these products were required also in the manufacture of printing inks, textiles, patent leather, and other products too numerous to mention. Immediately there came a heavy demand for our dyes from American and foreign manufacturers. Quality and reliability marked our dyes just as they marked our paints and varnishes.

It was evident that the remarkable development of the Company was not due to circumstances or chance, but rather to certain definite principles. These principles came to be codified and today these high ideals are the inspiration and practice of our Company.

THE SHERWIN-WILLIAMS (CO.) 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.

THE FOUNDATION OF OUR BUSINESS

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The year 1916 marked the fiftieth anniversary of our Company. A fitting celebration commemorated the occasion. Hundreds of our representatives were brought from all parts of the world to Cleveland. This celebration was called "The Jubilee Convention."

Although there had thus far been constant expansion and solid growth, yet there followed in the period 1916-1921 the most progressive expansion in the history of our Company. The capital was increased to \$30,000,000.

In 1917 The Martin-Senour Co., of Chicago, Ill., was purchased, along with The Martin-Senour Co., of Lincoln, Nebraska. This gave the Company a still wider outlet for its linseed oil, white lead, zincs, colors, tin cans, etc.

There followed the erection or enlargement of Lithopone, Coal Tar and Dye Plants at Chicago, Acetic Acid Plants in Chicago and Bound Brook, N. J., and Paint, Varnish and two insecticide plants at Oakland, California.

In 1917 Mr. DeWitt Whittlesey was transferred from the Eastern Department to Cleveland as Director of Sales, at the same time being made a Director. In 1919 Mr. Whittlesey was made Vice President and Managing Director of Sales.

The demand for our products during this period was unprecedented. Accordingly in 1919 Hemingway and Company, Inc., of N. Y., manufacturers of chemicals and insecticides, was purchased, and in 1920 the Acme White Lead & Color Works, with a very large factory in Detroit, was acquired, including branch factories in Dallas, Boston and Los Angeles. This expansion gave us paint, varnish, dry color and kalsomine plants at Detroit, and paint and varnish plants at Dallas, Boston and Los Angeles, and a whiting plant at Boston.

In 1921 Mr. George A. Martin was elected Vice President and General Manager of the Company. In 1922 Mr. Martin was elected President, succeeding Mr. Walter H. Cottingham, who became Chairman of the Board of Directors.

Democratic, an indefatigable worker, Mr. Martin brought to his office an intimate knowledge of all phases of the business, having been connected with the Company for more than 37 years. Mr. Martin has the respect and confidence alike of employees and Directors. In him reside the finest traditions of the past. It is inevitable then that we find in this period the highest development of the Company.

Sales of over seven and one-half million dollars in 1909—the 43rd year of the Company—the following 15 years brought the annual sales to the remarkable figure of \$49,944,846.10, and in 1925 the colossal sum of \$55,166,580.87.

Combined Sales of United States Companies:

1909.....	\$ 7,642,147.13	1918.....	\$27,454,204.28
1910.....	8,952,427.33	1919.....	34,213,647.96
1911.....	9,112,436.53	1920.....	57,112,159.65
1912.....	10,041,465.69	1921.....	40,689,937.41
1913.....	11,164,558.05	1922.....	40,343,742.61
1914.....	10,762,671.57	1923.....	48,721,006.06
1915.....	11,664,402.63	1924.....	49,944,846.10
1916.....	14,709,129.58	1925.....	55,166,580.87
1917.....	17,995,277.06		

Increasingly were our laboratories used for testing and improving materials and discovering solutions to paint and varnish problems which manufacturer and householder alike could not determine for themselves. New uses for paint, varnish and other finishing products were found and with these requirements went specific problems. Our Company made specific paints and varnishes for specific purposes, so that any claim we made for our products the user was confident we could support.

One of the products of far-reaching consequence developed by our Company was Opex—the trade name of The Sherwin-Williams Company's lacquers. This remarkable lacquer is used extensively for the finishing of automobiles and of thousands of other kinds of manufactured products.

In 1873—the first year of manufacture—the production was 450,000 pounds; in 1925, 344,000,000 pounds.

The continuous growth of The Sherwin-Williams Co. may be seen in our development from one paint plant in 1873, to 52 plants in 1925. From one-third of an acre in 1873 we have grown to 650 acres. From 3000 square feet of floor space in 1873 we have developed to 2,501,697 square feet. Starting with a sales force of one man in 1876 we now have a total selling organization of over 700. In 1873 our Company was able to do its business in one warehouse and today it requires about 100 directly controlled distributing houses in the principal cities of the United States.

With factories located at Cleveland, Oakland, Detroit, Chicago, Newark, and other cities of the United States, and with direct connections with factories in Canada, Australia and London, we produce all of the principal raw materials entering into our products, such as White Lead, Zinc, Linseed Oil, etc. We are recognized as operating the most completely equipped Paint and Varnish Research Chemical Laboratories in the world, under the direction of Dr. C. D. Holley and Prof. E. E. Ware, who command the respect of all paint and varnish manufacturers for their knowledge and skill.

The capital structure has grown from \$2,000 to \$30,000,000, in 1920.

During all this period of intricate technical problems, The Sherwin-Williams Co. has maintained its principles of Quality and Reliability.

We are respected by our competitors.

QUALITY in the past, QUALITY today, and tomorrow QUALITY. This is why our paint "Covers the Earth." As President George A. Martin so earnestly puts it, "However remarkable the growth of The Sherwin-Williams Co. in the past, it is our purpose to pass on to the coming generation even a greater Sherwin-Williams Co., and we today, as they of the past, shall continue to be known as an industry built upon the ideals of QUALITY, RELIABILITY AND SQUARE DEALING."

